Management and Employee Perspective on Diversity: A Review Essay

Abstract

The interest of employers about the issue of managing workforce diversity has grown rapidly. A number of articles and books have been written on this issue in almost all parts of the world but yet the findings of the researches are fragmented with respect to definition and ways to manage diversity. This review article on workforce diversity is arranged with respect to definition of diversity, managerial and employee perspective on diversity, diversity training programs, and the causes of failure of diversity training programs. Articles and books covering these aspects of diversity are reviewed in this regard. It is found that disparity in the managerial and employees perspective about the diversity is the main factor behind the failure of diversity training conducted in different parts of the world. Further it was found that the successful achievement of the objectives of diversity training programs, employers should incorporate the opinion of employee representatives.

Introduction

In the contemporary dynamic era of business world and changing demographics situations in the national and multinational organizations, it has become very important for the employers to retain, and manage the diversity in the workforce. Diversity in the workforce makes easy the sharing of differing perspectives and makes the problem solving ability better which is very fruitful in business.

The term “diversity” primarily refers to qualities that differ from person to person (Marsch, 2002). Research shows that authors, researchers and other academics have not been able to agree on one universal definition of diversity (Allen et al., 2004, Cox et al., 1991) However, most of their diversity definitions revolve around various human qualities and characteristics such as demographics, gender and religion (Miller et al., 1999, Farrer, 2004, Pattie, 2006, Oyler and Pryor, 2009).

In an academic context, diversity encompasses different dimensions including origin, race, gender, ethnic group, language, color, attitude, values, beliefs and religion (Rau and Hyland, 2003). A similar list, provided by Kearney et al., (2009) relates diversity to minorities including; women, people with disability and aged people etc. A valid criticism of these combined definitions is that all people are different from one another, which is a fundamental truth (Mannix and Neale, 2005). That brings into play the question of why people should attempt to define diversity. However, diversity is not a simple, easily explained word (Van Knippenberg and Schippers, 2007).

McGrath, Berdahl et al. (1995) created five categories to consider while defining diversity:

a. Demographic characteristics
b. Task related awareness
c. Education and skills
d. Values, beliefs and attitudes
e. Position in the organization

Although these broad categories cover most of diversity variables, but critics still refer to them as imperfect and open-ended (Chatman and Spataro, 2005). The main criticism is that listing two or five variables cannot complete a singular definition of diversity (Mannix and Neale, 2005). Instead, it is ever-evolving and new variables must be added to the literature to completely characterize diversity.

In current section researcher has critically reviewed range of diversity definitions by various renowned researchers(Mannix and Neale, 2005, Emmott and Worman, 2008) in order to understand the concept of diversity and to provide an introduction of diversity to the reader. From above review of definitions it is

Author

Muhammad Ali Gondal
Institute of Administrative Sciences
University of the Punjab, Lahore
Email: maligondal@hotmail.com

Sami Ullah
Department of Management Sciences
COMSATS Institute of Information Technology, Lahore
Email: sami.mgt@gmail.com

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concluded that, diversity refers to any attribute on the basis of which one group of people makes a judgment and considers the other group of people to be different (Williams and O’Reilly, 1998).

A significant section of current research conducted on managerial and employee perspective regarding diversity revolves around three factors; diversity, diversity training programs and causes behind the failure of diversity management programs. This study reviews various recent investigations in literature relevant to afore-mentioned factors.

**Organizational Perspective**

The organizational perspective on diversity is divided into two parts: managerial perspective and employee perspective. The management in most of food retail companies perceives diversity as directly linked to superb organizational performance. The overall perception in most of organizations towards diversity seems to be positive (Mannix and Neale, 2005). However, employees’ perspectives concerning diversity and performance are generally not the same as this managerial perspective. According to Naff and Kellough (2003) many employees may not like to be called diverse and could reject to participate in diversity training programs. Employees may face cultural issues at diverse workplace and could leave the organization (Hofstede et al., 2005). Even though organizations are starting to adopt diversity, some only do this to fulfill certain legal requirements (Hur et al., 2010), while others blindly practice diversity training programs because of their strong believe about the link of diversity and competitive advantage.

In order to get a detailed understanding of both managerial and employee perspectives regarding diversity the researcher has further divided literature review in two different sections (managerial perspective and employee perspective).

**Managerial Perspective**

When analyzing the organizational perspective on diversity, it is important to understand the decision-makers’ perspectives about managing a diverse workforce (Nishii and O’zbilgin, 2007). Mostly, it is management that tends to initiate diversity management initiatives (diversity training programs), making it imperative to analyze their perception of the broad concept of diversity (Dahlin et al., 2005). The diversity training programs initiated in an organization are generally the result of a managerial thinking process (Jayne and Dipboye, 2004). Because of this, the focus of various research studies revolves around the managerial perspective towards diversity and diversity training programs.

Williams and O’Reilly (1998), Bhadury, Mighty et al. (2000), Koonce (2001), and Stark (2001) attempted to explore the concept of diversity in various multinational companies by interviewing different managers and found that, definition of diversity differs from organization to organization as some believe it refers to difference of race, age, religion and disability etc. However other managers relate it to difference of ideas, knowledge, skills and job level.

According to Nachbagauer and Riedl (2002) management in most of institutions perceives that, diversity delivers positive impact as it improves organizational reputation, attracts talented candidates, helps to create mutual understanding in-between workers, creates safe and cooperative working environment and awards a range of options and ideas to solve critical problems.

Gucciardo-Macci and Gonzalez (1998) used the semi structured interviews as research tool and concluded that, many companies practice diversity training programs at place to equip the workers to deal with problematic situation, to bring in creativity and innovation and to use the unique skills of workforce as a strategic mean to gain and maintain competitive advantage in global marketplace.

Majority of the managers in food retail business accepted that diverse members of a working group who were generally ignored and devalued by the previous management were in fact the most valuable assets to the organization (Dandeker and Mason, 2001). The general managerial perception about diversity is that an organization makes a shift from non-diverse businesses to one that reflects the demographic characteristics of the population within all functions and at all organizational levels because of increase in global market competition (Greenberg, 2009). According to Cooper and Dewe (2008) it is mentioned in CIPD survey report in 2007 that majority of companies perceive diversity as a market opportunity rather than a business threat. About 75% of organizations in London believe that diversity management initiatives help to strengthen cultural values at workplace.

Mannix and Neale (2005) created the following categories regarding majority of managerial perspectives of diversity:
1. Diversity brings in creativity and innovation within an organization.
2. Diversity helps to attract talented and motivated candidates.
3. Diversity helps to equip the workers to deal with specific work situations.
4. Diversity helps to create safe and cooperative working environment.

However, only few of the managers stated that diversity can create cultural issues in workforce. Koonce (2001) conducted interviews and found that, majority of companies practiced various diversity training programs including cross cultural communication skills training program, diversity internship program, diversity mentorship program etc in order to reduce chances of cultural issues among diverse workers. Supporting this assertion, Broughton and Strebler (2008) research showed that a diverse organization can only be called a learning organization when it practices diversity training programs to equip diverse workers with required knowledge and skills. Schmidt and Parker (2003) conducted semi structure interviews in order to find out diversity perspective of management in different food retail organizations. They concluded that, knowledge and skills of diverse workers not just add value in organizational development but completely transform it to a learning organization.

However, above mentioned perceptions of management have also been criticized (Allen et al., 2007). Management in most organizations remains unaware of the myths related to diversity (Friday and Friday, 2003). Richard (2000) conducted semi-structured interviews with 5 different food retail managers and found that managers view a diverse workforce as varying from an opportunity, a threat, or a problem to a fad or even a non-issue. They do not even realize that diversity can negatively affect the social identity of people and can raise cultural issues among them (Allen et al., 2007). These disparate opinions lead managers to form distinct perceptions about diversity management, each having its both a cost and potential benefits.

Managerial perspective itself differs from organization to organization. Some may practice diversity management initiatives due to strict legislation while others perceive these initiatives politically correct. Dass and Parker (1999) classified the varying managerial perspectives into the following categories in:

- Resistance Perspective: Managers believe that diversity is a non-issue, they always wish to preserve the status quo; the response is reactive.
- Discrimination and Fairness Perspective: Managers believe that the diversity issue can cause serious problems; their response is defensive.
- Access and Legitimacy Perspective: Managers believe that workforce diversity creates opportunities for the organization and their response is accommodative.
- Learning Perspective: Managers perceive that diversity creates opportunities, but also has certain costs associated with it. Their responses are generally proactive.

Critics claim that when managers allow employees to view affirmative action as a barrier to their own advancement, the employees begin to feel that managers are unfair (Dass and Parker, 1999). However, the majority of academics still claim that the future success of any food retail business remains dependent on the ability of a management to manage diversity (Cunningham, 2009).

It can thus be concluded that, management in most of the organizations strongly believe in the abilities of diverse workers and perceives that diversity is directly linked to organizational performance. The overall view of management is positive towards diversity.

Employee Perspective

Employee perspective may be seen as problematic when compared to the perspectives of management (Hofstede et al., 2005). In a diverse workplace, organizational climate reflects the summary of employee opinions and various organizational systems (Stoner and Russell-Chapin, 1997). The concept of respecting and understanding employees’ perspective has been given extensive importance in many research studies (Konrad and Allision, 2006, Robinson et al., 2004). Employee may refuse to involve in diversity training programs if their perspective regarding diversity is not understood (Mannix and Neale, 2005). Scarlett (2010) stated that measuring the effectiveness of diversity training programs enables an organization to judge the positive and negative perspective of employees towards diversity management initiatives (Scarlett, 2010).

An investigation was done by Syed & Kramar (2009) to understand the social identity of employees. They found that, it is likely for employee perspective to be
opposite to that of managers, and they may dislike being called ‘diverse.’ This is because they might have a different concept of culture and believe that it raises questions about their social identity by separating them from local community (Syed and Kramar, 2009). Neither individual nor collective identities are stable; rather they are continuously recreated through interaction between teams, and between the team and management (Just, 2007).

Stoner and Russel-Chapin (1997) described that, employee job satisfaction correlates with the overall turnover rate and this has a direct link with the diversity management initiatives. In some organizations, employees are not satisfied with the ability of their leaders, managers and their diversity management policy (Stoner and Russell-Chapin, 1997). They are unable to adjust to the norms of a multicultural environment (Ellemers et al., 1997).

In a multicultural work environment, employees may begin to feel that their career development or training is blocked due to ‘demographic’ reasons (Liaqat et al., 2008). These perceptions may have disastrous results for the overall efficiency and productivity of the organization; therefore, the organizations must regularly analyze the perceptions of diverse groups. Reichenberg (2001) conducted a research to understand the employee perspective about diversity training program. He conducted semi structure interviews as a data collection measurement instrument. He concluded that, employees’ perception and attitude toward diversity training programs may not become evident to management immediately because they might not be in sync with the program implementation.

Stockdale and Crosby (2004) discovered that diversity training programs in an organization can revolve around effective cross-cultural communication, diversity training workshops and diversity internship programs. Employees do not like to participate in diversity training program if they have to spend extra time in an organization without any pay (Jehn and Bezrukova, 2004). Employees of modern organizations tend to conceive of diversity as a dynamic and volatile set of practices, which must be constantly recreated (Jehn et al., 1999).

For example, a company introduces cross cultural awareness program to increase employees’ level of awareness about each other’s culture in which all workers have to participate by spending extra hours in company (Hofstede et al., 2005). However from the employees’ perspective, this can be a negative step taken to limit their social activity and to disturb their work life balance. The critical standpoint of diversity management is exposing the effects of diversity training programs on individuals. In practical terms, employees believe that these programs must be focused towards empowering the workforce instead of isolating segments of the employee base (Syed and Kramar, 2009).

Diversity Training Programs

Many of companies practice diversity training programs as a part of their diversity management strategy. The primary goal of diversity training program is to create a high-performing, diverse organization by ensuring support of its employees’ talents and skills (Hass, 2010). Friday et al, (2003) stated that, diversity training programs have been introduced in an effort to improve working relationship among individuals from diverse backgrounds. Diversity training helps an organization to equip diverse workforce with necessary skills (Farrer, 2004).

A study was conducted by Ongori & Evans (2007) in order to explore the diversity training programs practiced in organizations. In findings they concluded that, some food retail stores introduced diversity training programs and hired experienced advisors and counselors to guide employees through diversity management and to explain how it can help them to develop a sense of belonging towards their employer. Similar to this initiative, the introduction of a support system helps reduce feelings of isolation and discrimination. It is important for the decision makers to assess their beliefs about work values so they are able to differentiate work values from cultural values to better serve their employees.

As mentioned earlier, many food retail companies regard diversity as an opportunity to enhance business performance, and consequently introduce several diversity management initiatives (diversity training programs) because they believe that overall improvement of business processes could not be possible without these initiatives (Friday and Friday, 2003). These factors indicate the overall positive perspective of organizations toward diversity and diversity training program.

Van Knippenberg and Schippers (2007) conducted semi structured interviews with management in various organizations and found that, managers believe that training workforce in an organization to embrace differences can help to reduce chance of cultural clash among them. Richard et al., (2004) argued that workers who participated in cross cultural
communication training program are better able to understand each other’s culture, demonstrate methods for solution of critical problems and develop necessary skills to improve communication skills.

Gesterland (1999), Neuliep (2000), presented similar type of view and stated it is widely believed, especially by management in retail businesses that cross cultural communication training program should be practiced in order to create cooperation among workers, to increase their confidence level, to eliminate cross cultural barriers and to equip workers with range of useful skills.

Even though above mentioned diversity training programs have their advantages. However diversity training programs are not always remain successful (Jackson and Joshi, 2004). One reason for ineffective workplace diversity management is that most of companies have no measuring tool to examine the effectiveness of diversity training programs (Jackson and Joshi, 2004). Secondly, workers may not necessarily participate in diversity training programs due to threat of isolation from their workgroup (Von Bergen et al., 2002) Thus, to successfully launch diversity training program, it is important to understand the organizational need and employee perspective regarding diversity at workplace (Farrer, 2004).

From above reviewed literature it is concluded that, management in various organizations practice range of diversity training program, like cross cultural communication skills training program, diversity internship program, diversity leadership program, diversity mentoring program and disability awareness training program etc. They strongly believe that, diversity management initiatives help diverse workers to develop necessary skills required for organizational performance improvement process.

Failure of Diversity Training Programs

Since diversity training programs not always successfully achieve their set objectives. Therefore it becomes very significant for the decision makers to know about the reasons explored behind the failure of these diversity training programs. The difference in the employee and managerial perspective about the diversity is found to be major cause for the failure of diversity management programs initiated in several modern organizations.

The main difference between managerial and non-managerial perspectives on diversity is that employee perspective favors the ideal of plurality rather than that of unity (Ibarra, 1995, Ittner and Larcker, 2001, Hite and McDonald, 2003) This means that employees do not try to dissociate themselves from the overall working environment; they simply proclaim that diversity training programs must not harm their social groupings and must not deprive them of their feeling of belongingness to a group. Diverse employees appreciate diversity training programs that are introduced by consultation and discussion. If the diversity management initiatives are imposed on workers without any extra pay they might react in one of the following ways (Robbins, 2002):

a. Active (Destructive): Dissatisfaction is expressed through behavior directed towards leaving the organization.

b. Active (Constructive): Dissatisfaction is expressed through active and constructive attempts to improve the overall condition.

c. Passive (Destructive): Dissatisfaction is expressed through allowing conditions to worsen; neglecting or dissociating themselves from the overall organizational goals, leaving the organization or remaining absent from organization.

d. Passive (Constructive): Dissatisfaction is expressed by passively waiting for conditions to improve.

Critics often wonder if employee perceptions about diversity management can be changed by managerial perspective. However, management can set up a committee or team to understand employee perspective regarding diversity and diversity training programs (Reichenberg, 2001).

According to Pollar (1998), success of diversity management initiatives is not possible until employee perspectives regarding diversity and organizational need are considered. Many of organizations attract workers toward diversity training programs by offering them various rewards, like holiday package, extra pay bonus and promotion at job etc (Haworth and Lewis, 2005, Sippola and Smale, 2007, Kilian et al., 2005)Some organizations adopted motivation and encouragement strategy by valuing their workers in order to attract them towards diversity training programs. In order to reduce chances of diversity training program failure and to increase chance of success, organization can design reward strategy (Lewis, 2005; Welsh, 2005). The forceful implementation of diversity management initiatives without understanding employee perspective can negatively affect overall performance of organization. It can create an increase in employee turnover rate and absenteeism, reduce organizational
productivity and prevent collaboration between management and staff (Reichenberg, 2001).

Conclusion

Understanding employee perceptions should be the cornerstone of any organization’s assessment and evaluation. A modern organization with a diverse workforce must be able to dig deep and compare perceptions at both managerial and non-managerial levels to identify strengths and areas of concern related to diversity training programs (Konrad and Allison, 2006). The perception of employees towards diversity management initiatives may result in a ‘multi-faceted’ view of organizational culture and can enable an observer to have a clearer picture of the overall working environment (Huddy, 2002). Employees perceive diversity as an opportunity of ideas, where they can tell their needs and can work according to their own styles. They like to be consulted by management before implementation of diversity training programs and not like to be called diverse, because they consider themselves as a member of local community or society rather than diverse individual or a group. Moreover, they do not like to participate in diversity training programs, if they have to stay overtime without pay in company.

References


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