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Abstract

The inclusion of diverse individuals in the workplace has evolved from a legal requirement to a valuable strategic asset for organizations. This study examines the complex and diverse nature of diversity, which includes various characteristics and perspectives, and emphasizes the growing importance of employing evidence-based approaches to diversity management. The objective of this study is to emphasize the strategic importance of diversity, the role of Human Resources (HR), and the importance of fairness and justice in establishing an inclusive organizational culture. This study's methodology is a literature review, which aims to combine and analyze existing knowledge on diversity management. The study's findings emphasize the tangible benefits of diversity, such as improved problem-solving, innovation, and long-term competitive advantages. The HR department is critical in implementing, evaluating, and adjusting diversity strategies to ensure they align with the organization's goals. According to the study, diversity and inclusion are critical components of modern organizational strategy, playing an important role in both financial prosperity and ethical behavior. Persistent efforts in this regard are critical for the organization's long-term success.

Keywords: Diversity, Workplace, Equal Opportunities, Effective Management

1.0 Introduction

Organizational behavior is a wide-ranging discipline that has important real-world implications in many industries such as healthcare, education, and business environments (Machado & Davim, 2017; Walston, 2016). The study of organizational behavior improves our comprehension of individual and collective actions inside companies, offering vital perspectives for efficient leadership. Organizational behavior has seen significant development throughout time and now places more emphasis on evidence-based methodologies (Luthans, 2021). According to Ivancevich (2009, p. 65), this analytical framework is crucial for measuring organizational effectiveness. The concept of diversity has become quite significant in the field of organizational behavior (Chimakati, 2023). Given the revolutionary changes occurring in the United States' population, it is crucial for companies to understand and appreciate diversity. According to the US Census Bureau, minorities, who currently make up about one-third of the population, are projected to become the majority by 2050 (Chimakati, 2023). Diversity refers to a wide range of characteristics that make people different, such as age, race, gender, ethnicity, educational background, and job experience. Diversity can be categorized into primary and secondary dimensions. Age, race, and gender are primary dimensions, which are relatively fixed and unchanging. On the other hand, educational background and job experience are secondary dimensions, which are more fluid and can change over time. To develop a comprehensive diversity strategy, organizations need to consider both primary and secondary dimensions (Ahmad Bodla et al., 2019).

The focus on diversity is not just a matter of ethics or legality, but rather a fundamental economic strategy. Johnson (2023) asserts that diverse workforces improve the quality of decision-making. Healthcare companies like Kaiser Permanente, which have a diverse board of directors, have effectively shown this improved decision-making capacity. Further, there is a strong economic justification for embracing diversity. By 2015, the purchasing power of minority groups in the United States is projected to surpass \$3.5 trillion. The firm saw a rise in sales within the Hispanic market by printing labels in both English and Spanish, highlighting the significance of internal diversity in understanding customer demands. A diverse work environment fosters creativity and innovation (Chimakati, 2023). Colgate-Palmolive and similar companies have established Global Innovation Funds to solicit ideas from a varied workforce, resulting in the creation of over 400 new products. The presence of diversity in the workplace fosters the inclusion of many viewpoints, cultures, and experiences, which enhances the ability to solve problems and develop strategic approaches. Therefore, it is unsurprising that firms dedicated to diversity often outperform others that lack such commitment. Studies comparing organizations that prioritize diversity have shown that these companies outperform others in many financial indicators (Veenstra & Ellemers, 2020). Thus, managers must see diversity not just as a mandatory requirement for compliance, but also as a strategic opportunity (Ahmad Bodla et al., 2019). It is recommended that companies establish a connection between diversity and their corporate strategies, set specific objectives, and view human capital as a competitive advantage (Luthans, 2021). Simultaneously, the difficulties associated with overseeing diversity should not be overlooked. A sophisticated knowledge is necessary for comprehending intergroup interactions in a diverse workforce, as stated by Luthans (2021) and Ahmad Bodla et al. (2019).

1.1 Discussion

Chimakati (2023) defines diversity as a complex concept that incorporates several traits that distinguish persons from one another. It is not only a trendy term or a need to fulfill for corporations; it is a complex concept that influences both personal connections and group interactions. The fundamental aspects like age, ethnicity, gender, physical qualities, race, and sexual/affectional orientation, which are typically consistent throughout a person's life. In addition, there are secondary factors such as educational background, marital status, religious views, health, and job experience that contribute to the complexity. Understanding diversity demands an awareness of all these traits, particularly as the United States grows more diverse.

In contemporary organizations, diversity management has evolved far beyond mere compliance with legal mandates or token corporate social responsibility. It is now considered a strategic imperative that can significantly impact the bottom line and organizational performance. Luthans (2021) supports this view by emphasizing an evidence-based approach to organizational behavior. An evidence-based approach involves leveraging empirical data and research to inform strategy and decision-making. In the context of diversity management, this means HR departments can gather data on different diversity metrics, analyze workforce demographics, and evaluate the impact of diversity on performance. They can also conduct controlled experiments to assess the efficacy of diversity programs. This ensures that diversity initiatives are not just well-intentioned but are backed by solid data indicating their effectiveness and ROI (Return on Investment). Moreover, the strategic importance of managing diversity effectively extends to various domains such as talent acquisition, customer relations, and even brand image. For instance, a diverse workforce can provide a broader range of perspectives, which can be particularly valuable for problem-solving and innovation. This is aligned with Luthans' (2021) evidence-based approach, suggesting that companies with effective diversity management often outperform their less diverse counterparts in terms of creativity, adaptability, and financial performance. Further, in our increasingly globalized business environment, a diverse workforce can be an asset for relating to a multicultural customer base. By adopting a strategic approach to diversity, companies can better position themselves in the market, appeal to a wider range of customers, and even attract more diverse talent, creating a positive feedback loop that further enhances performance.

In the long run, the strategic focus on diversity can foster a more inclusive organizational culture. A culture that not only tolerates but celebrates diversity is likely to be more harmonious and less prone to conflicts arising from misunderstandings or prejudice. Again, the evidence-based approach advocated by Luthans (2021) can be instrumental here. Periodic surveys, feedback mechanisms, and other empirical methods can be used to gauge the organization's cultural temperature concerning diversity and inclusion. In doing so, HR can identify potential problem areas and develop strategies for continuous improvement. This creates an organizational culture that not only aligns with ethical principles but also supports strategic objectives by enhancing employee satisfaction, reducing turnover, and ultimately improving productivity. Organizational behavior structured on the Human Resources (HR) infrastructure has long been considered the backbone of an organization, playing a crucial role in strategic planning and policy formulation. Armstrong (2014) asserts the core responsibilities of HR departments, which include strategic planning that sets the direction for the organization's activities. In a similar vein, Machado & Davim (2017) emphasize that HR should also be pivotal in shaping policies related to diversity

and inclusion. These policies are not just ancillary plans but vital components of an organization's overall strategy. They set the standard for how diversity should be managed and implemented across different levels and functions. It is HR's responsibility to draft these policies in a way that is coherent with the broader organizational goals while ensuring they are legally compliant and ethically sound. They need to establish how diversity goals align with organizational objectives, such as innovation, market penetration, or talent retention.

Further, organizational behavior based on HR serves as the linchpin between the top management's strategic vision and the line managers who will enact these strategies on the ground. Once HR formulates the diversity policies, line managers are generally responsible for the tactical implementation. Machado & Davim (2017) suggest that the relationship between HR and line managers in implementing these strategies is symbiotic. HR not only devises the policies but also provides the tools, training, and resources line managers need to implement them effectively. This includes but is not limited to training programs, monitoring and evaluation metrics, and regular updates on policy shifts. Thus, HR acts as both a guide and a facilitator in the practical enactment of diversity strategies, helping line managers navigate any challenges they may face in the implementation phase. The role of organizational behavior in HR extends beyond just drafting and facilitating the implementation of diversity policies. They are also responsible for ongoing assessment and tweaking of these policies to ensure they are yielding the desired results. This aligns well with the evidence-based approach suggested by Armstrong (2014), which calls for continuous assessment and improvement. HR departments should employ data analytics, employee feedback, and market trends to continuously evaluate the effectiveness of diversity policies. Are the policies achieving the intended goals of enhancing workforce diversity, reducing workplace conflict, or driving innovation? If not, what are the roadblocks, and how can they be removed? Based on these assessments, HR can revise strategies and provide updated guidelines to line managers, ensuring that the organization is always moving forward in its diversity and inclusion journey.

Ahmad Bodla et al. (2019) emphasizes the significance of core principles like fairness, justice, and equal opportunities in diversity management programs. These principles serve as foundational pillars that inform not just the ethical dimensions of an organization but also its operational aspects. Far from being abstract notions, fairness and justice are intrinsically related to the daily experiences of employees. Whether it is through equitable distribution of resources, equal pay for equal work, or transparent promotion criteria, these principles manifest themselves in various facets of organizational life. When employees perceive that these principles are upheld, it creates a sense of psychological safety and trust. This can result in increased job satisfaction and organizational commitment, as employees feel valued and respected. More than simply fulfilling legal or social expectations, adhering to these fundamental principles strengthens the bonds of trust and respect between employees and the organization, setting the stage for a high-engagement, high-performance culture.

In addition, these core principles are vital for maximizing employee engagement and organizational performance. According to Ahmad Bodla et al. (2019), organizations that place fairness, justice, and equal opportunities at the forefront of their diversity management strategies are more likely to experience enhanced productivity and reduced turnover rates. Employees who feel they are treated fairly are often more motivated to engage in discretionary behaviors that go

beyond their formal job descriptions. This includes helping colleagues, taking initiative, and endorsing the organization, behaviors that contribute to the overall performance and productivity of a business. Moreover, organizations that operate on these principles attract more diverse talent, which in turn can lead to a wider range of perspectives and problem-solving approaches. This enhances innovation and adaptability, crucial attributes for competitiveness in today's fast-paced business environment.

Lastly, it's essential to recognize that these principles not only serve internal organizational goals but also contribute to the broader social good. As social entities, organizations have a responsibility to their communities to champion fairness, justice, and equal opportunities. By embodying these principles, companies set an example for other institutions and contribute to social cohesion and justice. Moreover, these principles can also be a selling point for socially conscious consumers and stakeholders, aligning the organization with broader market trends that favor corporate social responsibility. Companies that not only articulate but also implement these core principles can position themselves as leaders in the field of diversity management, thereby earning social capital that can be translated into tangible business benefits.

Luthans (2021) suggests that workplace diversity is not just an ethical or legal requirement but a strategic asset that offers tangible benefits. One of the most significant advantages of a diverse workforce is enhanced problem-solving capabilities. A diverse team brings a multiplicity of viewpoints, life experiences, and cognitive styles to the table. This richness in perspectives leads to a more comprehensive analysis of issues, as each individual can contribute unique insights or suggest alternative methods. Rather than promoting a single way of thinking, diversity cultivates a dynamic problem-solving environment where innovative solutions are more likely to surface. As Luthans (2021) highlights, diversity enhances the collective intelligence of a group, providing a broader range of options and reducing the likelihood of groupthink, which can stifle creativity and lead to poor decision-making.

In addition to improved problem-solving, diversity also fuels innovation, a critical determinant of competitiveness in today's fast-paced market. According to Luthans (2021), a diverse workforce is more agile and adaptable in the face of market changes, primarily because it is less bound by traditional or homogenous ways of thinking. Employees from different backgrounds, cultures, and disciplines can introduce new methods, tools, or perspectives that a more homogenous group might overlook. This range of perspectives can be a rich source of creativity, leading to the development of new products, services, or processes that can give a company a competitive edge. Innovation is not merely about inventing something new but also about adapting and evolving, attributes that a diverse workforce inherently supports. Luthans (2021) implies that the benefits of diversity extend beyond immediate operational gains to long-term strategic advantages. Companies that manage diversity well are often more appealing to a broader client base, which is increasingly diverse itself. This has marketing advantages, making products or services attractive to a wider range of people and opening up new markets that a less diverse competitor might not be able to access effectively. Moreover, a reputation for diversity and inclusion can attract top-tier talent, leading to a virtuous cycle where diversity begets more diversity, each cycle enriching the organization further. This creates a sustainable competitive advantage, building a culture of inclusion and innovation that is difficult for competitors to replicate, thereby enhancing the long-term viability and success of the organization.

1.2 Challenges in Achieving Diversity and Equality in the Workplace

Despite the recognized benefits of workplace diversity, organizations often face significant challenges in implementing effective diversity and equality strategies. A primary obstacle is the inherent complexity of diversity itself (Nadiv & Kuna, 2020). As noted by Yadav and Lenka (2020) diversity encompasses a broad range of characteristics, including both primary dimensions like age, race and gender, and secondary dimensions such as educational background and job experience. This complexity makes it difficult to develop a one-size-fits-all approach to diversity management. Each dimension of diversity brings its own set of challenges. Moreover, managing these diverse traits often involves navigating sensitive cultural and social dynamics, which can be fraught with misunderstanding and conflict (Sanyang & Ali, 2023). For instance, differences in communication styles, values, or work ethics among employees from diverse backgrounds can lead to friction and affect teamwork and productivity.

Another challenge lies in overcoming inherent biases and stereotypes, which can hinder the effective integration of diverse employees into the organizational culture. Luthans (2021) showed that despite the best intentions, unconscious biases can influence hiring decisions, promotions, and daily interactions within the workplace. These biases not only undermine the principles of fairness and equality but can also lead to a lack of representation of certain groups in key positions, thereby perpetuating inequality. In addition, Ahmad Bodla et al. (2019) emphasize the importance of creating a truly inclusive environment where all employees feel valued and respected. However, fostering such an environment is challenging, especially in organizations with a long-standing homogenous culture. Resistance to change, lack of awareness or understanding of diversity issues, and inadequate training can all contribute to a workplace that is diverse in name only, without the benefits of true inclusivity (Grier, 2020).

The alignment of diversity strategies with broader organizational goals is another significant challenge. According to Machado & Davim (2017), aligning diversity initiatives with business objectives requires not just commitment from the top management but also a clear understanding of how diversity contributes to the organization's overall strategy. This involves a shift from viewing diversity as a compliance or HR issue to recognizing it as a strategic business enabler. However, achieving this alignment is often complicated by competing priorities, limited resources, and a lack of understanding of the strategic value of diversity among decision-makers. Additionally, measuring the impact of diversity initiatives on organizational performance poses a challenge. While the benefits of diversity are well-documented, quantifying these benefits in terms of ROI (Return on Investment) can be difficult. This makes it challenging to justify the allocation of resources and effort towards diversity initiatives, especially in organizations where decision-making is heavily driven by financial metrics.

Lastly, global organizations face the added challenge of managing diversity across different geographical locations, each with its unique cultural, legal, and social contexts. As noted by Chimakati (2023), the concept of diversity varies significantly across cultures, and what constitutes effective diversity management in one country may not be appropriate in another. This requires an understanding of local contexts and the ability to adapt diversity strategies accordingly. Navigating these cross-cultural dynamics can be complex and requires a high level of cultural competence and flexibility (Sanyang & Ali, 2023). Therefore, while the pursuit of diversity and equality in the

workplace offers numerous benefits, it is fraught with challenges that require careful, strategic, and sensitive management to overcome.

1.3 Effective Solutions for Diversity and Equal Opportunity Management in the Workplace

Developing effective solutions for managing diversity and ensuring equal opportunity in the workplace requires a multifaceted approach that addresses both structural and cultural elements within an organization (Lee et al., 2020). A key starting point, as suggested by Luthans (2021), is the establishment of clear diversity policies and objectives that align with the organization's overall strategy. These policies not only outline the organization's commitment to diversity but also provide specific, actionable goals and metrics for measuring progress. This could include targets for recruitment, retention, and promotion of diverse employees, as well as benchmarks for inclusive practices within the workplace. Additionally, ensuring these policies are communicated effectively across all levels of the organization is crucial. This communication should not only inform but also engage employees, encouraging their active participation in diversity initiatives. To this end, training programs that enhance employees' understanding of diversity and its benefits, as well as their awareness of unconscious biases, are essential. These programs should be designed to foster an inclusive mindset and equip employees with the skills to work effectively in a diverse environment.

Another critical aspect of managing diversity effectively involves the active involvement and support of top management. As highlighted by Ivancevich (2009), leadership commitment is vital for the success of diversity initiatives. Leaders need to not only endorse diversity policies but also model inclusive behavior. This includes actively seeking diverse perspectives in decision-making, ensuring fair treatment of all employees, and being open to feedback about the organization's diversity practices. Moreover, according to Sharma (2016) leaders should be held accountable for meeting diversity and inclusion goals, just as they are for other business objectives. This accountability can be embedded into performance evaluation systems, incentivizing leaders to prioritize diversity and inclusion in their daily operations. To further reinforce this commitment, organizations can establish diversity councils or task forces that include members from various levels and backgrounds. These councils can provide oversight, guidance, and recommendations on diversity initiatives, ensuring they remain relevant and effective.

In addition to top-down approaches, bottom-up initiatives are also crucial for creating a truly inclusive environment (Semeraro et al., 2020). Employee resource groups (ERGs) or affinity groups can play a significant role in this regard. These groups provide a platform for employees from various backgrounds to come together, share their experiences, and support each other. They can also serve as valuable resources for the organization by providing insights into different market segments, contributing to product development, and enhancing the organization's understanding of diverse customer needs. Further, ERGs can be instrumental in identifying potential areas of improvement within the organization's diversity practices. By fostering open dialogue and collaboration, ERGs can help bridge gaps between different employee groups and promote a more inclusive culture.

Further, monitoring and continuous improvement are essential components of successful diversity management. This involves regularly assessing the effectiveness of diversity initiatives, using both qualitative and quantitative measures (Sanyang & Ali, 2023). Surveys, focus groups, and exit interviews can provide valuable feedback on employee perceptions and experiences related to

diversity and inclusion. Additionally, data analytics can be used to track diversity metrics and identify trends or areas of concern. Based on these assessments, organizations should be prepared to adjust their strategies and practices as needed. This continuous improvement process ensures that diversity initiatives remain responsive to the evolving needs of the workforce and the organization. Moreover, by regularly reviewing and updating their diversity strategies, organizations can stay ahead of demographic changes and market trends, ensuring their practices are not only effective but also relevant in a rapidly changing world.

2.0 Conclusion

In conclusion, the field of organizational behavior is of paramount importance in understanding the dynamics of workplaces across various industries. It offers insights into individual and collective behaviors within organizations, contributing to effective leadership and organizational success. Over time, organizational behavior has evolved, placing greater emphasis on evidencebased methodologies, which are essential for measuring organizational effectiveness. Diversity has emerged as a crucial aspect of organizational behavior, driven by the significant demographic changes occurring in the United States and the need for companies to understand and appreciate diversity. Diversity encompasses a wide range of characteristics, both primary and secondary, making it imperative for organizations to consider all dimensions when developing a comprehensive diversity strategy. The focus on diversity is not merely an ethical or legal requirement but a strategic imperative. Diverse workforces enhance decision-making quality, tap into substantial purchasing power, foster creativity and innovation, and outperform less diverse competitors in various financial indicators. Managers must view diversity as a strategic opportunity rather than a mandatory compliance requirement. To maximize the benefits of diversity, it is recommended that companies establish a strong connection between diversity and their corporate strategies, set specific objectives, and view human capital as a competitive advantage. However, achieving diversity and equal opportunity in the workplace is not without its challenges. The complexity of diversity, unconscious biases, resistance to change, and the need for alignment with organizational goals pose significant obstacles. However, effective solutions are available to address these challenges. These solutions encompass clear diversity policies, leadership commitment, employee resource groups, continuous monitoring, and a commitment to continuous improvement. By adopting a multifaceted approach that addresses both structural and cultural elements, organizations can navigate the challenges and unlock the numerous benefits of diversity, ultimately contributing to their long-term success and competitiveness in a rapidly changing world.

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