



CRITIQUE ON CULTURAL DIVERSITY

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Abstract

This paper critiques the current state of diversity, reasons for embracing diversity and the negative consequences of not embracing diversity. Then, leadership initiatives for achieving full diversity will be explained, along with the factors leading to diversity success. The paper ends with the conclusion as to whether diversity matters and what the warning should be for human resource practices.

Critique on Cultural Diversity Introduction

CEOs of the Fortune 500 have claimed that diversity is a strategic business imperative (Gilbert and Ivancevich 2000), since diversity refers to the inclusion of all groups at all levels in an organization, Hence, managing diversity effectively has become a daily issue and the most challenging task for human resource. Therefore, effectively managing diversity issues and

activities, necessitate changes in the human resource activities such as recruiting, selecting and training. However, studies of the impact of cultural diversity, and diversity management on organizational effectiveness have indicated a hypothetical correlation between financial performance and a multicultural workforce, (Kalh 2001) and that cultural diversity can add value, and, if it is used with in the proper context, can contribute to a firm's competitive advantage (Orlando 2000). However, many organizations in their human resource practices do not pay much attention to the diversity of the workforce and hence, to its implications for effective management, use of employees, individuals and groups (Stone 2002).

Current State of Workforce Diversity

Diversity stems from differences in age, gender, race, ethnicity, religious, and sexual orientation (Orlando 2000). However, in the last few years, attitudes towards diversity have changed due to the following reasons: increasing diversity of the workforce, globalization, and the dramatic changes taking place in workforce. For example, demographic changes and increased minority representation in the workforce. In the new work environment, workers now have to share work duties and to cooperate with coworkers of diverse age and cultures.

These trends, have made it necessary for companies to pay attention to diversity issues, as an effectively managed diversity, will allow an organization to recruit from a larger pool, train and retain superior performers, and hence, to maximize the benefits stemming from a diverse workforce (Bergers 2001). In addition, many businesses by stressing diversity in their advertising can compete for talents in a tight market, as demographic shifts are dramatically changing the market place. For example, HR recruiters have to realize that by focusing on diversity in recruitment and in their advertising, can help them attract more employees from diverse backgrounds (Thaler Carter 2001), and hence, to help the HR managers to increase their organization ability to employees fully, efficiently and effectively to achieve its strategic and business objectives (Stone 2002).

Another important reason as to why organizations value and manage diversity is globalization, in where economies are interconnected, and hence, changes in one economy quickly affect others. Therefore, as corporations are increasingly becoming global in an effort to pursue merger and acquisition strategies around the globe, have realized the importance of managing diversity successfully, as diversity in an globalize environment would allow firms to originate, produce and market their products and services around the world. Diversity and globalization have created new realities for all types of organizations. Hence, a new possible source for developing further their competitive advantage is through diversity.

Global completion forcedly has necessitated collaboration between global companies in order to help them meet the demands for global competition, and it has pushed for the formation of global alliances for the sole aim of achieving common goals. In addition, as the demands of the global economy has increased, the number of foreign born managers being appointed by many companies, as they successfully can create an innovative and highly profitable companies, which can be based on a strongly held system of personal values which permeate the organization and everyone in it (Whetten and Delbecq 2000), the employment of more foreign managers has

increased as well. Thus, diverse foreign-born managers can ensure internal unity and they can enhance organization adaptation to deal with external environmental changes.

In addition, since diversity is significantly affecting the corporate leadership environment, and almost all employees have to deal with a wider range of cultures than ever before, organizational leaders must have to face the challenge of understanding that, each individuals values and strengths brought to the workplace are based on their own unique cultural background, and, if they are managed effectively, they will give an extra cutting edge to the business, or a special edge that will allow an organization to deal better with any business challenges (Stone 2002).

Reasons for Embracing Diversity

Organizations should embrace diversity for the following reasons: purely humanistic reasons, ethical and the moral beliefs reasons, which make it necessary for a business to pursue policies which include rather than exclude employees. Inclusion policies are a matter of fairness and a signal of a company's commitment to respect and uphold the dignity of every person regardless of their circumstances. As a legal reason, embracing diversity is compliance with laws that have precedent and historical foundations (Gilbert and Ivancevich, 2002). However, from a practical point of view, shifting demographics, and increasing globalization have greatly changed the composition of the workforce. Hence, forcing companies to either change the way they view diversity to meet the new realities, or suffer the consequences. Further more, legislation on diversity, on equal opportunity and antidiscrimination provides social justice in terms of giving legal support in that all people in a society should have equal opportunities. Hence, to enjoy the benefits of that society as well, and to provide economic consideration to use the human resources of the society in the most effective way, so that everybody in that society, business, people and the society as a whole can be benefited from.

However, there are other reasons as to why organization should embrace diversity. Companies choosing to embrace diversity can offer to themselves a marketing advantage, as there will be much support for the view that by having a multicultural workforce, supplier network, and customer base is good for business (Berta 2002). In addition, a diversified workforce can offer an insight into understanding and meeting the needs of the various diversified customers. It will facilitate selling goods and services to employees who share similar culture traits with the customers, and the company will be able to develop better and longer lasting customer relationships.

Diversity can help a company to develop and retain talented people, as it will gain the reputation for valuing diversity. Hence, this will help it to attract the best job candidates among women and other culturally diverse groups. For instance, human resource recruiters have realized that by focusing on diversity in their recruitment advertising, it helps them to attract more applicants from diverse areas. In addition, as studies have shown the minority of job seekers tend to look for companies with proven diversity records (Thaler Carter 2001).

Diversity can be a cost saving mechanism as well, if an organization shows total commitment and supports diversity. In this way, everybody will feel valued for what they can contribute,

which could lead to the job satisfaction of the diverse groups and, hence, to decrease turnover, absenteeism and their related costs.

Diversity can offer a unique, a better, a broader, and a deeper base of solving problems and making decisions, better than what it will be possible with a homogeneous group. Diverse groups, view problems from a different perspective and hence, they tend to produce better solutions. In addition, a study has shown, organizations that have been innovative had a more diverse workforce than the less innovative companies (Earley and Mosakowski 2000). Thus, innovative companies' leaders should challengingly create organizational environments that nurture and support creative thinking and the sharing of diverse viewpoints.

Diversity allows better supplier diversity programs, as there will be an increased number of minority business enterprises that supply goods and services, and corporations will be able to draw from a wider pool of qualified suppliers, better product and service quality, resulting from increased competition, enhanced community relations, positive publicity, and increased loyalty among minority consumers (Brathwaite 2002).

Negative Outcomes of Not Managing Diversity Effectively

Diversity has the connotation of a double-edged sword (Hannon 2002), as it can bring about negative outcomes if it is not managed effectively. For example, the greater the degree of diversity in an organization, the greater the potential of conflict will be, as employees will feel more comfortable dealing with others who are more like them. In addition, many ethnic groups never interact socially outside work and hence, they tend to do the same at work, and instead of creating, unified team compositions, they will distrust each other. Thus, leaders of diverse work units may have to spend lot of time and energy dealing with interpersonal issues rather than trying to achieve organizational objectives. Hence, gaining competitive advantage will demand an efficient diversity management effort, and organizations which do not show total commitment and support diversity will have to face higher costs in terms of high turnover rates and job dissatisfaction, as some minority groups will find it hard and difficult to fit in with some other minority groups.

Despite the fact that many organizations have initiated diversity training programs, there is still great concern that very little is happening in terms of the impact of these initiatives on the quality of work life for employees (Berta 2000). In addition, the attempt of many organizations to hire and promote minorities to executive positions for many years, only few companies have actually achieved success in their efforts (Harris 2001). However, some contribute this to the small number of graduates from the minority groups, CEO inertia, and mostly racial discrimination (Thomas 2001).

Therefore, in order for companies to reform their behavior and their attitudes in a substantive way, diversity changes should aim at valuing diversity and having top management support and commitment, broad participation through empowerment, involved multiple initiatives, and requirement of a constant reinforcement. In other words, diversity management should be considered as a new organizational paradigm, which has to move beyond the human resource model, which is based solely on meeting legal standards to promote inherent value of a multicultural workforce. Thus, the new model should emphasize the creation of a climate of

acceptance by emphasizing major, systematic, company wide, planned change efforts, which are typically not part of standard affirmative action plans (Gilbert and Ivancevich, 2002).

Leadership Initiative for Achieving Full Diversity

In order for diversity to be embraced and valued by an organization, the term diversity should be fully incorporated an organization's strategy. In that way, all employees will have an equal chance of contributing their talents, skills, and experience towards achieving organizational objectives and aims, independent of employees' race, and any other ethnic background. However, in order to achieve full diversity, the top management is required to show and prove its commitment to diversity by removing the following obstacles to achieving diversity:

Stereotype and prejudice: This appears to be the most obvious obstacle to achieving diversity in many organizations, as people who are not part of the mainstream culture are viewed as inferior, less competent at their jobs, and less suitable for leadership positions. Hence, leadership should commit itself in eradicating stereotypes and prejudice, so that it will lead the way for a diverse workforce to thrive (Harris 2001).

Ethnocentrism: The belief that one's own culture or subculture is obviously better to other cultures, it has the tendency to produce a homogeneous culture, where everybody is shaped to look and act the same way, and share the same set of values and beliefs. Hence, removing ethnocentrism with the belief that everybody is equal will greatly enhance the results to be achieved by a diverse workforce's full potentials.

Policies and Practices: Many organizations' policies are usually opposing to maintaining a diverse workforce. Therefore, leaders should carry out an audit of their organizations, in order to determine if the present policies, rules and regulations, procedures and practices work against minorities. For example, removing barriers to the selection of women and minorities, as a not valid job requirement, and checking for that, policies of hiring, compensation, training, promotion, retirement and layoffs are not disadvantaging, and treating unfairly the minorities in any way. Thus, the corporate diversity efforts will create a true culture of inclusion, which will also serve as a model for mimicking as well.

Glass ceiling or 'white male' club: In the upper middle levels of management and executive level, culture usually shifts to a culture based on power, and since the power usually resides in the hands of those of the mainstream culture, women and minorities face an uphill battle getting fair consideration (Savage 2002). In other words, glass ceiling is like an invisible wall that keeps women and the minorities away from leadership positions. Hence, the traditional view that employees who are not part of the main culture because of sex, race, ethnicity, disability or some other characteristics should not be viewed favorably, should be abolished for good.

Unfriendly work environment: Many minority people at the work place are experiencing feelings of loneliness, unfriendliness, and stress from executive men and women who outnumber minorities. Hence, minorities may be excluded from social activities in or out of the office, leading to feeling of isolation, despair, job dissatisfaction, and high turnover rates for the

minority groups. Therefore, removing such an obstacle will be in a way alleviating the problem and preserving diversity as well.

Factors Relating To Diversity Success

Once the obstacles against diversity are removed, a healthy environment for diversity initiatives will be embedded and begin to take roots, to create an organization culture which supports diversity. However, the leader role in this process is very important in creating a completely new culture of multiculturalism, which continuously values diversity, and hence, diversity becomes part of an organization's life. In addition, diversity programs should be maintained at all times, in good and bad times, as they will be an indication of the seriousness an organization takes towards diversity.

Leaders should make sure that women and other minorities have opportunities to move up the corporate ladder into leadership position, as in today's demographic environment there is a strong feeling of male dominance leadership structure, and the employee population of minorities is growing which causes the underutilization of the talents and skills. However, studies have indicated certain other factors, which make diversity successful (Gilbert and Ivancevich 2002).

Corporate Philosophy: Diversity must be part of the corporate philosophy and must be viewed as a strategic imperative. Hence, diversity must not just only respond to law stipulations. Instead, diversity must be assimilated into the daily practices and procedures of the organization, so that the corporate philosophy will create a culture that allows openness, fairness, and empowerment for all.

Top management support and commitment: Top management and CEOs must support and commit themselves towards successful diversity, as they have the ability and the authority to make diversity part of the organization mission. Once this will happen however, diversity will be filtered down to the floor level, to become a broad and deep practice in all levels of the organization.

Prior diversity human resource practices: The human resource department should set initiatives, which can greatly, contribute to success of diversity. For example, initiatives in terms of: periodic cultural audits, in depth assessment of methods of recruitment, compensation, performance appraisal, employee development, and promotion. In addition, the HR initiatives can include sponsored diversity workshops, conferences, and establish practices which will aim at full structural integration, a prejudice free work environment, low level of intergroup conflict, strong social support networks for minorities, and leadership diversity (Dubrin 2001).

Organizational Communications on Diversity: Communication can take a vital role in promoting diversity. For example, through newsletters, posters, calendars and coffee mugs, regular surveys of employee attitudes and opinions can heighten awareness of diversity. Hence, a repeated exposure to diversity themes, will pass the message across that diversity is normal, and must be accepted as part of the daily life of the organization.

Diversity as criterion of measuring success: Diversity programs and their objectives should be included in the criterion for measuring managerial performance. Managers as part of their goals should have certain diversity objectives, and specific activities, like for example, raising awareness of equality, and addressing diversity in a timely manner. Therefore, managerial compensation should be tied to diversity success when quantifiable diversity objectives are evident.

Diversity awareness training and leadership education: All these simply imply at aiming to develop an organization as integrated communities, where every employee feels respected, accepted, and valued regardless of gender, race, ethnicity, and or other distinguishing characteristics. However, leaders, through training, will develop personal characteristics that support value and imbed diversity as part of the company's vision for its long-term benefits.

Conclusion

Managing diversity has many potential advantages to offer to the organizations, which make full, efficient use and successfully manage diversity. Their competitive advantage will increase to allow them to face and successfully deal with the new challenges abundant in the new global economy. However, diversity can be a double-edged sword, if not managed successfully. It will create further costs to any organization, which does not take it seriously and does not commit itself towards human resource policies, which embrace diversity in a consistent way. As a final warning, organizations should embrace diversity beyond what the legislation says, and they must value and accommodate difference, and to commit every person in an organization stemming from the top management down to the floor level, if diversity is to blossom and mature, and hence, to be accepted and embraced by everybody.

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