

# CREATING MULTI CULTURAL ORGANIZATIONS FOR DIVERSITY MANAGEMENT

## INTRODUCTION

Most of the modern day organizations are operating in a highly turbulent rapidly changing environment, where organizations continuously seek for new sources of gaining competitive advantage. The ability of organizations and their leaders to recognize and employ every available advantage is critical to success. The sources that provided competitive advantage for organizations such as product design, manufacturing technology, marketing strategies, distribution channels, customer service, and so forth during the early years of the new millennium are no longer sustainable and a new set of markedly different sources are emerging. Organizations today, including a small boutique at the top of the road, just doesn't compete with the boutiques in the local community, but they face competition from the global community. The world has become a borderless global village with the advancements in information and communication technology.

These advancements have directed the focus of present day organizations on the concept of 'diversity', which refers simply to the blend of differences and similarities in people who are related to the organization in numerous ways. Managing the diversity of the workforce in a way that maximizes the talents and intellectual capital of all employees is of

*"The wave of the future is not the conquest of the world by a single dogmatic creed but the liberation of the diverse energies of free nations and free men."*

*-John F. Kennedy -*

*"I feel my heart break to see a nation ripped apart by its own greatest strength-its diversity."(American Singer, b. 1961)*

*-Melissa Etheridge quotes-*

immense significance in creating value and such initiatives enable organizations to surpass the value created by competitor firms (Shipp & Davidson, 2001).

Accordingly this article expects to explain how diversity in organizations can be used as a tool to gain competitive advantage in this turbulent business world and it discusses definition and description of diversity, emergence of diversity, developing a multicultural organization, and approaches to be used to managing diversity at organizations.

## DEFINITION OF DIVERSITY

Though most of the scholars tend to research on diversity and attempt to come up with various definitions and descriptions, Goldman Sachs diversity advertisement explained that

**"It's hard to define what diversity is because everyone has an opinion" (as in McCormick, 2008, p 01). McCormick (2008)**

Further supports this in his article

stating that the term ‘diversity’ is almost never defined, although diversity initiatives are now becoming common in the corporate world, world over. He states that when it is defined it is often described in conclusionary and circular terms making little common understanding in the reader’s mind.

Cox (n. d) states that the term diversity has many interpretations. He says it is not so broad to be defined as any difference between people and not so narrow to be restricted to the concepts of gender and race. After presenting all these arguments Cox (n.d) finally comes up with his definition which is,

**“diversity is the variation of social and cultural identities among people existing together in a defined employment or market setting” (p. 03). Although Cox (n. d)**

to ‘workforce diversity’ only. Queens Borough Community

College presents the definition on diversity looking at it from an individual perspective. As they say, it means understanding that each individual is unique, and recognizing individual differences with recognition and respect. This simply indicates that diversity is variety or multiformity. Considering all the above views the concept of diversity can be broadly defined as, the presence of diverse characteristics among people who co-exist in either a workplace setting, market setting, or in the social setting. This is considered as the working definition of diversity throughout this article.

## DESCRIPTION OF DIVERSITY

Diversity could take place among various dimensions. As per the Queens Borough Community College, following diversity dimensions could be observed in the society -race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies. Dessler (2005) states

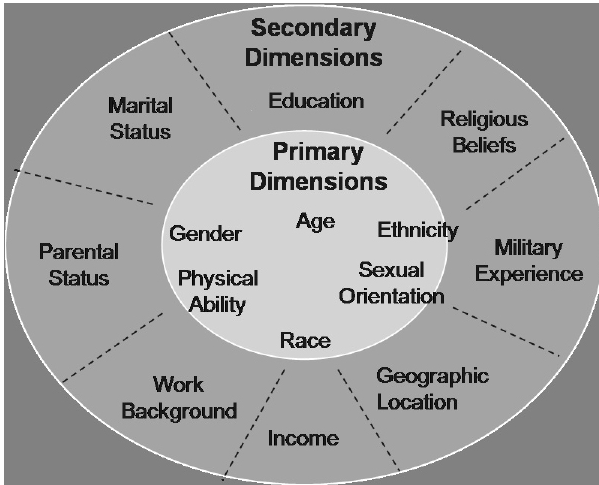
**“Although there is no unanimity about what diversity means, there’s considerable agreement about the components of diversity” (p. 58).**

According to him, in a survey the respondents have listed race, sex, culture, national origin, handicap, age, and religion as diversity components. This comprises of the demographic building blocks or factors that represent diversity and what people often think



Explains about diversity in the broad view point including the workforce and the market setting, most of the material refers

of when asked what employers mean by diversity. While pointing out to race, age, ethnicity, gender, and social background as dimensions of diversity, Daft (2009) categorizes these dimensions in to two categories as primary dimensions and secondary dimensions.



**Figure 1 – Primary and secondary dimensions of diversity**  
 Source: Daft, R. L. Meeting the Challenge of Diversity [Power Point Slides]

The inner circle represents the primary dimensions of diversity, which include inborn differences of people or differences that have an impact throughout one’s life. They are core elements through which people shape their self-image and the view on the external world. Secondary dimensions are shown in the outer ring and can be acquired or changed throughout one’s lifetime. Daft (2009) explains that these dimensions tend to have a lesser impact than the primary dimensions, but affect a person’s definition and have an impact on how the person is viewed by others.

Companies need to mainly focus on primary dimensions with respect to the employment function and on both in the marketing function. For an example, considering

a fashion retail organization, with regard to the geographic location, the branches in semi-urban and rural areas need to sell normal clothes, shoes, and accessories where as the outlets located in urban areas should sell highly fashionable clothing, fashion shoes, and prestigious accessories to cater to the elite class customers. Focusing on gender diversity in employment, especially in the Sri Lankan context, is important with regard to the recruitment and employment of sales staff. Since typical Sri Lankans tend to express their requirements regarding clothes, lingerie, and accessories to the sales staff of the same gender, it is possible to create a gender balance within the stores by employing more female staff within the ‘Ladies Sections’ and employing more males in the ‘Gents Sections’. Further it is also important to break the glass ceiling for women by allowing them to freely climb up the hierarchical ladder by evaluating them only on their performance. Extraordinary success of Sri Lankan fashion entrepreneur Ms. Obara Gunawardena lies as a great example in this aspect.

According to Luthans (2005) out of the number of demographic characteristics contributing to diversity the most widely recognized involve age, gender, ethnicity, and education.

**AGE**

Vodopevec and Arunathilake (2008) have found the following challenges that the organizations need to pay their attention with regard to age diversity. Sri Lanka’s population is predicted to age very fast during the next 50 years, bringing a slowdown of labor force growth, and after 2030 it’s contracting (p. 01). Not only in Sri Lanka, but also other countries

including the so-called most powerful nation in the world, which is USA, is also facing the problems of aging population from the 20th Century onwards. This results in a workforce (majority comprising of baby boom generation following World War II) that is progressively getting older which is a result of the, declining birth and fertility rate among the post-baby boom generation, improved health and medical care facilities in countries all over the world, increased life expectancy rate of both males and females, and private sector allowing people to continue working at their sixties and beyond.

How age has to be considered in organizational diversity management practices can be again explained using the fashion retail organization as follows; it is important to focus attention about age diversity in dealing with the market as well as with the workforce. Learning how to deal effectively with older customers and workers will offer an edge over competitors to the firm. A store needs to cater to the fashion requirements of Generation Xs as well as the Generation Ys.

In addition, organizations need to avoid age-discrimination by providing equal employment opportunities to people of all ages provided that; they get through the medical test of the selection process irrespective of their age. Companies can also use the expertise of veteran employees who understand the variety of generations by even paying a premium wage as it provides a significant market insight. As in Luthans (2005), McDonalds is a corporation which takes the advantage of the positive attributes of older employees where they consider their seniors as sensational role models to young employees. However, it is important that organizations deal with their younger workforce carefully to make them loyal

and committed, as they are useful in bringing in new ideas to cater the present generations.

## GENDER

Besides age composition, gender diversity is also largely observed in today's organizations as well as markets. As Luthans (2005) states

*“women have been entering the workforce in record numbers over the last four decades....this diversity development can and should dramatically change policies and day-to-day practices of organizations” (p. 67).*

Though there are no specific laws in Sri Lanka guaranteeing equal pay and opportunity for women, like the Equal Pay Act of 1963 in USA and the Equal Pay Act of 1970 in UK, it is important even for Sri Lankan organizations to carefully develop the compensation and promotion policies and practices equally considering both men and women. The organizations need to further consider on this to ensure faster career progression to women as well as men avoiding the glass ceiling effect. Since being founded in 1901 as a shoe store in Seattle, Nordstrom has developed as one of the USA's leading fashion specialty retailers and its policy on treating women indicates how it values gender diversity (Stoner, Freeman, & Gilbert, 2002). Since a large part of Nordstrom's merchandise caters to women, the company believes that employing a large number of women would be advantageous. As of May 2007, 72.4 percent of Nordstrom's managers and 72.5 percent of total employees were women. There were also three women on the company's nine-member board... (IBS Center for Management Research, 2007)

**ESTIMATED MIDYEAR POPULATION BY ETHNIC GROUP, 1980-1989 (IN THOUSANDS)**

<b>Ethnic group</b>	<b>1980</b>	<b>1981</b>	<b>1982</b>	<b>1983</b>	<b>1984</b>	<b>1985</b>	<b>1986</b>	<b>1987</b>	<b>1988</b>	<b>1989</b>
Sinhalese	10827	11027	11252	11430	11578	11757	11955	12121	12280	12437
Sri Lankan Tamil	1714	1752	1919	1951	1976	2008	2042	2072	2096	2124
Indian Tamil	1031	1031	824	812	807	811	828	845	859	873
Sri Lankan Moor	1031	1056	1088	1111	1129	1152	1179	1203	1226	1249
Burghers	49	49	39	39	40	40	41	41	41	42
Malays	50	50	44	45	45	45	46	47	48	48
Others	45	45	29	29	29	29	36	44	50	52
Total*	14742	15011	15195	15417	15603	15842	16127	16373	16599	16825

**Table 1: Population by religion, census years (in thousands)**

**Source: Principal Ethnic Groups: Sri Lanka, International Center for Ethnic Studies**

with ethnicity changes paying special attention during preparation of HR policies.

**ETHNICITY**

Ethnicity refers to the ethnic composition and deals with racial diversity. Census statistics of most of the countries indicate that the racial mix is changing dramatically. These changes in the racial mix of the overall population are reflected in the workforce as well as in the customer base. In general the foreign nationalities that are living and working in other countries are increasing especially in countries like Australia and New Zealand. The following table indicates the changes in the population with respect to ethnic groups in Sri Lanka over 1980-1989.

A similar situation is visible in the west where Latino’s are projected to far pass African Americans as the USA’s largest minority (Lopez, 2014). These changing racial patterns point to greater workforce diversity. The challenge on corporate managers here is to deal carefully

**OTHER CHARACTERISTICS OF DIVERSITY**

In addition to age, gender, and ethnicity, education, language, disabilities, single parents, dual career couples, gays and lesbians also describe diversity in the customer base as well as the workforce. In the example, though most of the customers visiting a fashion retail store represent the elite class English fluent community, it is important to be mindful of the fact that the upper middle class communities who speak mostly in Sinhala, Tamil, or Malay also will visit this kind of an outlet extensively, and they should also catered accordingly. As such it is important that provide training to the shop floor staff to enable them to speak in multiple languages even though administrative functions at the back office can take place completely in English medium.

As such the development of effective communication skills among the workforce



is crucial to enable them to speak in multiple languages even though administrative functions at the back office can take place completely in English medium. As such the development of effective communication skills among the workforce is crucial to enable them to successfully deal with the diverse customer base that come from all walks of life. Changing workforce norms are encouraging organizations to pay increased attention to those who are challenged with disabilities. According to the findings of a study by Chinnaiyah and Kailasapathy (2010):

**“...private companies in Sri Lanka mainly employ persons with disabilities (PWD) as a part of their corporate social responsibility policy, however the HR policies and practices do not give many opportunities for career progression and majority of the PWD are found in unskilled and routine jobs irrespective of their education and unique skills” (p. 53).**

## EMERGENCE OF DIVERSITY

Diversity in the population, the workforce, and the marketplace has become a common fact of life in countries all over the world and therefore the issues pertaining to diversity are also becoming more complex than they were 40-50 years ago. Many managers are finding innovative ways to integrate diversity initiatives into their organizations (Daft, 2009). McCormick (2008) states that most companies believed that assimilating new hires into the organization required them to be socialized to conform to the existing culture of the company, but in the recent past companies are realizing that corporate culture itself must adapt if it hopes to attract and retain a

competitive workforce. Though everyone is not the same, organizations today understand that the differences they bring add value to the business and enable companies to face global competitiveness. McCormick (2008) states that

**“it is difficult to pinpoint the origin of diversity initiatives in the workforce” (p. 02). Daft (2009)**

Also identifies that though diversity in North America was present for some time, genuine efforts to accept and manage diverse people have begun only in the recent years. Accordingly Luthans (2005) identifies the following as the major reasons for the diversity that exists in today’s organizations. Organizations need to observe the presence of these factors in a company and its surrounding environment and act accordingly to tap into new resources.



**Figure 2: Major reasons for increasing Diversity**  
 Source: Luthans, F. (n. d) Environmental Context: Information Technology, Globalization, Diversity, and Ethics [PDF Document].



## **REASONS FOR EMERGENCE OF DIVERSITY**

### **1. Changing workforce demographics**

Older workers, women, people representing various ethnicities, those with more education, and people with disabilities who are mostly referred to as differently abled are entering the workforce in large quantities. This indicates a massive difference in the composition of the workforce compared to the past. As such organizations should be prepared to embrace that diversity is present in every level and function of the organization, may it be the top management, middle, or bottom and may it be marketing, HR, or Finance.

### **2. Legislation and lawsuits**

Though there is no such situation similar to UK and USA, in Sri Lanka, where there is legislation and lawsuits putting teeth

into diversity, Sri Lankan organizations should also embrace this as it creates lot of opportunities depending on the nature of the business the organizations are in. Organizations should remove the discriminatory barriers at all levels and set a trend for the future organizations to follow.

### **3. Rapidly growing increase in international business**

**“Many more companies are using their bases in the developing world as spring boards to build global empires, such as Mexican cement giant Cemex, Indian drug maker Ranbaxy, and Russia’s Lukoil, which has hundreds of gas stations in New Jersey and Pennsylvania.” (Business Week, July 31, 2006 as cited in Deresky, 2008, p. 210)**

Cultural diversity is a common characteristic which has a major impact in going international

in various available forms viz, exporting, licensing, franchising, fully owned subsidiaries etc. As such organizations preparing plans of going international, by opening wholly owned subsidiaries in the countries even in the South Asian region requires greater attention on celebrating cultural diversity.

#### 4. Competitive pressures

Organizations in the present business context are attempting to create a talented and capable workforce through integration of aspects of diversity. According to Luthans (2005):

**“a large study by the American Management Association found that the more accurately the senior team of a company represents the demographics of its market, the more likely it is that the company will design products, market services, and create ad campaigns that score a hit.” (p. 65)**



Figure 3 – For every expression there’s a Toyota  
Source: Special Advertising Feature by Expert

#### Reports [PDF Document]

This is emphasized by the fact that diversity is the philosophical root structure of the organization at companies like Toyota Motor Sales USA (Stoner et al, 2002). As per the words of James Press, the Chief Operating Officer of Toyota Motor Sales (TMS) USA,

**“Diversity and inclusion are central to our quest to become the most respected car company in the world” (Rappleye, n. d., p. 03 ).**

Women accounted for 33% of the total workforce of TMS by 2000 and also its advertising strategy is focused on the multicultural market, as depicted by the advertisement appearing in Figure 3.

#### 5. The recognition of and desire for diverse viewpoints

Organizations are striving to obtain diverse viewpoints in their decision making processes and work teams. Knight et al. (1999) state

**“Diversity in groups and teams is often portrayed as a positive force leading to effective functioning of the team” (p. 01).**

Diversity has today become a business imperative and firms are attempting to create cross-functional and cross cultural work teams to achieve greater performance. As in Dessler (2005), Baxter Healthcare International Corporation believes that its multi cultural employee population is essential to the company’s leadership in the healthcare industry all over the world. As such Sri Lankan organizations also need to create cross functional work teams. Ancona and Caldwell present that cross-functional teams,



are by definition designed with deliberate differences in demographic diversity and technical specialization (as cited in Knight et al., 1992, p. 445). As such the cross functional teams that we form need to be coming from various departments of the business as well as representing different ages, gender, and ethnicities as they will represent diverse tastes.

such as banks, insurance companies and other financial institutions have opened up branches island wide covering even the North and East it is quite important for them to convert to multicultural organizations to face global competition successfully.

## DEVELOPING A MULTICULTURAL ORGANIZATION

The terms multiculturalism and the multicultural organization are largely coming into use in the modern day business set up with the focus towards managing diversity for gaining sustainable competitive advantage for organizations. Today, both the organizations and the workforce are becoming multicultural: a mix of people from many different cultures, ethnicities, and life styles. Accordingly multiculturalism is defined, as applied to the workplace, the view that there are many different cultural backgrounds and factors that are important in organizations and that people from different backgrounds can co-exist and flourish within an organization (Stoner, Freeman & Gilbert, 2002).

According to Cox (1991), most organizational consultants are advising the firms to become multicultural to capitalize on the benefits and minimize the costs of worker diversity. The term 'multicultural organization' refers to the degree to which an organization values cultural diversity and is willing to utilize and encourage it. Present Sri Lankan large business organizations are, also in the process of converting to multicultural organizations, but they have a long way to go. Since most of the service sector organizations

## CHARACTERISTICS OF MULTICULTURAL ORGANIZATIONS

Luthans (2005) identifies the following characteristics as could be used to describe a multicultural organization.



**1. Reflects the contributions and interests of diverse cultural and social groups in its mission, operations, and product or service.**

Nordstrom is a model organization in this regard as it is one of the Fortune 500 companies which have a greater reputation over its concern for diversity. The Nordstrom website talks separately about diversity and a separate '**Diversity Mission Statement**' spells out their concern to be an equal opportunity employer. The diversity mission statement of Nordstrom is as follows;

**“To maintain a workforce that**

represents many backgrounds, while remaining deeply committed to cultivating an environment where the contributions of every employee, customer, and vendor are valued and respected.”

-www.nordstrom.com-

As such organizations should reflect their contribution and interest towards diversity to their stakeholders through all their cooperate communications to them.

**2. Acts on a commitment to eradicate social oppression in all forms within the organization.**

This means that the organization completely avoids ethnocentric view points and practices that produce a monoculture. That is to avoid giving priority to one ethnic community, to one gender which in most cases would be males, to only able people. A monoculture is a culture that accepts only one way of doing things and one set of values and beliefs, which can cause problems for minority employees (Daft, 2009). As Sri Lanka is a multi cultural community which has experienced the bad incident of racial prejudice for the last 30 years, it is necessary to commit in eradicating opportunities within the organizations for discrimination based on gender, race, disability, or any other dimension, which could ultimately lead to disappointment, frustration, and in the worst case to a dysfunctional conflict.

**3. Includes the members of diverse cultural and social groups as full participants, especially in decisions that shape the organization.**

This is identified by Cox (1991) in his article ‘**The Multicultural Organization**’ as insuring minority group input and acceptance.

He cites this could be achieved through ensuring participation of minority groups in all key committees of the company referring to USA Today President - Nancy Woodhull who is having gender, racio-ethnic, educational, and geographic diversity represented in all daily news meetings.

**4. Follows through on broader external social responsibilities, including support of other institutional efforts to eliminate all forms of social oppression.**

The organizations need to engage in social responsibility work at a broader level together with external institutions such as NGOs in supporting elimination of all forms of social oppression. United Parcel Services (UPS) can be identified as a multicultural organization considering its ‘**Urban Internship**’ now renamed as ‘**Community Internship Program**’ through which it sends its employees to live and work with most socially and economically challenged communities in the country. Engaging in these types of programs will provide dual benefits where the organization can fulfill its duty to the society while communicating company presence especially in remote and un-accessed areas.

### **STAGES THAT ORGANIZATION NEEDS TO GO THROUGH BEFORE DEFINING AS MULTICULTURAL ORGANIZATION.**

Jackson and Holvino (1988) identify several stages that an organization needs to go through before defining itself as a multicultural organization.

#### **1) Exclusionary organizations:**

These types of organizations are at one extreme of the continuum. They are intentionally designed to maintain dominance of one group over all the others. These organizations deliberately restrict membership through exclusionary hiring practices.

### **2) Club organizations:**

Maintains privileges of those who have traditionally held power and influence. Norms of the dominant culture are viewed as the only 'right' way of doing things. A limited number of 'token' members are allowed on board from minority groups, if they have the 'right' credentials, attitudes, behaviors, etc.

### **3) Compliance organizations:**

These are committed to removing some of the discrimination inherent in the first two types of organizations. These provide some access for members of other groups to create an impression of openness and just. Token placements in staff positions are observed.

### **4) Affirmative- action organizations:**

These organizations are committed to proactively eliminating discrimination practices by actively recruiting and hiring members of groups that have been historically denied access and opportunity. Provides support and career development opportunities to minority workers and a non-oppressive organizational culture is created.

### **5) Redefining organizations:**

This is an emerging type of organization moving beyond being just 'anti-racist' and 'anti-sexist' to a culture where the management is committed to creating an environment

where all members can contribute fully and freely to their own success as well as the firm's growth and success. It actively works towards developing a multicultural organization, engaging in visionary planning and problem solving, to tap the strengths of diversity. Involves developing and implementing policies and practices that distribute power among all diverse groups in the organization.

### **6) Multicultural organizations:**

These are characterized by valuing contributions of all members as full participants and are committed to eliminating all forms of oppression within the organization. All members of diverse cultural and social groups are involved in strategic decision making.

Based on the above explanations in my opinion there are no complete multicultural organizations operating in Sri Lanka at present, but a number of organizations can be identified as falling to the category of 'affirmative-action organizations'. This could be justified as it is visible that most of the organizations are committed to proactively eliminating discriminatory practices in all avenues possible.

They take efforts in recruiting those in protected groups and employing them in suitable locations such as ladies in lingerie sales sections of fashion retail outlets, Tamil speaking people in branches of banks and financial institutions at north and east, etc. In other countries they have a separate section in outlets for handicapped people, where the sales are also done by the same group of people, which is an initiative which is not seen in many countries in the Asian context.

However, organizations operating in Sri Lanka and as well as in other countries

Demension of Integration	Monolithic	Plural	Multicultural
Form of Acculturation	Assimilation	Assimilation	Pluraism
Degree of Structural Integration	Minimal	Partial	Full
Integration into Informal Org.	Virtually None	Limited	Full
Degree of Cultural Bias	Both Prejudice and Discrimination Against Minority Culture Group is Prevalant	Progress on Both Prejudice and Discrimination but Both continue to Exist Especially Institutional Descrimination	Both Prejudice and Discrimination are Eliminated.
Levels of Organizational Identification	Large Majourity-Minority Gap	Medium to Large Majourity-Minority Gap	No Majourity-Minority Gap
Degree of Inter Group Conflict	Low	High	Low
Defined as difference between Organizational Identification Levels Between Minorities and Majourities			

Figure 4 – Organization Types identified by Cox based on the six dimensional adaptation of the Gordon Framework.

Source: Cox. T. (1991). The multicultural organization.

Milton Gordon.

## APPROACHES TO MANAGING DIVERSITY

need to follow certain approaches that would be discussed in the next section more carefully in the future to reach the level of a multicultural organization, which is a place where differences are respected and embraced for mutual advantage.

Cox (1991) presents 03 types of levels – monolithic, plural, and multicultural - in the continuum of organizational diversity initiatives instead of the six levels presented by Jackson and Holvino (1988). Cox’s **‘Types of Organizations’** is based on the six fact or framework developed by himself in constructing the model of the multicultural organization, based on the seven dimensions of societal level integration developed by

R. R Donnelley & Sons Co., the largest printing company in North America had primarily emphasized one-time diversity awareness training that focused on stereotypes and prejudices in the workplace until 1996. However, later it felt that it needed a broader approach than this, and had given an assignment to its diversity manager. According to its revelations, the focus of the company on managing diversity has to be expanded very carefully. Thomas defines managing diversity as

**“a comprehensive managerial process for developing an environment (organizational culture) that works for all**



employees” (as in Werner & De Simone, 2010, p. 352).

It is indicative of the fact that this requires greater management care and attention which goes beyond affirmative action and valuing diversity as it focuses on building a positive environment for everyone, on full utilization of the workforce. That is simply an attempt to create a level playing field for all employees disregarding any distinctions.

McArthur (n.d) presents that managing diversity for success as a four step approach which involves,

## **FOUR STEP APPROACH FOR MANAGING DIVERSITY**

### **1. Recognizing the economic consequences not managing diversity to the business.**

Businesses that do not have an effective strategy for managing diversity will face economic consequences in and outside the organization, and therefore the management needs to recognize this as a business problem and acknowledge it.

### **2. Developing an effective strategy for managing diversity.**

This is inclusive of activities such as communicating with all employees, assigning responsibilities to the staff members with regard to the task of managing diversity, allocating financial resources for the task, establishing a diversity council/task force, and building accountability on diversity management activities.

### **3. Implementing an action plan for**

### **organizational change**

Third step of the process is inclusive of communicating the action plan, conducting the initial diversity assessment, setting diversity business goals, and providing employees with training and development.

### **4. Evaluating the diversity strategy**

To manage diversity, it is imperative that management evaluates each component of the diversity strategy to determine successes, setbacks, and new opportunities in order to revise the diversity strategy on a regular basis with the objective of continuously improving the same.



## **MANAGING DIVERSITY FOR SUCCESS APPROACH**

Werner and De Simone (2010) identified that managing diversity for success approach requires,

**01.** Long term commitment to change from the top management level

**02.** Allowing sufficient time

and resources to bring about a change in organizational culture

**03.** Substantive changes in organizational culture to change the underlying assumptions, values, and beliefs that foster discriminatory attitudes.

Companies such as Apple Computer and Xerox Corporation have done this through diversity educating and training programs in their organizations.

**04.** Modified definition for leadership and management roles where managers may be required to serve as mentors or counselors.

**05.** Both individual and organizational adaptation to the redefined culture through support programs for adaptation.

**06.** Structural changes which may be done mainly with the Human Resource Development function.

**Luthans (2005) presents two main types of approaches that may help managing diversity more effectively within the organizational set up.** They are identified as individual approaches and organizational approaches.

### **INDIVIDUAL APPROACHES INCLUDE;**

#### **Leaning:**

This is related with acquiring real or stimulated experience. Certain organizational leaders are unprepared to deal with diversity

as they are inexperienced on the subject and therefore they need to learn how to develop appropriate behavior in dealing with diversity.

#### **Empathy:**

This is the ability to put oneself in another's shoes and see things from that person's view point. It is useful in managing diversity as members of diverse groups feel that only they can truly understand the challenges and problems they are facing.

Organizational approaches to managing diversity include a variety of techniques as follows.

#### **Testing:**

The organizations should not use culturally biased tests for selection and evaluation of potential job candidates and instead they need to conduct job specific tests. While being culturally unbiased these tests help to evaluate whether the applicant has the necessary skills for doing the job, which is not evaluated by traditional aptitude tests.

#### **Training:**

To prepare the individuals to successfully compete in global assignments, firms often provide them with cross cultural training. These training programs need to focus on raising the awareness of cultural differences, on ways attitudes are shaped, provide factual information about each culture, and build skills in the areas of language, nonverbal communication, cultural stress management, and adjustment adaptation skills (Werner & DeSimone, 2010).

#### **Mentoring:**

Multicultural organizations such as Merrill Lynch and Johnson & Johnson require their members of the senior management to serve as mentors and counselors to members of minority groups working in the organization to support them. According to Werner & DeSimone (2010) having the support of a mentor is very useful for minority groups such as women in moving up the hierarchical ladder towards higher positions.

### **Work/Family Programs:**

This is mainly an approach adopted by organizations to support dual career couples and single parent families. Dessler (2005) states that the pressures of balancing work and family life have led many employers to bolster what they call their family-friendly benefits. This includes flextime, the compressed workweek, job-sharing, telecommuting, subsidized child and elder care, and other related benefits.

## **RECOMMENDATIONS FOR ORGANIZATIONS**

### **Recommendations for organizations to follow in Managing Diversity and Creating a Multi-cultural Organization**

The following could be recommended to the boards of directors and the managements with regard to using diversity as a tool in gaining competitive advantage.

**01.** Create a drive towards being a multicultural organization within the organization by incorporating it to the mission statement, values, and other corporate strategic plan elements, with persuasion of the top management towards achieving the long term

goal of successful diversity management.

**02.** It is important to create an organizational culture that harnesses the visible and non-visible differences among people to create a productive work environment in which everybody feels valued, where their talents are fully utilized in meeting organizational goals.

**03.** Establishment of a joint Labor- Management Committee comprising of members from the majority and the minority to evaluate the HR practices of the company, playing the role of a monitor.

**04.** There should be a discrimination handling committee appointed representing members from all functional departments, where any of the stakeholder groups of the company can make a complaint if they feel they are being discriminated. The committee should then inquire into the matter and implement justice.

**05.** Based on Kandola and Fullerton (as cited in Armstrong, 2006) it is recommended to allow time off for employees for dependants, beyond that is required by laws such as the Maternity Benefits Ordinance and the Shop and Office Employees' Act, without causing harm to the bottom line. This could be done mainly by introducing greater flexibility in leave and working hours, providing in-house facilities for child and elder care etc.

**06.** To employ handicapped employees, it is needed to buy and upgrade equipment and facilities in organizations to what are specifically used by them such as walkways of taking wheel chairs, brail keyboards etc.

**07.** Further it is important to eliminate using dimensions of diversity such as age, gender, marital status etc. in making selection decisions if they get through the normal selection procedure.

**08.** With the drive towards diversity, it is important to provide extensive focus on valuing differences through human resource development or training practices. This includes conducting diversity training, with team building events for cross cultural teams, attitude changing sessions on dealing with protected groups, special workshops on language, nonverbal communication, and cultural stress management.

**09.** Performing regular evaluations or audits to assess the current state of affairs with respect to diversity management, using employee attitude surveys, focus group discussions etc.

**10.** All marketing activities of the firm should communicate the focus of the firm towards diversity, in marketing communications to attract customers from divergent groups.

## CONCLUSION

For all organizations, it is important to celebrate diversity as it would provide immense benefit in outstanding in the market. Though there are no specific provisions within the law of the land at present to make allegations on the organizations on discriminatory issues, it is possible that such laws will be introduced in the future in the efforts of reaping the maximum benefits of Sri Lanka being a multi-ethnic,

multi-religious nation. The HR practices can be a major source of creating this inclusion environment within the organizational setup. With globalization leveling the playing field for all organizations proving Thomas Freedman who said **“The world is flat”**, the ability to prove that you are an equal opportunity employment provider will provide an edge amidst competition.

Diversity is an inclusive term based on recognizing all kinds of differences which is of immense. Businesses can benefit largely by valuing every employee as a separate individual as they will bring in insight to value every customer as an individual. Employees from different backgrounds would bring fresh ideas and perceptions which would make the market offerings catering to a diverse community. These means accepting differences in sex, age, background, race, disability, personality, taste, and even work style.

The changing demographic factors with regard to the workforce need to be used to cater to the changing demographic factors of the customer base both locally and internationally. This concept can be used by the organizations as a source of recognition to the firms as an ethical business and as a technique of employer branding. Consideration of diverse view points coming from different parties who have a stake over the company lays ground for innovation and creativity.

As such providing strong leadership, regular monitoring or auditing of the current state of affairs at the firm with respect to diversity management, extensive diversity training and education, changes to the organizational culture and the management system, and regular monitoring of the success of the diversity management program are



organizational initiatives that could be implemented organizations seeking to define itself as a 'Multicultural Organization'.

*We can't undo this part of our heritage. But what we can affect is where we are headed. I want to talk about multiculturalism, because I think that's where we are headed.* -John Hope Franklin (January 02, 1915)-

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