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# Diversity management: key concepts

### Discrimination – affirmation – diversity

Managing diversity is usually associated with preventing discrimination. Within the framework of the "repair action" implementation, there is applied assumption concerning the need for equalising chances of persons belonging to minority groups, excluded or deprived of access to different spheres of social life: education, labour market, executing power. In practice it leads to initiating various affirmative actions, or for example to the introduction of the quota system guaranteeing a fixed number of places at schools, universities, in companies, or in parliaments for the members of these groups.

In the end though, affirmative actions, similarly to discrimination itself, always concern individuals: it is an individual who is deprived of equal rights and individuals are beneficiaries of the equal chances programmes. However, managing diversity does not only mean granting preferences or equalising chances of individual members of a particular group (although this also happens). What really matters is acknowledgment that widely understood diversity increases the quality of the whole organization. Therefore, the emphasis is shifted from an individual to an organization or a company, or in a broader sense to the society as a whole. At the base of such reasoning lies the assumption that diversity itself is a factor improving the quality of functioning of a given community. Thus, managing diversity comprises taking advantage of diversified experience, knowledge, skills, predispositions, and sensitivity (purely professional, but also cultural) within the entire organization or company.

In the United States, the legal sanctioning of this new approach was the precedent ruling of the Supreme Court in 2003, in case concerning discrimination during the students' recruitment at the University of Michigan. The University authorities were accused of discrimination against white candidates because of the places guaranteed in accordance with the quota system to the candidates representing racial minorities. The suit was turned down, and as the reason for the sentence the Court decided that the University of Michigan had the right to consider race as one of the criteria of students' recruitment, because the racially diversified environment guarantees better quality of education for all students. Therefore, the university and the students overall were considered as the main beneficiaries of diversity, instead of individuals accepted according to the quota system. Therefore, the perception of diversity profits in organizations and companies shifted from the personal and individual context to collective and common.

# Variety of diversity dimensions

The contents and dynamics of the debate concerning the role of diversity in shaping the quality of social, economic and political life were determined by gender and race. However, they are not the only dimensions of diversity. Currently various other diversity aspect are treated equally, such as: ethnic group, nationality, religion, age, disability, sexual preferences, or the so-called "black sheep", i.e. persons excluded because of their negative branding, for example history of serving prison sentence, alcoholism and addiction to drugs, or persons who had a history of psychiatric treatment.

Various aspects of diversity: sex/gender

- race/ ethnic group /nationality
- religion
- age
- belonging to sexual minority
- disability
- "black sheep"

The significance and universality of each of the mentioned dimensions is strongly determined by the specif-



ics of the country where a given company or organization operates: cultural, social, demographic and political factors. However, notwithstanding the specifics of environment, each **aspect always presents a chance and poses a challenge for the managers.** 

A chance - as each of these groups brings the wealth of different, often unique, experience and knowledge to the organization. Among the people with the highest educational attainments, the share of minority groups is often similar, and sometimes even higher than the share typical for "a white man". Thus, we may speak about taking advantage of a larger pool of talents. Moreover, the staff diversity offers better knowledge of the market, which in turn facilitates both: development of the customers and suppliers networks, as well as extending the offer of products and services. In addition to this, work effectiveness and satisfaction of the employees increase, as they perceive their company as open and innovative.

A challenge – as, firstly, each of the mentioned groups characterise different requirement as regard management, and secondly, each of them is burdened with a huge number of prejudices and negative stereotypes that in consequence leads to stigmatisation and exclusion. On the one hand, it means prejudices and stereotypes related to social roles, while on the other hand, a peculiar kind of hermetism in treatment of all alternative forms of work and employment.

Overwhelming power of stereotypes – example 1 The surveys indicate that advantages of implementation of flexible and alternative forms of work organization and employment are usually greater than the costs of their adoption. Moreover, the efficiency of people taking advantage of these solutions is comparable, in many cases even higher than the efficiency of people working in the traditional system.<sup>1</sup> Nevertheless, there still lingers a belief that a good worker is the one who works full-time and regular hours. Being a "full-timer" serves as confirmation of the employee's commitment and still remains one of the significant criteria applied in decisions concerning promotion and evaluation of personnel.

**Sex and gender**. Biological sex not only classifies a given individual among the category of men or women, but it also determines their social sex (gender): attributes their social and psychological characteristics and roles, associated in a given culture with being a man or a woman. This attribution very strongly depends on the social norms that define behaviours respective for women and for men. Traditionally, femininity is associated with "soft" attributes, such as protectiveness, consideration, submissiveness, and pursuit of harmony and concordance, or attention to good human relationships. While, masculinity is traditionally associated with "hard" attributes: ambition, aggressiveness, assertiveness, the need for dominance and pursuing material achievements. The studies indicate that assuming the traditional female and male roles results in particular attitudes and behaviours at work and in professional life. In case of women it means, for example, lower aspiration for economic independence and acceptance of nonegalitarian relations with others. In case of men it is a strong need for domination and achievement.

Despite the social, customary and demographic transformations, as well as changes in both: family model and the labour market, the power of gender stereotypes and prejudices is overwhelming. A definition of "male" and "female" is often subconscious, therefore it is not questioned and not submitted to rational verification. Such strongly rooted perceptions of female and male roles are the reason that employers, colleagues and subordinates treat gender as a determinant of specific predispositions, skills, personality, as well as experience and ambition.

Even taking into account that women constitute almost 50 per cent of the labour force in most economically advanced countries, the first association with the word "worker" or businessman is still a white man. A woman on the labour market is still perceived as an "alien" "atypical" worker, in some sense a minority. They still suffer from various discriminatory practices in many areas, such as for example: recruitment, promotion opportunities, earnings, access to training, possibility to combine professional responsibilities and personal life.

The barrier of stereotypes and prejudices is in a special way hindering women reaching for the top executive positions in both: the world of business and politics. The data collected in the most recent report *Damned if You Do, Doomed if You Don't* published in 2007 by Catalyst, the well recognized American research institute carrying out the studies on the situation of women on the labour market<sup>2</sup>, lead to conclusion that a woman can choose between two solutions: either she submits to a very strong, specifically determined stereotype of femininity and remains ineffective in her career related attempts or she will climb to the top paying the price of being labelled as "unfeminine" and hard, "masculine", a "butch woman".

In the opinion of over 1200 American leaders in the world of business and politics, the behaviours traditionally associated with femininity, as for example: care of human relationships and concern about other people, are generally perceived as less efficient and professional, whereas behaviours stereotypically associated with masculinity, such as being assertive, ambitious, or focused on goal achievement are treated as essential attributes of a leader. In practice, it means that women have to choose between being a woman and being effective.



Overwhelming power of stereotypes – example 2 The result of the Catalyst<sup>3</sup> studies indicate that women holding top positions fall into a trap of three dilemmas:

- How much softness, how much hardness? There is still prevailing bipolar perception of women's behaviours: they are thought to be either too soft or too hard, never "just right".
- Higher expectations, lower pay? Women face higher expectations as compared to men although they are pay less than men (in the USA women hold about 15% of the top corporative positions, but they constitute only 6.7% of the best paid managers).
- Competent versus likable? Women on the top positions are perceived as competent or likable, very rarely they are considered both competent and likable.

Race/ethnic group/nationality. Following the transformations of the racial, ethnic and national structure, the role of each of these aspects on the labour market has been gradually changing. Racial and national diversification of the Polish society has been steadily growing (currently, every 20<sup>th</sup> child in primary schools of the Warsaw's Central district is of Asian origins). Acceptation and appreciation for people who are "different" because of their race, ethnic group or nationality require mutual recognition, familiarisation and redefinition. In such a way, "alien" and "strange" ceases to be dangerous and becomes interesting and inspiring. Also, it is worth to underline that many "ethnic" products and services became market hits: for example the salsa sauce primarily addressed to a narrow group of Latin-Americans has recently become the number one sauce in the USA and it superseded ketchup that used to hold the unthreatened top position for many years.

**Religion.** Diversification of European religious societies has been increasing. Respecting religious difference and different religious practices, guaranteeing followers of various religions possibility to celebrate their religious holidays are only some of the requirements of diversity management. Another, of no lesser importance issue is combating religious prejudices. According to the results of the Polish public opinion polls, in Poland members of different religious denomination are still strongly stigmatised and excluded. Whereas, similarly as in case of race or nationality, people of different religious denomination may become a valuable source of inspiration and knowledge and invaluable verifier of the applied assumptions and axioms.

**Age.** According to the OECD report of 2006, Poland belongs to a group of countries with the lowest activity rate of persons aged 50-65 years. It amounts to less than 50%, while in the United States it is 70%, and in the OECD countries it is on average over 60%.<sup>4</sup> At the same time, Poland belongs to a group of countries

with highest anticipated rate of non-working persons aged over 50 per one employed person. According to the forecasts, in the year 2050, the ratio of nonworking people aged over 50 to persons economically active will grow by over 2.5 times, which will mean that there will be on average 1.05 of a non-working person at the age over 50 per one employed person (the ratio for the USA will be 0.5, while for the OECD countries it is 0.7 on average)<sup>5</sup>.

Contrary to the concept of the "mythologized" old age, the elderly persons do not have to be a liability for the economy. They may comprise valuable resources of cumulated knowledge and experience. Moreover, they may represent a significant buying power on the market. Managing age means skilfully adjusting the forms of employment and working hours to the employees' age. It also means taking the advantage of the differences between the young and the old – as the former usually have more energy and IT knowledge, while the latter possess more experience and practical knowledge, as well as work satisfaction and loyalty towards the company.

**Sexual minority.** For the last two decades, the European and American labour markets have observed a multiple growth in the number of people declaring themselves as belonging to sexual minorities. The buying power of this group on the market has been increasing and it significantly reformulates model of household. All of this requires adjustment of the market offer to this group's needs, as well as changing the company's internal solutions regarding employee's matters, e.g. introducing changes in the company's social packages (taking into account various preferences).

**Disability.** The WHO and UN estimates show about 650 million of disabled people all over the world. Economic activity of these people in Europe amounts to about 40%, in the USA it is almost 50%, while in Poland it is only 20% and it is one of the lowest rates in the European Union<sup>6</sup>. Similarly to the case of the elderly, disabled persons do not have to be a liability for economy; they may decide of its powerful resources. The key to success is replacing the extended system of allowances with occupational activation. Knowledge, sensitivity, different experience, unusual talents and skills offered by this group may provide companies with a priceless source of inspirations, innovations and profits.

In 2001, the IBM Company, taking the advantage of the knowledge of its disabled workers, introduced the programme allowing adjustment of all produced by IBM appliances to the needs of disabled people. The company's profits due to this project are within the range of billion dollars.



Overwhelming power of stereotypes – example 3 In January 2008, "Gazeta Wyborcza"7 published the article about a disabled young woman in a wheelchair seeking in Warsaw a job as a high school teacher of Polish. Even her two diplomas, experience gained during the scholarship in France, fluency in foreign languages, winning the championship of Poland in wheelchair dancing championship of Poland and her dream of working with the youth, did not make her an interesting candidate for a job. Among over thirty visited high schools, only in two she was treated seriously and invited for an interview. In all other schools they treat her perfunctorily and were not even interested in her professional qualifications. The sight of a wheelchair or mentioning during the telephone conversation that she "is in the wheelchair" was confusing and it usually ended the interview.

Each of these schools lost its chance for extending the teaching staff by a teacher with passion, high qualifications and unusual scope of accumulated experience. The chance was lost for a school and also for the students. None of theses schools' principals dared to take on the challenge.

**The black sheep.** The group that stirs particularly strong negative reactions in society comprise persons with the history of criminal offence, addictions, or some diseases (e.g. prison sentence, addiction to alcohol or drugs or psychiatric treatment). This group is strongly stigmatised and excluded, but contrary to appearances it does not have to be only a great challenge for the employers – it may also create a great chance. "Black sheep" are often people who characterise with unusual creativity (for example: Merton's "deviant-innovators"<sup>8</sup>), strength of character (effective fight against addiction), or sensitivity.

Each of the mentioned groups has faced different problems; however some of them are the same. There are also people whose stigmatising is multiplied by their simultaneous belonging to a few groups. It is not difficult to imagine a disabled, black, Muslim woman. Moreover, not all branding is unambiguously negative, however, they always carry specific characteristics and specific management requirements. Managing diversity means taking advantage of all various experience, diverse knowledge, skills, predispositions and sensitivity in the entire organization or company.

#### Variety of diversity paradigms

The examples of the companies that have been successfully applying diversity management for many years usually come from the United States. A long history of the struggle for equal rights for women and representatives of non-white races, feminist movements, affirmative actions and other forms of combating inequalities resulted not only with the dictate of political correctness, but also appreciation of the advantages of diversity in the place of work. Nevertheless, the approach to the issue of diversity in business companies is not homogeneous. David A. Thomas and Robin J. Ely define three diversity paradigms, indicating that only the last one allows taking full advantage of diversity benefits<sup>9</sup>.

Assimilation paradigm. Diversity management in its simplest meaning is understood as carrying out the company's recruitment policy in such a way that ensures among the employed a possible large number of people belonging to minority groups or groups discriminated against. Such approach to managing diversity is defined as assimilation paradigm, sometimes also as fairness paradigm. On the one hand, this approach is about achieving the right quantitative proportion of each group, while on the other hand it is targeted at their complete assimilation. The companies operating in compliance with assimilation paradigm carry out mentoring, training, vocational counselling, and programmes aimed at cultural differences. However, efficiency evaluation of these programmes depends mainly on achievement of the company's goals concerning the structure and stability of its staff rather than on the degree to which members of a particular group will be able to use their personal experience and their "difference" to improve functioning of the entire organization and increasing its effectiveness. Notwithstanding the fact that the labour force becomes more heterogeneous, the approach to work, the way of performing work, and all organizational culture of the company stay unchanged.

Within assimilation paradigm the company operates as if despite diversity all people were exactly the same. It may be compared to the strategy of gender, racial or religious neutrality, i.e. the so-called blindness for any aspect of diversity. The company promotes the "one righteous" type of behaviours. The imperative of equal treatment is strengthened with harmony imperative. It leads to the situation when the differences become "imperceptible", while their potential remains entirely unutilised. The company loses opportunity to learn and develop new perspectives, strategies, and markets and practices that might be "taught" by its diversified personnel

Variety paradigm. Contrary to the assimilation paradigm that assumes supporting diversity in regard to numbers, but imposing qualitative unification, the variety paradigm embraces diversity acceptation and celebration. The logic of such approach derives from the observation of the structural changes on the market. The company tries to adjust its organizational structure regarding diversity dimensions to the structure of the customers', co-operators' and suppliers market. Particular segments of the market are dealt



with by adequately "diversified" marketing, research and development (R&D) or recruitment units. The strength of such approach lies in powerful and clear economic motivation, opportunity to gain the advantage over competitors and create opportunities for professional career of minority groups. However, its weakness lies in limiting diversity management to maintenance of market niches and "pigeonholing" particular minority groups to strictly specified segments, types of products or services. Lack of a deepened analysis of cultural differences: various experiences, skills and attitudes deprives the company of the opportunity to understand their nature and how they could be used for the advantage of the entire company instead of only narrowly specialised sections.

**Integration paradigm.** Integration paradigm combines all positives of assimilation and variety paradigms, i.e. promoting equal chances and appreciaand contributing their unique experience, skills and knowledge. In this way diversity becomes a valuable asset instead of becoming a problem.

- <sup>1</sup> See: Reports Families and Work Institute: "2005 National Study of Employers", "When Work Works" (2007) www.familiesandwork.org.
- <sup>2</sup> The Double-Bind Dilema for Women In Leadership: Danned if You Do, Doomed if You Don't, Catalyst, 2007, www.catalyst.org.
- <sup>3</sup> Worked out on the basis of : ibidem, p. 6.
  - Live Longer, Work Longer, OECD Report 2006, p. 29.
- <sup>5</sup> Ibidem, 19.
- <sup>6</sup> Transforming Disability into Ability, OECD Report, 2003, p. 35.
- <sup>7</sup> B. Aksamit, Gdzie się pchasz na tym wózku, "Gazeta Wyborcza", 11 stycznia 2008, s.14.
- <sup>8</sup> R. Merton, Teoria socjologiczna i struktura społeczna [Social Theory and Social Structure], Warsaw, PWN, 1982, p. 239.
- <sup>9</sup> D.A. Thomas, R.J. Ely, *Making Differences Matter*, "Harvard Business Review", September-October 1996.

	Assimilation paradigm	Variety paradigm	Paradigm integration
Main principle	we all are the same	we celebrate diversity	we internalise diverse values
Strategy	recruitment of "diversified" but promoting uniformed be- haviours promotion of equal chances in employment	adjusting the spe- cifics of "diversified" staff to niche sections or markets	integration: promoting equal chances; apprecia- tion of cultural differences in each domain
Advan- tages	promoting equal chances in employment	promoting equal chances in employ- ment; development of niche markets	Diversity of perspectives implemented in the entire company enriches the quality of everyone's work
Weak- nesses	<ol> <li>levelling differences – imperative in harmony</li> <li>ignoring differences – idealising assimilation</li> <li>staff diversity – uniformity/homogeneity of ways of work</li> <li>weak identification of the employees with the company</li> </ol>	attributing specified rules and specialised "pigeonholes" to par- ticular groups	???

#### Table 1. Three diversity paradigms

Source: Own elaboration based on: D.A. Thomas, R.J. Ely, Making Differences Matter, "Harvard Business Review", September-October 1996.

tion of specific cultural differences, but it additionally stresses the role of internalisation of diversified values in the whole organization. Dominating motive of this paradigm is integration of employees and values on each possible level and within each sphere of the company's activity. This approach assumes that thanks to diverse values the company improves, it gains the upper hand over the competition and achieves better economic results.

A dominating motive in assimilation paradigm is overlooking the differences – prevailing is the need for harmony and unification. In turn, in the variety paradigm the approach to the difference is unidirectional and limited to one particular branch, product or services. Integration paradigm allows taking full advantage of diversity potential. All employees in the company have the sense of belonging to the same team

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