

Diversity Management: from “One Size Fits All” to a More Inclusive Approach

By Christina Merl¹

Globally, non-profit and for-profit organisations are experiencing a clear shift away from the “one size fits all” model towards a broader and more inclusive approach in managing a multicultural, geographically dispersed, polyglot workforce and consumer base. “Diversity” is the new buzz word. The concept, which had its origin back in the 1970s in the US, is emerging as an indispensable management skill in the 21st century. Anita Rowe and Lee Gardenswartz, a Los Angeles based management and consulting team, have specialised in diversity management from the early 1980s. They see their mission in helping their international clients to shape corporate cultures, build productive and cohesive work teams and create inter-cultural understanding and collaboration in the workplace. In an interview granted to Rural Development News they demand “a broad definition of diversity, going beyond just gender and race or ethnicity”.

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Can we say that “diversity” as defined today is the result of globalisation, changed demographics and fast changing market conditions?

In the US, the biggest initial driver for diversity was the changing demographics especially because of immigration. The 1987 Hudson Report was the wake-up call for many organizations as it pointed out the radically changing demographics of the next few decades. However, there were also social changes that motivated the interest in diversity. The civil rights movement of the late 1960s had set in motion a whole string of liberation movements around race, gender and sexual orientation. There was an increasing awareness and sensitivity regarding differences and an increasing rejection of the assimilation model for dealing with differences. In addition, the contract between employer and employee was changing and people were beginning to expect more humane treatment, work life balance and equity in the workplace.

How would you define “global diversity”?

We would define it as addressing issues of difference on a global scale to capitalize on the diversity of all employees. This involves cultural awareness and sensitivity in understanding the differences in culture, language and legal, economic and political systems in the countries where an organization does business.

In which context did you first encounter diversity?

We began working with what is now called “diversity” back in 1977 when we were drafted to work on a project to help the Los Angeles Unified School District meet the challenges of mandatory integration. It was

a time of tumultuous change with fear and resistance from parents, teachers, administrators and students as they faced the prospect of court ordered bussing. "Multiculturalism", as it was called then, was pretty much limited to race and ethnicity. It wasn't until our hospital clients began asking us to help them deal with similar issues in the mid 1980s that we got back into diversity. Hospitals were experiencing dramatic changes in the ethnicity of patients at that time; cultural and language differences were paramount. They were also dealing with changes in the workforce in the same dimensions.

Do you think Europe is now experiencing similar challenges?

While we do not live in Europe, it seems that some of the challenges you are experiencing around immigration are similar to ours, even though the US is a nation of immigrants and has always been. Perhaps the need to deal with these challenges and the fears around it are similar to what we began dealing with in the late 1970s when the definition of diversity was more limited and discussion centred around the legally protected categories of gender, race, national origin and age.

Can the experiences made in the US context readily be transferred to the European context?

Diversity is about inclusion and exclusion in any context. The question in Europe, or anywhere else for that matter, is the same. Who are we excluding that we shouldn't and who are we not including that we should, for the good of the organization? This means that organizations in Europe as elsewhere need to define their own issues, both the obstacles and the opportunities that differences present.

Do we need to differentiate between non-profit and for-profit organisations? If so, do non-profit organisations have a more obvious responsibility for diversity?

Any organization, whether non-profit or for-profit, that employs a diverse workforce and serves diverse

clients needs to deal with diversity in order to be effective. This is the strategic imperative. Depending on the organization's mission, it may have more or less of an ethical imperative in terms of diversity. Basically it is in the organization's best interest to address diversity and have a strategy for dealing with it.

Does diversity allow members of an organisation to better identify with their organisation?

We think that inclusion is key to engagement and commitment. When people feel valued, they do their best work. So addressing diversity can increase motivation, improve morale and hence, lead to better results.

Could it be that organisations are inclined to create the buzz about diversity out of pure image and PR reasons? If not, what other aims are involved?

Yes, sometimes diversity is just a "check off the box" activity that gets only lip service. However, when this is the case results are usually just as superficial and short lived as the commitment. Basically, a diverse workforce and customer base as well as the financial impact of changing demographics on an organization seem to be the driving force of diversity. In the US, the biggest selling points with employees are individual rights and equity/fairness. This, however, may not be the case in other parts of the world where there are more collectivist orientations.

Can investment in diversity measures be seen as ROI? If so, in what respect?

Yes they can be seen, but there needs to be a rigorous plan for measurement and tracking in order to do so. Criteria need to be set up at the beginning and data collected throughout the process. ROI (Return on Investment) can be seen in aspects such as increased market share, reductions in turnover, reduced grievances and lawsuits, increased productivity, for example. However, there are always many variables that influence these factors so isolating diversity's contribution is not always easy.

How can you measure diversity?

There needs to be a plan to monitor progress and evaluate results. The strategy needs to be data driven so that analysis of issues, needs and goals is built on solid facts supported by data.

What is key to successful diversity management?

The first requirement is open minds, especially at the top of the organization. Leadership must see the value in diverse points of view, perspectives, ideas and approaches. Diversity needs to be connected to the strategic goals of the organization and seen as a pragmatic business strategy not just a human resource, feel-good issue. There needs to be a broad definition of diversity, going beyond just gender and race/ethnicity so that everyone can see him/herself reflected in the definition and so that exclusions based on any dimension of diversity are part of the conversation.

Does the size of an organisation play a role?

As size increases usually, so does complexity. The larger the organization, generally the more difficult it is to communicate, get commitment and alignment around diversity.

Where should diversity be anchored in an organisation? Is a top-down strategy most effective?

What we can see is that diversity needs to be embedded in the organization throughout. It needs top down commitment and reinforcement, but also middle management buy-in and front line support, too. Each level has a contribution to make and benefits to derive from diversity and getting people actively involved in the process is key. This may mean through participating in activities such as interviews, focus groups and dialogue session, participation in Diversity Councils or action teams, having educational forums and training, employee affinity groups/associations, and mentoring programs. Finally, measurement is also critical.

Can diversity enhance organisational learning and if so, how?

Continuous learning is key to effectively managing diversity. Self awareness, cultural knowledge, interpersonal skills all aimed at opening individual minds, teams and organizational systems are ways in that diversity enhances learning.

You recently presented a new diversity tool named Emotional Intelligence and Diversity (EID)². What was the underlying objective and how would you define the target group?

EID is especially important for leaders and managers who are responsible for creating inclusive environments that get the best from all involved. Our objective was to help people in any organization dealing with any kind of diversity and develop the understanding and skills to work with differences in more effective, less frustrating ways. Because differences trigger emotional responses, it is critical to help people deal with these feelings - fear, frustration, attraction, anger, confusion, etc. that influence our reactions and ability to deal with differences. It is aimed at helping people get to the heart of the matter.

So diversity does not provide a "one size fits all" model but gives room or rather asks for cultural adaptation?

Cultural adaptation at the national and organizational levels is necessary for diversity to be dealt with effectively as each organization needs to own its approach and strategy that is tailored to the needs, issues and objectives of the organization. For example, our model of diversity, "The Four Layers of Diversity", can be adapted by any organization to more closely fit its issues and needs. Whereas in the UK the desire was to add "class" as a dimension of diversity, in Germany "race" was stated as "skin color". We have also had organizations in the US add "mental ability" to the "physical

² *Emotional Intelligence and Diversity (EID)* by Jorge Cherbosque, Lee Gardenswartz, Anita Rowe (2005)

ability” dimension and add “political affiliation” as a dimension. The importance here is that the organization find a way to talk about inclusion/exclusion, in groups and out groups, assumptions and stereotypes in ways that are relevant.

EID covers four categories: self-governance, affirmative introspection, social architecting and intercultural literacy. Which is the most important diversity competence?

All aspects of our EID model are crucial for competence in dealing with differences and any human being in any system, organization or relationship could benefit from the skills and understanding involved.

What is the challenge for diversity in developing countries?

The challenges in developing countries are undoubtedly the same as in other parts of the world. They are the human challenges of openness to differences, moving beyond ethnocentrism, managing biases and stereotypes, being open to the input and ideas of all and holding human egos in check. What may be different is the economic, social and political stability and infrastructure that is necessary to even have the luxury to look at issues of diversity.

You are referring to diversity as “luxury”. Does that mean there is only room for diversity in well-off societies and economies?

What we meant is that we have seen that it is difficult to allocate resources and time to address diversity when an organization is struggling to survive because of lack of infrastructure and resources and when it first has to make sure it even exists as an organization. Once that groundwork is done and the organization is operating, then it can focus on improving the culture, increasing inclusion and removing barriers that block the full utilization of all staff.

So may we see diversity as an add on to organisations that have a sound economic base?

We think diversity needs to be, not an add on, but an integral part of strategy and operations.

Does diversity management have an impact on rural development and if so, what is it like?

Some of the same issues of diversity that emerge in any environment are key here - us versus them issues, inclusion/exclusion, in/out groups, stereotypes and bias, power and privilege issues. As in any environment, people in rural development need to identify where there are exclusions that are creating obstacles to success and effectiveness for them.

Do you think diversity is on the way towards establishing itself as an indispensable (management) skill in a global society and economy?

Yes. If you don't manage diversity, it will manage you. We see it as the quintessential skill for survival in this century.

How can we further raise diversity awareness?

We need to continue to educate, reinforce learning and processes that support equitable and fair treatment, and holding people accountable for behaviours that support inclusion. In addition, diversity needs to be made a priority by putting resources behind it and having those with clout in the organization be flag wavers for it.

What is your personal wish for diversity?

Our wish is for kinder, more respectful and humane organizations and a more compassionate world. In a more specific way, we would like to see diversity as an integral part of the way organizations do business and that it does not have to be singled out because it is a natural part of the strategy and way organizations function.