

## MANAGING DIVERSITY AT WORKPLACE: A REVIEW OF LITERATURE AND RESEARCH AGENDA

**BELLO, DEVA VINCENT**

*Department of Management Technology  
Modibbo Adama University of Technology  
Adamawa State, Yola  
deva.bello2018@gmail.com; 08034228453*

### Abstract

*Due to the growing mobility and interface between people from different backgrounds, a number of organisations are now under some pressure to embrace workplace diversity. It is on this basis that the overall objective of this study is to critically review the fundamentals of diversity management in the workplace. Methodologically, extant literature was reviewed on the concept of diversity and workforce diversity as well as explaining the different dimensions of diversity. Also, the major theories of diversity management such as human capital theory and social identity theory were discussed. The study found that some of the challenges in managing diversity in the workplace include leadership style, rising cost of training, resistance to change, and harmonizing profession with family life, amongst others. It is therefore recommended that programmes that will promote effective diversity management in the workplace should be championed, supported and adequately funded by the top management.*

**Keywords:** Challenges; dimensions; diversity, strategies; workplace

### Introduction

The emergence of workforce diversity was aimed at enhancing the accessibility of equal opportunities in the workplace. This ensures that firms maximize and exploit the benefits of the distinctions from a diverse workforce rather than losing gifted hands which might help the firm to be more competent and successful (Henry & Evans, 2007). A number of organizations are now under some form of pressure to embrace workplace diversity. This is due to the growing mobility and interface between people from various backgrounds consequent upon the improved economic and political system and the human rights recognition among nations (Henry & Evans, 2007). With diversity comes the divergence which requires nurturing, cultivation and appreciation as means of enhancing organizations' value in this competitive globe (Henry & Evans, 2007).

The complex nature of humans and the challenge necessitated in managing a diverse work population, organizations must deliberately develop the capacity and capability that ensures that diversity is exploited as an advantage. Roosevelt (2001) stated that diversity management is a broad procedure for building an all-inclusive workplace that involves everyone. The difference that exists in human workforce, by and large, if not tailored to align with the changing needs and benefit of the organization, may create a cross-purpose workplace environment (Roosevelt, 2001). Flagg (2002) further observes that due to the complex nature of the work environment exemplified by human beliefs, perceptions, feelings and attitudinal responses make it more important for managers to understand and manage a diverse work population effectively.

Diversity is beneficial to both employees and employers. To the employer, effective diversity management creates an organization where the human resources are identified, and allocated in ways that brings about organizational efficiency. To the employees, they will feel valued in the organization (Henderson, 1994). Diversity could be considered as a viable tool for organizational effectiveness in that what may not be available in one group may be available in another (Black Enterprise, 2001). Diversity in terms of culture, religion, sex, age, beliefs and orientation if properly managed and harnessed can become a critical ingredient for achieving organizational goals. This implies that diversity can become a threat to organizational success if not properly managed (Macibi, 2008). Therefore, the focus of this paper is to review the concept of diversity and workforce diversity as well as explain the different dimensions of diversity. Also, the major theories of diversity management were discussed. The challenges of managing diversity in the workplace were identified and discussed as well as outlining strategies for effective diversity management in the workplace.

### **Concept of Diversity and Workforce Diversity**

Several scholars have defined diversity in various ways. Winstanley (2006) defined diversity as noticeable differences among people existing in social surroundings. It can be seen as individual differences that exist among people (Wellner, 2000). Dowd (2014) described diversity as the state of unlikeness or the condition of being different and to all of the ways in which people are different. Diversity can be in the differences in personal and demographic attributes such as national origin, creed, sexual orientation, race, age, ethnicity and religion (Wentling & Rivas, 2000).

From these definitions, diversity connotes the differences (religion, ethnic culture, age, lifestyle, education, disability, economic status, values, physical appearance, national origin, language, sexual orientation and beliefs) that exist among individuals in social settings. It is the human groupings based on gender, race, age, class, learning styles, religion, disability, ethnicity, nationality and sexual orientation. It could also be seen as the dependability built by persons and groups from an extensive range of demographic, cultural and philosophical divergences.

Workforce diversity is the co-existence of workers from different socio-cultural settings in an organization. Cox (2001) defined workforce diversity as the dissimilarity of social and cultural distinctiveness between individuals collectively existing in an identified employment or business setting. Workforce diversity means much more than racial and sexual differences in the place of work. It refers to daily life patterns, position within the firm, sexual inclination, age, occupational expertise or geographic scene. According to Thomas (1991), workforce diversity simply refers to the human distinctions which vitally influence organizational culture and operations.

It is in line with this that Dessler (2008) opined that workforce diversity is the array of demographic attributes which typifies an organization's labour force, especially with regards to ethnicity, gender, customs, nationality, age and belief. Bryan (1999) asserted that workforce diversity calls for a company's culture that allows each worker pursue professional ambitions without any form of inhibition by sex, ethnicity, nationality, faith, or other irrelevant factors to performance. Firms that consider workforce diversity as being vital arguably will promote success and with huge potentials in the dynamic global business market (Jain & Verma, 1996). Workforce diversity according to Daft (2008) illustrates a labour force consisting individuals with diverse human abilities or belonging to different cultural groups. Diversity within a workforce enhances group outcomes and appreciably influences individuals' experience in a team (Harrison, Price, Gavin & Horey, 2002; Jackson, Joshi & Erhardt, 2003).

### **Dimensions of Diversity in the Workplace**

Several categorizations of diversity have been cited by different scholars. Among these authorities, Gardenswartz and Rowe (1994) categorized dimensions of diversity in the workplace into four layers. These include organizational dimensions, external dimensions, internal dimensions, and personality.

**Organizational Dimension:** The organizational dimensions representing the first layer consist of such characters as management status, union affiliation, work location, seniority, divisional department, work content/field, and functional level classification. The attributes of diversity linked with organization dimensions layer can be influenced in a limited capacity.

**External Dimension:** The external dimension symbolizes such attributes that concerns individuals' life choices. Gardenswartz and Rowe (1994) opined that compared to the organizational dimensions, a higher level of control can be exercised over these attributes by the individual. The attributes in external layer include personal habits, recreational habits, religion, educational background, work experience, appearance, class, marital status, geographic location, and income.

**Internal Dimension:** Thirdly is the internal dimension of diversity. This covers surface level characteristics such as age, race, ethnicity, gender, and physical ability. These characteristics more often than not are found to be the sources of discrimination and bias.

**Personality:** Personality stands at the hub of the Four Layers model of diversity. Personality is described as qualities and constant attributes of a person that are considered as determining exact consistencies in the way in which that individual acts in a particular circumstance over a period of time (Winstanley, 2006). Other three levels of the model influence the personality of an individual. As the individual interacts with the surrounding world, his/her perceptions, dispositions and actions are shaped by these dimensions.

### **Workforce Diversity Management**

Workforce diversity management can be broadly defined as the organized and deliberate dedication by firms to hire, maintain, compensate and promote a diverse mix of workers. It is the process of recognizing, knowing, acknowledging, valuing and appreciating the divergences among individuals concerning class, age, sexual orientation, race, physical and psychological capacity, ethnicity, spiritual practice, gender and public assistance status (Esty, Richard & Marce, 1995).

Workforce diversity management is the manager's capacity to accomplish success for a firm by making the most of the workforce's similarities and

differences with regards to sex, age, ethnicity, cultural background, religion, bodily capacities and incapacities, race, as well as in terms of character, standards, outlooks, insight and cognitive style (Ugwuzo, 2014).

Workforce diversity management entails strategy implementation by which groups of diverse individuals are joined mutually into a vibrant work. Managing diversity has two approaches namely: the individual identity and the group identity. The management of workforce diversity within an organization aims at developing the organizational structure and its operational processes, in order to ensure that the diverse personnel attributes are in as many possible ways well utilized. Management within an organization should ensure that its human resource practices constantly reflect the diversities experienced by the firm from time to time (Macibi, 2008). This is in consonance with Dessler's (2008) description of diversity management as maximizing diversity potential benefits while minimizing its potential barriers.

An increasing sum of chief executives, consultants, training specialists and academics have developed and passionately supported the theories and methods of managing workforce diversity (Saji, 2004). Diversity management is able to advance organizational efficiency. Carrel and Reet (2000) opined that organizations which build up skill and name for managing diversity will probably exert a pull on the best workforce. Managing workforce diversity implies permitting the diversified labour force to act in its full potential in an unbiased work atmosphere where no one group has an advantage over another (Torres & Bruxelles, 1992).

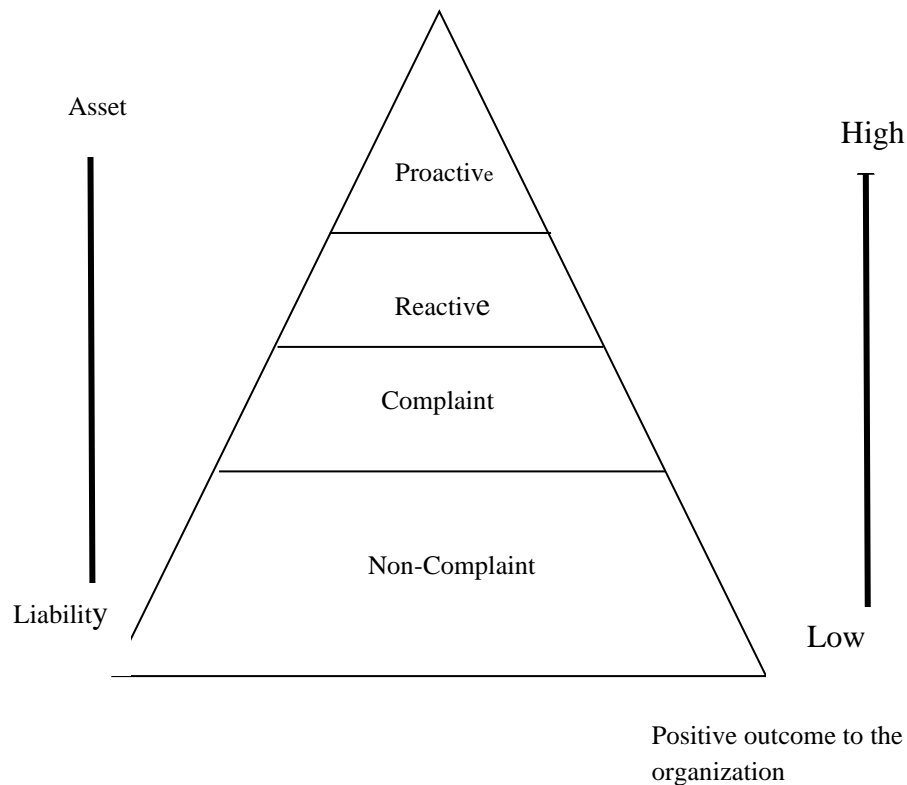
According to Black Enterprise (2001), valuing and managing diversity is a vital part of managing people effectively, which could improve workplace output. For example, demographic changes such as organizational restructurings, women in the work place, and equal opportunity legislation will necessitate firms to appraise their management practices and build up innovative and creative approaches to people management, so as to enhance work execution and customer satisfaction (Green, Lopez, Wysoci & Keepner, 2008).

Workforce diversity management has progressively turned into a "hot-button" subject in business, government, and legal spheres (Green, *et al.*, 2008). For instance, one of the most complicated and critical challenge of contemporary firms is workforce diversity management. The demographic variations like age and gender were traditionally related to group level

outputs (Williams & O'Reilly, 1998). Managers in organizations across sectors (that is, private and public) will have to know, envisage and control this fascinating nature of the mixed labour force. Managing diversity stresses administrative proficiency and guidelines needed to optimize all employees' input to the organizational objectives. Inventiveness is employed in order to boost organizations' morale, productivity, and benefits rather than because of lawful authorizations or ethical essence. Suitable guidelines, methods, and managerial involvements are required to manage a culturally diverse workplace having recruited underrepresented individuals and workers awareness has been raised.

Although several organizations have adopted the idea of workforce diversity, yet others regard it simply as a matter of compliance with official obligations (Green, *et al.*, 2008). Efficient diversity management has in history been utilized to offer a legally protective position; that is, an organization having a diverse workforce might advocate not being culpable of bias due to the *prima facie* case based on the demographics of the workforce which represents the local community's demographics. In more recent years however, the perception of diversity management has considerably adjusted to a more practical concept. A lot of business owners now consider the essential bottom-line benefits of diversity. Effective workforce diversity management can be a viable benefit because dissimilar opinions can lead to exceptional and ingenious approaches towards problem-solving, thus enhancing originality and novelty, which consecutively results into better organizational accomplishment (Allen, Dawson, Wheatley & White, 2004). For instance, the growth in migrant residents and their offspring in Botswana is fast making the society become multicultural (Henry & Evans, 2007). The implication of this for organizations is that their international competitiveness, market share, level of innovation, human capital and efficiency, would depend on the capacity to efficiently control a diverse workforce equally within and across organizational borders (Barker & Hartel, 2004).

Fink, Pastore and Riemer (2003) amongst numerous scholars within the past decades, who have tackled the subject of diversity from different viewpoints, proposed a framework for managing diversity that differentiates between uncooperative firms at its lowest end and the practically compliant organizations at its highest end.



**Figure 1: A model on diversity management**

*Source: Adopted from Fink, Pastore and Riemer (2003). Managing employed diversity: Perceived and organization outcome. P.152*

According to the framework firms that shift their diversity management from non-compliant to pro-active would exit from being a liability to an asset. The implication of this is that the threats often imposed by diversity would eventually confront the non-compliant organizations, while many employees would be involved in the decision-making process at various organizational levels for the pro-active firms.

### **Theories of Diversity Management**

There are several theories on managing diversity in the workplace. However, this paper focuses on two of them. These include: human capital theory, and social identity theory.

### **Human Capital Theory**

The theory of human capital emphasized that a diverse workforce can improve organizational effectiveness when it is properly and effectively managed to achieve competitive advantage. According to the proponents of this theory, (Esty, *et al.*, 1995), firms are likely to attract the best human resource personnel when they build reputations and experience in diversity management and this ultimately will enhance work success. In line with their proposition, a well managed diverse workforce environment will enhance marketing opportunities, creativity, business image and consequently improve overall organizational productivity.

The theory of human capital is an offshoot of the resource-based outlook of the organization as espoused by Barney (1991). According to the theory, when an organization has a diversified workforce, then sustainable competitive advantage is attained. The theory further posits that a well managed diverse workforce (human resource) signifies an essential plus with the capacity to grant a basis for competitive advantage because it is often complex to replicate by competitors and inflexible to alternate even within the same firm. Therefore for firms to attain and increase this valuable capital, strategic human resources management can be used through maximizing and capitalizing on workforce diversity to an advantage. Expanding on this notion, Green *et al.* (2008) argue that the recognition and accommodation of individuals or groups differences should be recognized as a critical issue in human resource management if a harmonious working environment that encourages morale and work productivity is to be achieved.

### **Social Identity Theory**

Social identity theory illustrates membership of group and behaviour (Hogg, Terry & White, 1995). The focus is to comprehend how people make sense of others and themselves within the social environment (Korte, 2007). This theory addresses the way that individuals perceive others as members of a group and are inspired to uphold their social distinctiveness; the tendency is to display a positive bias towards those who seemingly have comparable attributes (Tajfel, 2004). People are likely to build up many identities as they progress through their life stages. The tendency is for individuals to identify themselves in terms of their sex, faith, ethnicity, age, environment or occupation and as such assume different identities under different conditions (Osaghae & Suberu, 2005).



**Challenges in Managing Diversity in the Workplace**

Diversity management in the workplace can be challenged by some factors such as leadership style, rising cost of training, resistance to change, and harmonizing profession with family life, amongst others. These factors are discussed as follows:

**Leadership Style:** The particular pattern in which a manager prefers to relate with or influence his subordinate may constitute a challenge to implementing diversity management programmes (Jones & George, 2009). A servant leader with a firm aspiration to assist and work for others' benefit would enhance diversity management programmes, but an autocratic leader may face serious challenge in implementing diversity management in the organization.

**Rising Cost of Training:** Rising cost of training is one of the major challenges confronting diversity management in the workplace. This rise results from costs related with lectures, programs and seminars undertaken to advance diversity within the firm. These training types involve all staff members across all organizational levels. Through these trainings, employees not only learn how to tolerate and acknowledge other people's ideas and personalities, but also how to professionally handle disagreements and prejudice in a civil manner (White, 1999). Most organizations especially the relatively small ones may be challenged by the cost associated in conducting these trainings. In Nigeria where our economy is characterized by corruption and poverty, most Nigerian-owned organization may see diversity training as a luxury and a waste of income.

**Resistance to Change:** Considerable organizational and personal change is involved in effective diversity management. Individuals consider change a threat to a habitual pattern of life as such they put up resistance against it (Armstrong, 2009). Following Henderson (1994), an employee may resist diversity if diversity initiatives are not clear and if the employee in a managerial position is held between formidable forces pushing for and against making changes.

**Complexity in Harmonizing Profession and Family Life:** In Africa the important task of nurturing children and doing house chores still rest with the women folks (Kanter, 2004). Hence, they may not be able to function in some kind of jobs such as weekend jobs, jobs that involve frequent travelling among others. This poses a challenge to managers to effectively managing

diversity. Diversity management entails acknowledging individual differences, fighting bias and encouraging inclusiveness in the workplace. Cases of prejudices, discrimination, complaints and lawful suits against a firm challenges managers and ultimately culminate into high labour turnover and loss of productivity (Devoe, 1999).

### **Strategies for Managing Workplace Diversity**

Organizations can be successful at managing diversity if its top management fully supports the idea of building, managing and appreciating a diverse workforce (Hayes, 1999; Jackson *et al.*, 1992). Diversity strategies should be implemented in accordance with the organization's culture (Hayes, 1999). The followings strategies would ensure building successful workforce diversity:

**Training and Development:** The ability required for handling routine diversity predicaments is often improved through training and development. By this managers become conscious of the influence of power relations on groups stereotypes and peoples sensitivity and their anticipations. Diversity training courses should be all inclusive that is, employees from various department and functional areas as well as executives, senior managers and line managers should be included (Bagshaw, 2004). Participants that were not treated fairly or with mutual respect could be asked about their experience. By this, programmers are personalized and thereby individuals view diversity as a concept with something in it for them. A one-day training session may not transform individuals' behaviours thus firms need to develop, implement, and maintain ongoing training (Koonce, 2001).

**Good Communication Network:** Communication represents a means through which an individual sends a message (verbal, non-verbal or behavioural stimuli) to another having a conscious intention of inducing a reaction (Henderson, 1994). Most of the diversity initiatives failed because of inability of managers and supervisors to establish rapport with subordinates (Henderson, 1994). It has been documented as crucial to communicate first of all what diversity represents and what the firm intends to accomplish by effectively managing it (Bagshaw, 2004). This is because effective communication enhances understanding of the way cultural and racial divergences affect the process of conflict. It is one of the best strategies to resolve conflict and dispel unhealthy work environments. According to Koonce (2001), effective communication promotes a safe place. Some helpful ways of creating dialogue is through business meetings and social gatherings;

there every member listens with ample opportunity to speak. Workers' accessibility to relevant and vital information and opportunities should be ensured by managers. Also, workers should not be deprived of, essential, positive and important feedbacks for learning about successes and mistakes (Flagg, 2002).

**Good Leadership Support System:** A good leadership support system enhances diversity initiatives. When managers are efficient, the effect they have on others help an organization realize its performance target (Jones & George, 2009).

**Flexible Working Environment:** Individuals from non-conventional cultural backgrounds could benefit from a flexible work environment which according to Cox and Blake (1991) is characterized as positive development for all workers since their approaches to challenges tends to be different from past norms. The firm should build such a work setting which will enhance the commitment, motivation and satisfaction of diverse workforce.

## **Conclusion**

Diversity is a viable tool for organizational effectiveness because what may not be available in one group may be available in another. Effective harnessing and management of workplace diversity in terms of culture, religion, sex, age, beliefs and orientation can become a critical ingredient for achieving organizational goals. This paper critically reviews the concept of diversity and workforce diversity as well as explains the different dimensions of diversity. Also, the major theories of diversity management such as human capital theory and social identity theory were discussed. It was revealed that leadership style, rising cost of training, resistance to change, and harmonizing profession with family life, amongst others are the major challenges in managing diversity in the workplace. The followings strategies namely: training and development, good communication network, good leadership support system and flexible working environment would ensure building successful workforce diversity.

## **Recommendations**

This study recommends the followings:

- In business what is measurable gets accomplished while what is not measurable gets overlooked. Programmes that will promote effective

diversity management in the workplace should be championed, supported and adequately funded by the top management.

- Managers should recognize pleasant and adverse attitudes that would be based upon performance feedback discussions involving workforce diversity.
- Organizations could have an appraisal on diversity where employees are rewarded according to their behaviour towards the practice of diversity in the organization.

## References

- Allen, R. Dawson, G., Wheatley, K. & White, C. S. (2004). Diversity practices: learning responses for modern organisation, development and learning in organisations. *International Journal of Organizational Studies*, 18(6), 13-15.
- Armstrong, M., & Taylor, S. (2014). *Armstrong's handbook of human resource management practice (13<sup>th</sup> Edition)*. London: Konga Page Limited
- Bagshaw, M. (2004). Is diversity divisive? *Journal of Industrial and Commercial Training*, 36(4), 153-157.
- Barker, S., & Hartel, C. E. J. (2004). Intercultural service encounter: An exploratory study of customer experiences. *International Journal Cross-cultural Management*, 11(1), 3-14.
- Bryan, J. H. (1999). *The diversity imperative*. New Delhi: Sage.
- Carrel, S., Gane, A. & Reet, M. (2004). Organisational diversity and productivity. *Journal of Organisational Diversity*, 2(6), 20-32.
- Cox, T., & Blake, S. (1991). Managing cultural diversity: Implications for organizational competitiveness. *The Academy of Management Executive*, 5(3), 1-10.
- Devoe, D. (1999). *Managing a diverse workforce*. San Mateo CA: Info WORLD Media Group.
- Esty, K., Richard, G. & Marce, S. (1995). *Workforce diversity: A manager guide to solving problems and turning diversity into a competitive advantage*. Avon, MA: Adams Media Corporation.
- Fink, J., Pastore, D. & Riemer, A. (2003). Managing employed diversity: Perceived and organization outcome. NCAA, Division 111 Athletic Department Review November 2003, 147-168.
- Flagg, A. (2002). *Managing diverse workgroups successfully*. Retrieved on 2nd of June, 2014 from [http/ www.ubhnet.com](http://www.ubhnet.com).
- Green, K., Lopez, M., Wysoci & Keepner, K. (2008). *Diversity in the workplace: Benefits, challenges and the required managerial tools*. University of Florida Press.

- Hayes, E. (1999). Winning at diversity. *Executive Excellence*, 9(1), 2-11.
- Henderson, G. (1994). *Cultural diversity in the workplace: Issues and strategies*. Westport USA, Praeger Publisher.
- Henry, O., & Evans, A. J. (2007). Critical review of literature on workforce diversity. *African Journal of Business Management*, 1(4), 72-76.
- Hogg, M. A., Terry, D. J. & White, K. (1995). A tale of two theories: A critical comparison of identity theory. *Journal of Social Psychology*, 58, 255 – 269.
- Jackson, B.W, La Fasto, F., Schultz, H. G. & Kelly, D. (1992). Diversity: Human resource management. *Journal of Management Sciences*, 31(2), 21-34.
- Jain, S. & Verma, M. (1996). Globalization and work force diversity management. *Journal of Management Sciences*, 6(5), 22-42.
- Jones, R. J. & George M.J. (2009). *Contemporary management*. New York. McGraw-Hill Companies.
- Koonce, R. (2001). Redefining Diversity: It's not just the right thing to do; it also makes good business sense. *Training and Development*, December.
- Korte, R. F. (2007). A review of social identity theory with implications for training and development. *Journal of European Industrial Training*, 31(3), 166-180.
- Macibi, N. A. (2008). *Management of workforce diversity: Issues and lessons for organization*. UNAFRI, Kampala.
- Roselvet, T.R. (2001). Elements of a successful diversity process: The American institute for managing diversity. Retrieved from <http://www.aimd.org/articles/elements.htm>.
- Saji, P. (2004). Diversity management: A critical focus. *Journal of Human Psychology*, 3(2), 42-54.
- Tajfel, H. (2004). Social psychology of intergroup relations. *Annual Review of Psychology*, 33, 1 – 39.
- Torres, C., & Bruxelles, M. (1992). Capitalizing on global diversity. *HR Magazine*, May.
- Tull, D. S. & Albaum, H. (1980). *Research methods in social sciences*. New York: Macmillan Publishing Company.
- Ugwuzor, M. (2014). Workforce diversity management and corporate performance of firms in Nigeria. *International Journal of Business and Management Review*, 2(4), 36-46.
- Wentling, R. M. & Palma-Rivas, N. (2000). Current status of initiatives in selected multinational corporations. *Human Resource Development Quarterly*, 11(1), 35-60.
- White, R. D. (1999). Managing diversity. Retrieved from: [www.pamij.com/99\\_4\\_4\\_white.htm](http://www.pamij.com/99_4_4_white.htm)