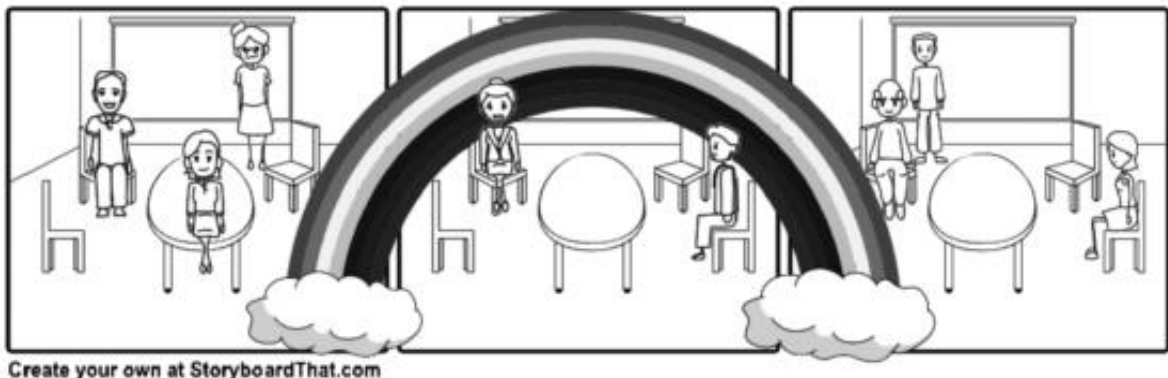# Study unit 6

Workforce diversity

6.1 BACKGROUND

The world we live and work in is constantly changing and as a result of these changes we meet many different types of people. Societies are becoming increasingly varied, with people from different backgrounds living peacefully in one country. The rainbow nation of South Africa is one example of such a heterogeneous society.

Create your own at StoryboardThat.com

6.2 STUDY UNIT CHALLENGES

We are challenging you to:

- define and explain the various dimensions of diversity
- provide reasons for the increased focus on managing workforce diversity
- explain the need for diversity management in South Africa
- recommend strategies for managing diversity
- suggest ways to perform diversity training in an organisation

Work through Chapter 9 in the prescribed book.

6.3 KEY CONCEPTS

- **Diversity** refers to a mosaic of people who bring variety to the groups with which they engage.
- The **golden rule** of diversity is treating others as you would want to be treated.
- **Organisational diversity** entails working with people whose values, attitudes, beliefs, perceptions, languages and customs are very different from one's own.
- The **platinum rule** of diversity is treating others as they want to be treated.
- **Pluralism** is, in the general sense, the acknowledgement of diversity.
- A **pluralistic society** is any society in which citizens can legally and publicly hold

multiple competing ethical views and are allowed to choose for themselves what ethical beliefs, if any, they wish to hold.

6.4   INTRODUCTION

Organisations are becoming more diverse. This is mainly because of various trends in the "new" workforce. These trends are:

- changing demographics in the labour force
- legislation and legal action
- the globalisation movement
- increased awareness that diversity improves the quality of the workforce

If managers are not able to control this increase in variety, it will result in costly misunderstanding, miscommunication, misperception, misinterpretation and misevaluation. In this study unit, diversity will be defined and you, as management students, will learn how to cope with workplace diversity.
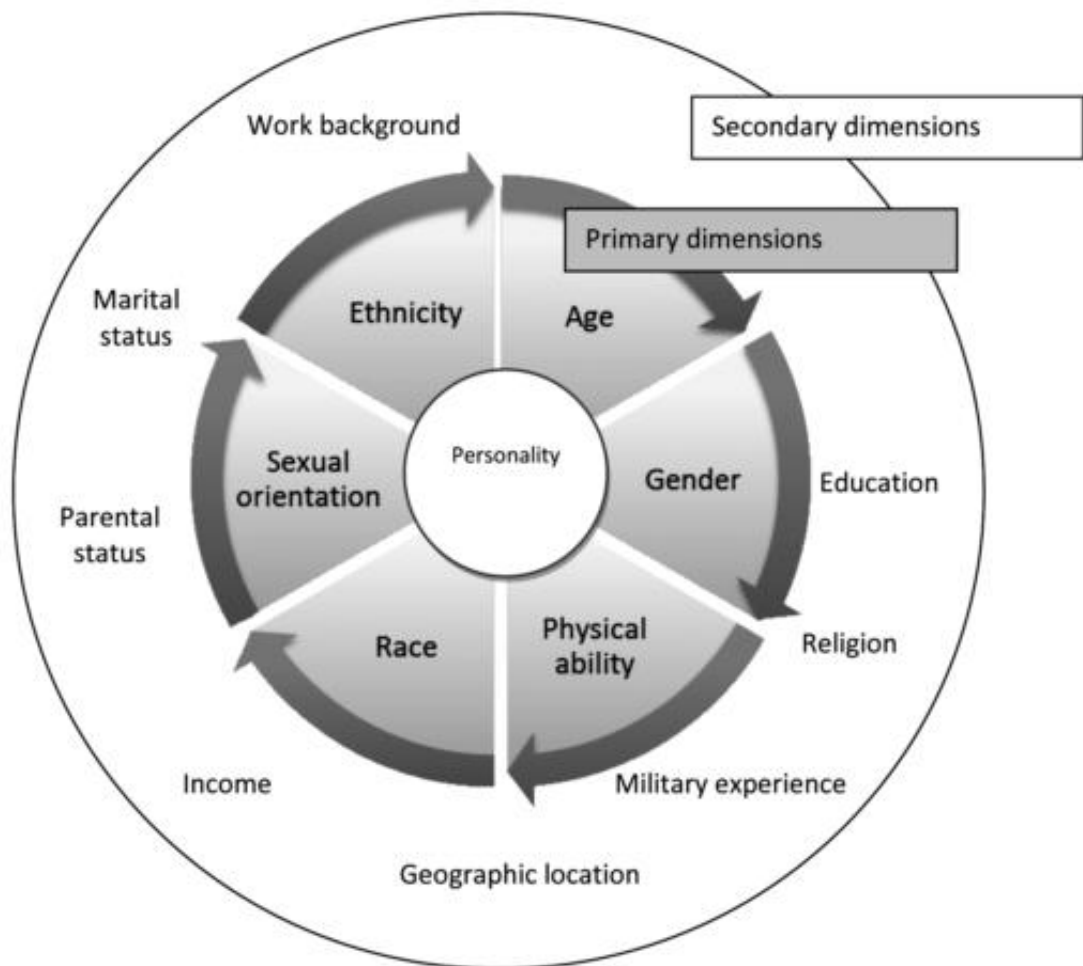
6.5   WHAT DIVERSITY IS NOT

It is easier to understand what diversity *is* by first investigating what it is *not*. Diversity is not:

- culture
- equal employment opportunities
- affirmative action
- an absence of standards
- a vendetta against white males

6.6   WHAT DIVERSITY IS

Diversity is a complex variety of experiences and perspectives and can simply be defined as all the ways that people differ. These differences are often divided into primary and secondary dimensions. Both these dimensions are part of the personal identity of a person. They have a strong influence on our values, needs, priorities, aspirations and perceptions. They influence how we see our environment and how we behave. They also have a strong influence on how others see us, and this, in turn, influences how we see ourselves. The primary dimensions are basic dimensions that the person cannot change, while the secondary dimensions are those aspects that an individual can choose to change. Figure 6.1 graphically depicts these two dimensions.

Figure 6.1: The primary and secondary dimensions of diversity

Simply put, diversity is:

- about demographics
- about profitability
- about values about behaviour
- a long-term process

6.7   MANAGING DIVERSITY

Now that you understand what diversity is, it is important to note that the various dimensions will affect the performance, motivation and success of organisations. It will also affect how you interact with others and your management style. Figure 6.2 summarises the three approaches managers can follow when managing diversity.
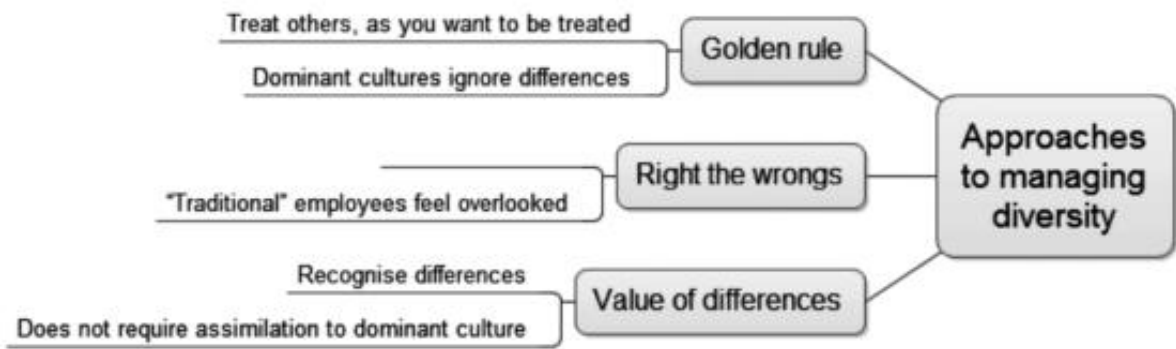
Figure 6.2: Three approaches to diversity management

6.8   THE BENEFITS OF MANAGING DIVERSITY

Managing diversity is different from valuing diversity because it addresses the organisational processes that can reinforce or hinder the ability to create an environment that values diversity. Managing diversity can yield enormous results in innovation, new ideas and improved productivity. The Six arguments for managing diversity are summarised in Figure 6.3.

Figure 6.3: The benefits of managing diversity

6.9   DIVERSITY PARADIGMS/STRATEGIES

Organisations perceive the task of managing diversity in different ways. These perspectives or strategies are summarised in Figure 6.4.

Figure 6.4: Diversity paradigms

6.10 THE OPPORTUNITIES AND CHALLENGES OF DIVERSITY

The opportunities and challenges of diversity are summarised in Figure 6.5.

Figure 6.5: The opportunities and challenges of diversity

6.11 DIVERSITY TRAINING

Diversity training is specifically designed to better enable members of an organisation to function in a diverse and multi-cultural workforce. In order for managers to respond to the challenges of working with diverse populations, they must recognise the difficulties that employees may have in coping with diversity. When managing diversity, managers must adapt various organisational processes, such as recruitment and appointment, promotion, communication and power allocation in organisations. Diversity training enables members of an organisation to function in a diverse and multi-cultural workforce. Figure 6.6 summarises the key points related to diversity training.
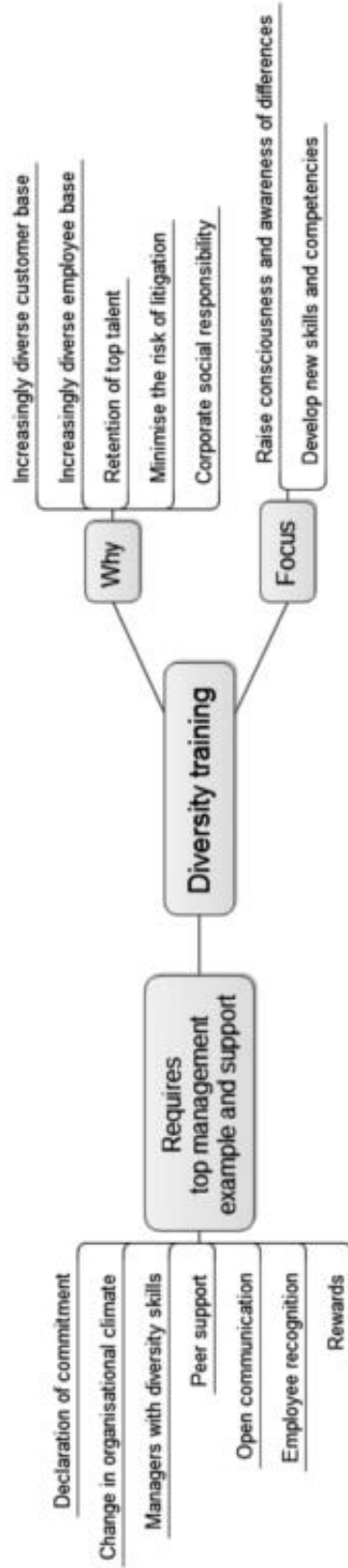
Figure 6.6: Diversity Training

6.12   SPHERES OF ACTIVITY FOR DIVERSITY MANAGEMENT

Once management has accepted the need for a strategy to develop a truly diverse workplace, they have to take three major steps to implement such a change, namely:

- building a corporate culture that values diversity
- changing structures, policies, and systems to support diversity
- providing diversity awareness and cultural competency training

6.13   CONCLUSION

Diversity can be thought of as "differentness" and in people it describes those human qualities that are different from our own and outside the groups to which we belong. Diversity management is about inclusion. Inclusion reflects an organisational culture that values the differences between people. This type of culture is tolerant and practical in recognising these differences and enabling every worker to utilise their personal strengths.

Organisations are increasingly employing a mosaic of different people. Managers must be aware of these differences and control any negative impact it might have on the performance of the organisation. Top management can create a competitive advantage for the organisation by supporting and training employees to work through difficulties they may encounter in coping with diversity.

6.14   ADDITIONAL LEARNING EXPERIENCES

If you have access to the internet, you should consider visiting the following websites. This is NOT COMPULSORY, but these websites all contain interesting information and examples about the content in this study unit.

- Diversity management

  http://smallbusiness.chron.com/manage-diversity-workplace-3038.html
  http://www.edchange.org/multicultural/papers/rosado_managing_diversity.pdf

- Dimensions of diversity

  http://www.youtube.com/watch?v=MAQ3KecyDq0
  http://www.youtube.com/watch?v=rpChSyqmUcw
  http://www.youtube.com/watch?v=9fS0ebaZMvE

Interesting **tweeple** that you could follow on Twitter:

@StanfordBiz

@BillGates

@MandelaDaily

6.15   ASSESSMENT

SECTION A: MULTIPLE-CHOICE QUESTIONS

6.1   Which one of the following is **not** a secondary dimension of diversity?

1   military experience

2   sexual orientation

3   education

4   gender

6.2   Which statement is true regarding diversity?

1   Diversity is initiated by the government and is driven by laws.

2   Diversity is not a problem, but an opportunity.

3   Diversity means that organisations have to lower their employment and promotion standards.

4   Diversity focuses on eliminating discrimination and righting past wrongs.

6.3   Diversity is about _____ .

1   profitability, values and behaviour

2   demographics, culture and values

3   equal employment opportunities and affirmative action

4   human behaviour, employment equity and beliefs

6.4   Which statement is incorrect?

1   Diverse organisations develop favourable reputations as prospective employers of women and previously disadvantaged groups.

2   The presence of gender and cultural diversity in a group leads to freer discussions and reduces the risk of 'group think'.

3   Diversity of perspectives should improve the level of creativity.

4   Homogeneity in decision making and problem solving groups can produce better decisions.

6.5 *As the newly appointed director of Pluto's Construction, Katlego stated the following: "At Pluto's we do not have enough employees from previously disadvantaged groups such as black people, women and disabled individuals. Our main objective now is to hire those people and help make up for the years of negligence due to apartheid."*

Katlego is using the _____ approach to diversity.

1   right the wrongs
2   value of differences
3   golden rule
4   equal employment opportunities

Questions 6 and 7

Match the **diversity paradigm** in **Column A** to the **appropriate statement** in **Column B.**

COLUMN A Diversity paradigm	COLUMN B Statement
6.6 Discrimination fairness	1. ncorporate diversity into the heart and fabric of the mission and culture of the organisation.
6.7 Learning effectiveness	2. Create equal opportunities and treat all employees fairly.
	3. Match the internal employee demographics to those of the customer base and marketplace which the organisation serves.
	4. Does not affect the mainstream business of the organisation.

6.8 Which **one** of the following is **not** a reason for organisations to design and implement diversity training and development initiatives?

1   Diversity plays an important role in retaining top talent.
2   Diversity fosters learning and effectiveness in organisations.
3   Diversity is an aspect of corporate social responsibility.
4   Diversity is necessary to balance the differing views of Eurocentric and Afrocentric approaches to management.

SECTION B: PRESCRIBED TEXTBOOK

Try to answer the review questions in the prescribed textbook.

SECTION C: TUTORIAL LETTER 101

Complete the questions that relate to this study unit from the assignment found in Tutorial Letter 101.

6.16   END OF STUDY UNIT CASE STUDY

Tarmac
Competitive advantage through diversity

In 1901 county surveyor, Thomas Hooley, noticed a fallen barrel of tar that had split open in the road. The mess had been covered by waste slag from a nearby ironworks. At once Hooley observed that an excellent patch of road surface had been formed. A year later he had taken out a patent for mixing slag with tar and in 1903 formed the company that became Tarmac.

Today Tarmac is still the UK market leader in road surfacing. It is also the country's largest quarrying company and key producer of aggregates (gravel), ready-mixed cement and mortar. Tarmac the company and Tarmac the brand are to be found on major construction projects all over the country.

With sales approaching £2 billion in 2010 Tarmac has just over 5 000 UK employees. As a firm in the heavy building materials industry, the company traditionally had a strong male bias in its workforce, but this is changing. Many posts are now open to men and women across a huge range of job roles.

For Tarmac to succeed in a competitive marketplace, people are a critical resource. This is because the diverse talents of staff make Tarmac distinctive in the marketplace. Technical knowledge, corporate experience and the understanding of customer needs all make a critical difference. Drawing staff from the widest possible pool of talent is key to building and sustaining a competitive advantage.

The idea of equal opportunities is concerned with eliminating discrimination. The purpose is to ensure workers have equality of access to recruitment, training and promotion opportunities in the workplace. This increases the pool of potential employees for firms. Recruitment decisions are therefore based on getting 'the right person for the job'.

Tarmac has a rigorous policy of equal opportunities. No current or potential employee should experience any discrimination arising from:

ployee should experience any discrimination arising from:

- background gender
- ethnic origin
- age
- religion
- sexual orientation
- political belief
- disability

Tarmac has taken this a step further. It is now building a culture and vision that is known by the term 'Diversity and Inclusion'. In this context, diversity means all the complex ways in which people are different. This includes visible differences such as gender or ethnic origin. The term also captures less obvious differences between people: religious or political beliefs, sexual orientation or education and social background. When a person comes to work, they bring with them their own thinking and learning style, personality type, experience, ambitions even their own sense of humour. A diverse workforce better reflects Tarmac's target market. It can be more adaptable to changes in the market because of the range of skills and experiences to draw from. A greater cultural understanding can also lead to the provision of a better level of service.

To embrace all these differences, Tarmac is pursuing a strategy of inclusion. This means creating a working culture that values the differences between people. It does not try to stifle or devalue the individuality of staff. Such a culture is tolerant, but also practical, in recognising these differences and enabling every member of a team to draw on their personal strengths.

The heavy building materials industry has developed a stereotype of older, male employees. This is not inclusive. To achieve change, effective training and the active example of leadership right up to CEO level are essential. Senior managers aim to pro-

vide diversity and inclusion support, guidance and resources for employees. Like any other business, Tarmac has to add value. While Tarmac is highly efficient in controlling its costs, the company's real achievement lies in offering customers something special. This comes through the strength of relationships, the quality of service, the ingenuity of solutions and the reliability of its staff and systems.

Tarmac's stance on diversity also promotes family-friendly working patterns for both male and female employees, as well as anti-bullying or harassment policies. This approach is supported by a commitment to training and development.

All employees receive core training to do their job effectively and safely. A full annual appraisal identifies personal goals and training needs. Tarmac offers a wide range of internal courses for all levels of staff. There are many opportunities to gain external qualifications, including NVQs, BTECs and degrees. Diversity and inclusion are a key dimension to HR management. It is also embedded in Tarmac's overall business strategy. This is driven by a compelling goal: 'Achieve the Exceptional'. This is achieved through diverse talent and leadership within Tarmac.

Tarmac is deeply committed to a vision of diversity and inclusion among its staff. How-ever, there are challenges to beaddressed. Diversity is dynamic and Tarmac's workforce changes regularly. A diverse staff at one location may become much less diverse through promotions, resignations and retirement. In addition, economic conditions also change. Recruitment unavoidably slowed quite sharply following the recession and the public spending cuts of 2010/2011.

There are no simple answers to these problems. Tarmac, however, is a pioneer in making diversity and inclusion central to its HR policy and wider business strategy. The quarrying and heavy building materials industries have been historically dominated by able-bodied men. This makes it a challenging area to develop a diversity policy, yet that only makes the need greater. A very significant part of Tarmac's overall competitive advantage depends on the collective interaction, talent and insight of its workforce. Diversity and inclusion are not just a set of boxes to be ticked. They are a part of culture that enables Tarmac to stand out from competitors.
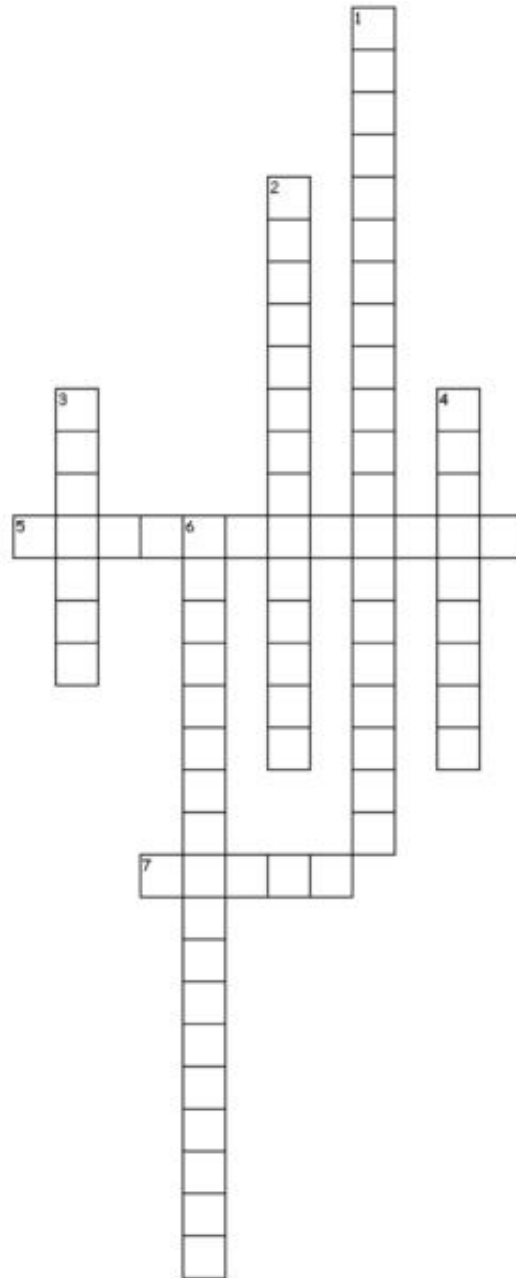
__Adapted from:__ Times 100, (2013f).

6.17 STUDY UNIT REVIEW QUESTIONS

Complete the following crossword puzzle based on the Tarmac case study:

Across

5.   A low staff turnover can reduce recruitment and training _____ .

7.   _____ are persons or groups with a direct interest in the decisions or behaviour of an organisation.

Down

1.   _____ is the process to assess the performance of an employee, often based on comparing outcomes with targets.

2.   The ability to earn superior profits through lower cost or distinctive product quality that competitors cannot readily copy.

3. _____ is offering the same opportunities for employment regardless of gender, race, religion, disability or age.

4. A set of assumptions, beliefs and patterns of behaviour that is characteristic of an organisation or group of people.

6. The business function responsible for the deployment, training and development of people as a strategic resource within the organisation.