

# Diversity in the Workplace: Benefits, Challenges, and the Required Managerial Tools<sup>1</sup>

Kelli A. Green, Mayra López, Allen Wysocki, and Karl Kepner<sup>2</sup>

## Introduction

The world's increasing globalization requires more interaction among people from diverse cultures, beliefs, and backgrounds than ever before. People no longer live and work in an insular marketplace; they are now part of a worldwide economy with competition coming from nearly every continent. For this reason, profit and non-profit organizations need diversity to become more creative and open to change. Maximizing and capitalizing on workplace diversity has become an important issue for management today.

Supervisors and front-line managers could benefit from reading this paper. Supervisors and managers are the targeted audience because they need to recognize the ways in which the workplace is changing, evolving, and diversifying. Since managing diversity remains a significant organizational challenge, managers must learn the managerial skills needed in a multicultural work environment. Supervisors and managers must be prepared to teach themselves and others within their organizations to value multicultural differences in both associates and customers so that everyone is treated with dignity.

This paper is designed for managers to effectively manage diverse workforce populations. It provides a general definition for "diversity", discusses the benefits of diversity in the

workplace, the challenges of managing a diverse workplace, and presents effective strategies for managing diverse workforces.

## Diversity Defined

Diversity is generally defined as acknowledging, understanding, accepting, valuing, and celebrating differences among people with respect to age, class, ethnicity, gender, physical and mental ability, race, sexual orientation, spiritual practice, and public assistance status (Esty, et al., 1995).

Diversity issues are now considered important and are projected to become even more important in the future due to increasing differences in the U.S. population. Companies need to focus on diversity and look for ways to become totally inclusive organizations because diversity has the potential of yielding greater productivity and competitive advantages (SHRM, 1995). Stephen G. Butler, co-chair of the Business-Higher Education Forum, believes that diversity is an invaluable competitive asset that America cannot afford to ignore (Robinson, 2002). Managing and valuing diversity is a key component of effective people management, which can improve workplace productivity (Black Enterprise, 2001).

Demographic changes (women in the workplace, organizational restructurings, and equal opportunity legislation)

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2. Kelli A. Green, graduate student; Mayra López, graduate student; Allen Wysocki, Assistant Professor; and Karl Kepner, Distinguished Professor; Department of Food and Resource Economics, Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida, Gainesville, FL 32611.

will require organizations to review their management practices and develop new and creative approaches to managing people. Changes will increase work performance and customer service.

## Women in the Workplace

The need to understand diversity is also driven by women in the workplace. Today's workforce has the highest levels of employment participation ever by women. The number of dual income families and single working mothers has increased. Change in the family structure means that there are fewer men and women in traditional family roles (Zweigenhaft and Domhoff, 1998). Therefore, diversity issues cut across both race and gender.

## Organizational Restructuring

There have been significant changes to organizations as a result of downsizing and outsourcing, which has greatly affected human resource management. Work practices have changed due to the impact of globalization and technology and there is a trend toward longer working hours (Losyk, 1996). Generally speaking, reorganizations usually result in fewer people doing more.

## Legislation

Federal and State equal opportunity legislation make discrimination in workplaces illegal. These laws specify the rights and responsibilities of both associates and employers in the workplace and hold both groups accountable.

## Benefits of Diversity in the Workplace

Diversity is beneficial to both associates and employers. Although associates are interdependent in the workplace, respecting individual differences can increase productivity. Diversity in the workplace can reduce lawsuits and increase marketing opportunities, recruitment, creativity, and business image (Esty, et al., 1995). In an era when flexibility and creativity are keys to competitiveness, diversity is critical for an organization's success. Also, the consequences (loss of time and money) should not be overlooked.

## Challenges of Diversity in the Workplace

There are challenges to managing a diverse work population. Managing diversity is more than simply acknowledging differences in people. It involves recognizing the value of differences, combating discrimination, and promoting

inclusiveness. Managers may also be challenged with losses in personnel and work productivity due to prejudice and discrimination and complaints and legal actions against the organization (Devoe, 1999).

Negative attitudes and behaviors can be barriers to organizational diversity because they can harm working relationships and damage morale and work productivity (Esty, et al., 1995). Negative attitudes and behaviors in the workplace include prejudice, stereotyping, and discrimination, which should never be used by management for hiring, retention, and termination practices (could lead to costly litigation).

## Required Tools for Managing Diversity

Effective managers are aware that certain skills are necessary for creating a successful, diverse workforce. First, managers must understand discrimination and its consequences. Second, managers must recognize their own cultural biases and prejudices (Koonce, 2001). Diversity is not about differences among groups, but rather about differences among individuals. Each individual is unique and does not represent or speak for a particular group. Finally, managers must be willing to change the organization if necessary (Koonce, 2001). Organizations need to learn how to manage diversity in the workplace to be successful in the future (Flagg, 2002).

Unfortunately, there is no single recipe for success. It mainly depends on the manager's ability to understand what is best for the organization based on teamwork and the dynamics of the workplace. According to Roosevelt (2001), managing diversity is a comprehensive process for creating a work environment that includes everyone. When creating a successful diverse workforce, an effective manager should focus on personal awareness. Both managers and associates need to be aware of their personal biases. Therefore, organizations need to develop, implement, and maintain ongoing training because a one-day session of training will not change people's behaviors (Koonce, 2001). Managers must also understand that fairness is not necessarily equality. There are always exceptions to the rule.

Managing diversity is about more than equal employment opportunity and affirmative action (Losyk, 1996). Managers should expect change to be slow, while at the same time encouraging change (Koonce, 2001).

Another vital requirement when dealing with diversity is promoting a "safe" place for associates to communicate (Koonce, 2001). Social gatherings and business meetings,

where every member must listen and have the chance to speak, are good ways to create dialogues. Managers should implement policies such as mentoring programs to provide associates access to information and opportunities. Also, associates should never be denied necessary, constructive, critical feedback for learning about mistakes and successes (Flagg, 2002).

## Conclusion

A diverse workforce is a reflection of a changing world and marketplace. Diverse work teams bring high value to organizations. Respecting individual differences will benefit the workplace by creating a competitive edge and increasing work productivity. Diversity management benefits associates by creating a fair and safe environment where everyone has access to opportunities and challenges. Management tools in a diverse workforce should be used to educate everyone about diversity and its issues, including laws and regulations. Most workplaces are made up of diverse cultures, so organizations need to learn how to adapt to be successful.

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