By Anthony P. Carnevale and Susan C. Stone

Diversity, as it is understood in the workplace today, implies differences in people based on their identifications with various groups. But it is more. Diversity is a process of acknowledging differences through action. In organizations, this involves welcoming heterogeneity by developing a variety of initiatives at the management and organizational levels as well as at the interpersonal (individual and intergroup) levels.

Why do organizations bother? In one respect, they are galvanized by what organizational expert Taylor Cox, Jr., of the University of Michigan calls the "moral imperative." The moral imperative—doing it because it is right—has driven EEO and affirmative-action initiatives. Now it also underlies the diversity agenda.

But there are other compelling, more pragmatic reasons for welcoming diversity in organizations. Demographic changes have created a more diverse society. In the workforce too, these shifts and the impact of the civil-rights and follow-on movements have generated

DIVERSITY

Beyond

WHAT ARE THE MANAGEMENT-LEVEL ISSUES INVOLVED IN CORPORATE

the

DIVERSITY INITIATIVES? AN EXPLORATION OF THE THEORY AND PRACTICE OF DIVERSITY

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CAN HELP US UNDERSTAND WHY IT IS AN IMPORTANT LEADERSHIP ISSUE.

Rule

changes. Further, we have shown how new economic forces are creating conditions in which the most productive organizations, organizations with a competitive advantage, are those that welcome the diversity among their workers.

Workers in an environment receptive to diversity are empowered to use their full capacity. As a result, they, their work, and the organization as a whole benefit. Welcoming diversity is directly connected to the bottom line.

Further, the penalty for not welcoming diversity can be serious. If not managed properly, the advantages of diversity unravel.

More and more, people with differing value systems and backgrounds are interacting in dynamic team situations, in organizational networks, and with an increasingly diverse customer base. As that interaction grows, so does diversity's potential for creating friction. Like a pebble tossed into a pond, such tensions can reverberate, causing reduced productivity, increased costs, and lower quality of products and services. The downside of diversity is itself a powerful negative incentive that can spur organizations to adopt diversity initiatives.

EEO and affirmative-action policies are important steps in opening the workplace to diversity. But alone, they do not create conditions that capitalize on the full potential of heterogeneity. EEO and affirmative-action policies are limited; their nature is basically punitive. To respond effectively to the dynamics of diversity at work, we need another impetus—a more open-ended and positive one. This approach, the action-oriented aspect of diversity, is known as valuing and managing diversity.

Valuing diversity means being responsive to a wide range of people unlike oneself. That range covers any number of distinctions—including race, gender, class, native language, national origin, physical ability, age, sexual orientation, religion, professional experience, personal preferences, and work styles.

Valuing diversity involves going beyond the Golden Rule of treating others as you wish to be treated yourself. It invokes a higher behavior, one that is receiver-centered rather than self-centered. Sometimes called the "platinum rule," valuing diversity involves treating others as they wish to be treated.

The implications of this shift in perspective are profound. It requires setting aside one's own perspectives or personal filter to see others for who they are. It means recognizing that other people's standards and values are as valid as one's own.

That may sound simple. But in a culture that has long been accustomed to being relatively mono-

> VALUING DIVERSITY IS A PRODIGIOUS TASK. IT REQUIRES PEOPLE TO LET GO OF ASSUMPTIONS ABOUT THE UNIVERSAL RIGHTNESS OF THEIR OWN VALUES

lithic—dominated by white, male values—the shift is often difficult and painful. Even well-intentioned organizations and individuals may not see the self-centered judgments they make about others, simply because they have been doing it for so long.

Managing diversity expands the notion of valuing diversity by implementing initiatives at all levels in an organization. The goal is to develop an environment that works for all employees. So says a leading spokesperson on diversity, R. Roosevelt Thomas, Jr.

Or, as Cox suggests, it means managing in a way that maximizes the potential benefits of diversity and minimizes the potential disadvantages.

Transforming cultures

In most organizations, valuing and managing diversity requires nothing less than cultural transformation. This is a prodigious task, for it requires people—especially those of the dominant culture—to let go of their assumptions about the universal rightness of their own values and customary ways of doing things and to become receptive to other cultures.

Anthropologists have long recognized that culture is not suddenly created or easily changed. Defined as "a shared design for living," culture is based on the values and practices of a society; that is, a group of people who interact together over time. People imbibe culture through the early process of socialization in the family. This process carries over to the ways people perceive themselves and the world. We all develop a world view—a simplified model of the world that helps us make sense of all we see, hear, and do.

Values are the standards we use to determine if something is right or wrong. They are often the unexamined assumptions, never fully articulated, that guide our actions.

People naturally bring their cultures to the workplace. The dominant culture of most American organizations reflects the values of the American-born, white (Anglo) males who established them. Even organizations established by women or people of color often display values of the dominant culture.

As our workforce grows more diverse, tensions over cultural issues are rising. The values of nontraditional workers often differ from those of the male- and Anglo-dominated organizational cultures in which they work.

These culture clashes can be a significant drain on the energy of the people involved, especially minority workers, who are more likely to feel oppressed by the differences. Work relationships and output can suffer as people struggle through misunderstandings. Some strive to repress their own values and behaviors in order to fit into the organizational mold, and they may become angry and resentful in the process. Others express their anger openly or see-saw between repression and anger. In either case, people, productivity,

and the organization suffer.

Transforming an organization's culture into one that welcomes diversity challenges the tendency of most people to want to surround themselves with (hire and promote) others like themselves. It calls for a realization that people from different backgrounds may be just as competent—although in different ways—as

same way.

It also means letting go of "the way we do things here at organiz-

often institutionalized by rigid rules and by the tendency to rely on "proven," usually top-down, control methods for doing things. From this perspective, creative problem-solving and tolerance in allowing different values to guide decision-making may seem too risky. The need to be certain that error does not occur can be seen to offset the advantages of multiple perspectives.

Managing diversity implies a measure of uncertainty. Far from relying on fixed rules, it requires a relativistic approach. This orientation begins with an attempt to understand varying beliefs and behaviors; it works to adapt organizational culture accordingly. In contrast, the traditional orientation assumes that people fit the culture, an assumption that was truer of the workforce in the past than it is today.

There are no step-by-step rules for cultural transformation. Each organization needs to examine the issue within its own context. Nevertheless, it seems clear that two processes need to occur:

- There needs to be flexibility and open-mindedness in the views of upper management regarding the characteristics of a good manager or leader.
- Employees from different back-

grounds need to acquire and assimilate the necessary knowledge and ways of acting that will permit them to enter power circles.

In essence, managing diversity obliges people and organizations to examine and modify their responses in order to accommodate each other.

Organizational obstacles

the core of the obstacles to opportunity in the workplace. They may be

culture clashes, as we have seen above. Or they may be translated into the variety of organizational formal and informal roadblocks that nontraditional workers encounter on the job.

Some of those practices may work well for the dominant culture—or at least dominant members of the dominant culture. But they present problems when nontraditional workers are brought into the fold. In those cases, they are often applied in discriminatory ways, reflecting a tendency to circle the wagons around one's "own kind" in the face of a perceived threat from outsiders.

Of course, discrimination in the workplace has been outlawed for years. But subtle—and some unsubtle—forms remain. Indeed, prejudice (biased attitudes) and discrimination (biased behaviors) are major obstacles to the advancement of women and people of color.

Research by Ann M. Morrison and others supports that observation. Surveying managers from 16 corporations, Morrison and her colleagues define prejudice as "equating a difference with a deficiency," and they call it the biggest barrier for nontraditional managers. "Negative stereotypes about blacks, women, and

members of other groups shape that perception. Prejudice, in its many subtle forms, continues to pervade decisions made in organizations, even in the 1990s."

Because prejudice and discrimination are often subtle, impediments may be left unaddressed. People may even believe they are fair and just; in today's climate, expressing

it to oneself—is unacceptable. But until they are willing to accept in other people values and behaviors

they will continue to carry a judgmental perspective that can, in spite of themselves, be prejudicial.

Here is where learning, communication, and dialogues can be most effective in changing old mental models. Whether in training workshops or in dialogue groups sanctioned by an organization, increasing understanding and changing attitudes can make a difference. When understanding is expanded, prejudice can be killed and workplace relationships enhanced.

Other major organizational barriers to developing diversity, as documented in Morrison's research (in order of importance):

- poor career planning, resulting in the failure to give to many nontraditional employees the breadth of experience and credentials required to compete for senior-management posts
- a lonely, unsupportive, and even hostile working environment for many nontraditional managers, especially in upper management
- a lack of corporate "savvy" or political skills on the part of nontraditional managers, which makes them seem awkward and feel vulnerable
- the fact that many people are more comfortable dealing with other people similar to themselves
- difficulty in balancing career and family needs, especially for women.

Obstacles to opportunity can be viewed from another analytical perspective—namely in terms of the level at which they occur.

According to Cox, barriers occur at three levels—the individual, the group, and the organizational. These interact with each other to create a

climate that thwarts diversity efforts.

Cox's interactional model demonstrates the impact of diversity issues on individual career outcomes and organizational effectiveness. His model suggests that individual-level factors (personal identity, prejudice, stereotyping, and personality type) along with intergroup factors (cultural differences, ethnocentrism, and intergroup conflict) and organizational factors (organizational culture and acculturation processes, structural integration, informal integration, institutional bias, and human resource systems) all define the diversity climate of an organization.

Building diversity

Building diversity in organizations is not simple. Organizational leaders are moving through an uncharted territory. Not only are they dealing with issues that are new in terms of content, but they also need to develop new ways of thinking about and implementing them. That is the bigger challenge.

Enumerating dimensions of the diversity challenges that organizations face, management consultants Jamieson and O'Mara observe that managers need to "unlearn practices rooted in an old mindset, change the way organizations operate, shift organizational culture, revamp policies, create new structures, and redesign human resource systems." And that is no small task!

Not surprisingly, it is a multiphase process. In her book *The New Leaders,* Morrison outlines five major steps (and several guidelines) involved in the process of putting diversity into action.

According to Morrison, the first step is to identify the diversity problems in an organization. Because diversity issues are not static, this is a continuous process, requiring an ongoing effort to re-identify or rediscover problem areas.

A second step is strengthening management commitment. Next is selecting solutions that fit the organization's needs and culture, and making up a balanced diversity strategy.

The final steps are demanding results by establishing meaningful numerical goals, revisiting goals to

ensure their continued relevance, and maintaining momentum.

Lawrence M. Baytos offers a different perspective. In his article, "Launching Successful Diversity Initiatives," *(HR Magazine,* March 1992) he identifies six steps that are needed to initiate successful diversity activities.

Baytos's first step is to establish a clear business rationale for the initiatives. Important for any human resources program, this is especially critical with respect to diversity initiatives, because the culture change that they involve is likely to face organizational and personal resistance.

Other goals include seeking employee input; converting employee input into action steps; setting the timing, focus, and breadth of training; and preparing to sustain the momentum from the initiatives.

Obviously, building diversity requires careful attention and a methodical approach. Two elements are particularly important to the building process:

▶ leadership commitment
▶ diversity strategies.

Let's look at each element in turn.

Bringing leaders on board

Before diversity can be valued and properly managed in any organization, the organization's leadership must be committed to it. At present, we expend enormous resources on interventions for managing diversity. But in many organizations, those efforts are doomed, because the leaders are not on board.

The terms "managers" and "leaders" can create confusion. We use the terms interchangeably in this article, but there can be important differences. For some insights into the

distinctions between them and the roles they play in diversity efforts, see "Managers and Leaders: What's the Difference?" on page 27.

So how do you meet the challenge of obtaining the commitment of your organization's leaders—or managers—to diversity?

Diversity specialist Kay Iwata describes three critical lessons she learned from her experience in implementing and managing diversity change processes.

First, she advises, distinguish between buy-in and leadership commitment.

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Buy-in is expressed by managers who are carrying out directives to implement diversity, without committing to making it actually happen. They may espouse the rhetoric of diversity (for instance, by writing articles in the company newsletter). They may even appoint task forces or steering committees to study the problem. But they allocate few if any resources (money or staff) to it. And they tend to expect others to get things done.

Commitment, in contrast, is action-oriented. Leaders get personally involved in making things happen. A leader may personally chair an executive-action committee to facilitate a culture-change process. Leaders lead by example, and they hold others accountable.

Iwata's second lesson is to avoid proceeding without leadership commitment. Too often organizations roll out education and awareness programs with little, if any, leadership commitment (though there may be buy-in). Expectations rise. But frustration, skepticism, and distrust increase as employees see no follow-through and observe management behavior that is contrary to the principles of managing diversity.

Third, Iwata warns people engaged in diversity work that, when leadership commitment is lacking, it is important to stop and design a strategy to get it. Commitment requires time to develop. Leaders need to understand exactly what the managing-diversity process involves in order to make personal commitments to support actions necessary for success.

Iwata admits that her strategy for gaining leadership commitment is not steeped in research. And she acknowledges that it does not have a long, successful track record. It is a strategy born of frustration over a lack of progress with current managing diversity interventions. A few of her clients have agreed to stop playing at "the game." Instead, they have agreed to backtrack and to do the critical leadership-development work required to get the commitment necessary for success.

The key ingredients are simple but powerful: honesty, patience, and accountability. To implement them, Iwata has designed two tactics:
▶ the creation of an executive-action council
▶ one-on-one coaching for key decision makers.

The executive-action council is made up of of key decision makers, women, and people of color. The group's overall task is to champion a managing-diversity strategy. The word "action" is important, because these people are to lead by example.

The second tactic is one-on-one coaching for key decision makers. It is a critical element in the eventual construction of personal leadership-development plans, which individual leaders are to design and execute. The concern is with commitment rather than rhetoric—with "walking the talk" rather than "talking the talk."

Creative Associates International, a Washington-based international development firm, already walks the talk. Established by minority women, CAII has had from its inception an organizational culture that explicitly celebrates individual differences.

Because transformation of culture, practices, and policies to welcome diversity is not an issue at CAII, the focus is on responsibility over accountability. Flexibility is a watchword, and the firm recognizes multiple individual styles. As President Charito Kruvant said in a recent interview, CAII believes that successful organizations of the future will be shaped by cultures like its own.

Most other organizations need to work at transformation. For them, accountability is a key component in ensuring the commitment of line managers. Some have their line managers devise their own diversity aims and specific ways to achieve them. Others adopt organization-wide tools designed to ensure accountability. For example, they link performance-appraisal ratings or annual bonuses to the achievement of hiring goals and other diversity goals.

Managers and Leaders: What's the Difference?

The terms "managers" and "leaders" sometimes create confusion. We use the terms interchangeably within these pages, but there are differences between them.

Managers are those charged with the control of tasks and the direction of people to carry out tasks. Within their frames of responsibility, managers always have discretionary power—a range of actions they may take, but do not have to take.

It is in the realm of discretionary power that leaders are born. Leaders are people in an organization who have the power of position and who use their discretionary power to carry out a vision that moves the organization to meet its goals.

Because the responsibility for managing diversity falls heavily on managers, it is important to understand how the distinction between managing and leading operates with respect to diversity issues.

Leaders are managers who model what is expected so that others can follow. They treat people with respect, value the contributions of each person, and support and develop their people to be successful and to make temporary sacrifices for long-term gains. In a diverse workplace, leaders have no fixed recipes for accomplishing those gains.

Managers (in the specialized sense) avoid the leadership role. They become anxious when they face questions that have no easy answers. They often squelch innovative ideas through their tendency to fall back on traditional practices.

"We've never done it that way before," they object. "What if everyone wanted to do that?"

As diversity expert Roosevelt Thomas observes, managers can be either powerful change agents (in their role as leaders) or the greatest barriers to diversity in their organizations.

They can be change agents, in that they are carriers of the culture as well as models for the qualities and values necessary to get ahead in the culture. They also are expected to lead and anticipate the future.

On the other hand, many organizations select managers for their ability to supervise tasks and projects, not for their ability to manage people. These directive managers (or "doer managers," as Thomas calls them) tend to be a barrier to diversity. They carry the culture of the status quo and exert leadership in a narrowly prescribed manner.

Three factors contribute to the tendency to act as barriers:
▶ Directive managers are likely to discourage acceptance of multiple perspectives and diverse work styles. Listening and evaluating varying points of view takes time and effort that may not seem value-added; it's difficult to determine at the outset how diversity helps you deliver services or satisfy customers.
▶ Directive managers are by definition more interested in tasks than in people. They are rewarded for getting the job done, not for dealing with people. As a result, they may view people management as a roadblock that gets in the way of their real jobs.
▶ Directive managers may see employees as tools to control for getting work done—not as resources to develop for achieving business objectives.

Another well-known principle for securing commitment is management participation in the planning process. This provides a sense of ownership, which sparks commitment to diversity goals. In the planning process, coaching managers is often an important strategy to help them plan areas of concentration. Managers keep their own momentum up by identifying areas of the greatest concern or with the greatest impact in the organization, and by focusing on those areas. Positive results are a powerful catalyst for continuous improvement.

So whether a manager is held accountable for processes put in place (is being pushed into diversity activities), or a leader is pursuing a vision (is pulling others toward diversity goals), the effect may be the same: valuing people and relationships in organizations.

Progress is often uneven at best, and resistance can be formidable. So many leaders engaged in diversity work find personal discouragement to be a familiar companion.

Barbara Walker, the first diversity manager and pioneer of diversity work at Digital, says that she stays charged by keeping connected with people she regards as allies. She calls these allies "the colleagues in the organization who share the vision, give me straightforward and honest feedback, help me build strategies, help me do my own personal development, sign up to help lead the work, and celebrate with me our little accomplishments."

Diversity initiatives—one swallow or a summer?

Organizations are undertaking a broad range of diversity initiatives. Any activity may provide a starting point for organizations to begin moving closer to welcoming multiple perspectives and tapping the talents of their people. But no single activity, used in isolation, is likely to constitute an adequate strategy for managing diversity: One swallow does not make a summer, nor does one fine day. (Though one swallow may be better than none!)

In contrast, a careful selection of initiatives—adapted to organizational needs, tied to business aims, and used strategically in an ongoing manner—becomes mutually reinforcing. Then, diversity goals are likely to be met.

Diversity strategies need not be complex to be successful. Simple, informal activities may form an effective strategy, depending on the organization.

Even when the activities are simple, achieving an effective strategy is not. In any organization, the people who are interested in valuing and managing diversity are themselves

means that the activities and organizational needs must be monitored and remonitored to ensure a good match on a sustained basis.

The Conference Board developed an inventory of diversity initiatives, grouped in several topic areas, based on its survey of leading corporations in 1992. We'll look at them on a category-by-category basis. But keep in mind that some activities within and across topic areas overlap and could readily fit into several areas. The topic areas:

▶ communications activities
▶ education and training classes

> DIVERSITY STRATEGIES NEED NOT BE COMPLEX TO BE SUCCESSFUL. SIMPLE, INFORMAL ACTIVITIES MAY FORM AN EFFECTIVE DIVERSITY STRATEGY

diverse. They are likely to have varying interests and motives as they design a strategy. All are seeking responses that value diversity, but all may be basing their decisions on different assumptions.

Some diversity activities are initiated not in support of the goals of valuing and managing diversity, but as part of an effort to comply with affirmative-action requirements. For example, a diversity statement by top management may be a response to a mandate to devise and distribute throughout the organization a written equal-employment-opportunity statement.

Training programs for diversity may also be viewed as part of an organization's affirmative-action efforts. The Hudson Institute study, *Opportunity 2000*, surveys a range of diversity initiatives. It casts training programs in the framework of "creative affirmative-action goals."

To be effective, a diversity strategy—that is, a strategy aimed at valuing and managing diversity, not merely at meeting affirmative-action requirements—should not be fixed. The mix of activities will probably need to change over time, as organizational requirements change. This

▶ employee-involvement initiatives
▶ career development and career-planning activities
▶ performance and accountability initiatives
▶ culture-change initiatives.

Some examples of the possible kinds of communications activities for diversity include senior-management communications on diversity, diversity vision and mission statements, a diversity policy published in the employee handbook and disseminated elsewhere as well, and articles in organizational newsletters.

Diversity communications are a beginning. But effectively valuing and managing diversity is an action agenda. Rhetoric alone, no matter how well-intentioned, may be less than a nod in the right direction. Communications indicate a concern for diversity on the part of management. But unless management backs them with actions, communications can create unfulfilled expectations that generate frustration and backlash.

Another area of activities is education and training classes. These include skills and awareness training for management and employees, sexual-harassment training, orientation for the board of trustees, and

mainstreaming diversity training into other training programs.

Widespread training programs are a good way to raise awareness and impart diversity-management skills. But organizations cannot sustain long-term improvement unless they also change their policies and practices to support diversity.

Diversity-related employee-involvement initiatives are another key category. They include task forces, focus groups, networking groups, diversity councils, and corporate and business-unit advisory committees.

Career development and career-

planning activities related to diversity are important if diversity is to be valued and properly managed within an organization. Poor career-planning opportunities are among the major obstacles that prevent minority and women employees from getting ahead in many organizations.

Such activities include mentoring programs, including multitrack mentoring; career pathing; developmental programs for nontraditional employees; educational programs ranging from executive MBA programs to remedial education; and English-as-a-second-language classes.

Performance and accountability initiatives are especially important. Specific tools establishing accountability and rewards for performance provide managers with concrete incentives to implement programs and maintain momentum. Without such incentives, many diversity goals are likely to remain unmet.

Among performance and accountability initiatives are developing quantitative and qualitative diversity-performance measures, linking diversity performance to other corporate objectives, evaluating managers' and employees' performance against diversity measures, and rewarding

behaviors that reinforce diversity.

A final area of diversity activities is that of culture-change initiatives.

As we have seen, managing diversity requires cultural transformation in organizations that have traditional Anglo cultures. Tools for effecting such change include internal diagnostic studies, benchmarking programs against other companies, corporate diversity strategies, total-quality strategies that integrate diversity principles, an emphasis on line ownership, and policies and benefits that support diverse needs.

The growing momentum created by the use of diversity initiatives in other topic areas also contributes to cultural transformation.

Revising policies and benefits so that they support diverse needs is crucial. The range of possibilities is broad. *Opportunity 2000* examines many of the areas of change in terms of what specific organizations are doing to implement them.

Among the possibilities is changing recruiting policies to focus on recruiting women, people of color, older workers, and people with disabilities. Recruitment policies can be broadened to include recruiting women into traditionally male occupations and recruiting returning and second-career women. Other areas in which policies and benefits may be changed to support diversity:
- flexible work schedules, part-time scheduling, and flexible vacation and sick-leave policies
- child and elder care
- pay equity for all workers
- benefits for partners of gay and lesbian workers
- employment opportunities for older workers that are more attractive to them than retirement would be.

Accommodations for people with physical and mental disabilities are

no longer optional. They are mandated by law.

From that menu of activities, organizations are adopting those most suited to their needs. They are also developing additional ones. The process involves trial and error, as managers work to identify components of an appropriate diversity strategy and to implement them.

Many organizations are seeking help in developing diversity strategies. Others are moving ahead full-throttle. Among the many organizations that have developed diversity strategies are Motorola, Hughes Aircraft, and Northern States Power Company.

At NSPC (which is located in Minnesota—not exactly the demographic mix of Los Angeles or New York), the diversity issue is called "Capitalizing on Diversity." The company has six stated goals, with multiple action strategies for each goal.
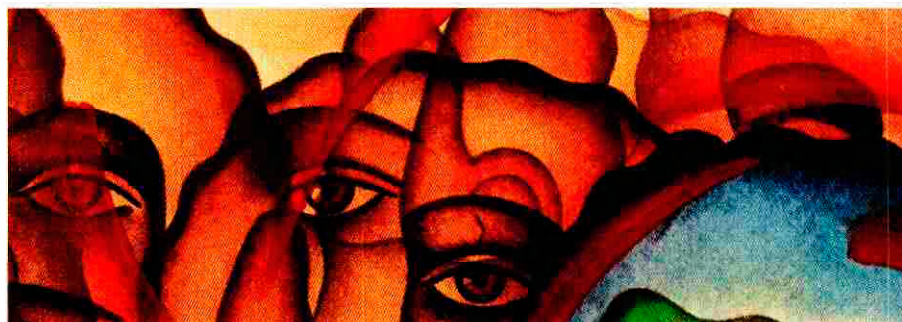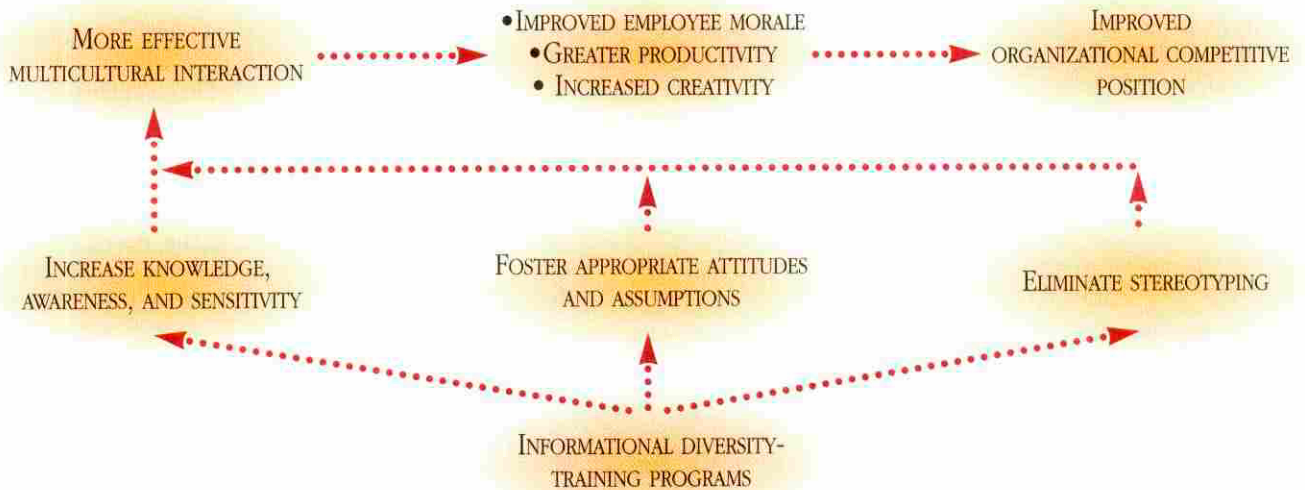
NSPC's diversity goals include communicating shared values, creating a culture that supports diversity, linking diversity to every business strategy, investing in training so diversity flourishes, delivering diversity-focused community programs, and linking diversity to rewards.

Full-fledged diversity programs like the one at NSPC are often desirable and effective. But even small businesses can adopt strategies. Stacia Cooper of Cambridge Savings Bank suggests several simple initiatives that organizations and individuals can use to create an inclusive environment, regardless of the level of formal programming.

Cambridge's program, called Managing for Inclusion, is divided into three parts: managing assumptions, managing language, and managing policy. Individual employees at any company can undertake the first two areas. An organization can implement all three, in any sequence its culture will tolerate.

Training for diversity

As we have seen, organizations are using a broad range of initiatives in their efforts to value and manage diversity. One of the most widely used activities is diversity training.

FIGURE 1

Awareness-Based Diversity-Training Model

FIGURE 1
Awareness-Based Diversity-Training Model

- MORE EFFECTIVE MULTICULTURAL INTERACTION
- • IMPROVED EMPLOYEE MORALE
- • GREATER PRODUCTIVITY
- • INCREASED CREATIVITY
- IMPROVED ORGANIZATIONAL COMPETITIVE POSITION
- INCREASE KNOWLEDGE, AWARENESS, AND SENSITIVITY
- FOSTER APPROPRIATE ATTITUDES AND ASSUMPTIONS
- ELIMINATE STEREOTYPING
- INFORMATIONAL DIVERSITY-TRAINING PROGRAMS

Workshops are a good way to enable organizations to begin raising awareness about diversity issues. Through in-house trainers as well as outside diversity experts contracted to present workshops and seminars, managers and employees are becoming more sensitive to diversity in the workplace and are learning skills to deal with it.

Indeed, many people have gone through several different diversity-training sessions.

Two primary diversity-training approaches are being used by various organizations: awareness-based training and skill-based training. The two approaches are interrelated and can reinforce each other, but there are differences:

▶ Awareness training aims at heightening awareness of diversity issues and revealing workers' unexamined assumptions and tendencies to stereotype.

▶ Skill-based training represents a progression in intent. It goes beyond consciousness-raising, to an effort at providing workers with a set of skills to enable them to deal effectively with workplace diversity—be it in the role of manager or the role of employee.

Awareness-based diversity training.
When people from diverse cultures interact, they tend to respond according to their cultural conditioning about acceptable behavior. Such responses are reflexive and are usually based on the assumption of the universality of one's own belief system.

Culturally based "thought processing" causes people to judge the behavior of those who are acting from different cultural contexts. Of course, they make those judgments based on their own standards.

People may experience discomfort and even anxiety in interactions with people who are operating from different contexts. To alleviate their own discomfort, they may unintentionally oversimplify (stereotype) and even dehumanize their images of other people. They direct their behavior at images, not at actual people. The result of such responses is misunderstandings, which in a workplace setting can seriously undermine performance, impair employee and customer relations, or create safety risks.

Awareness-based training is designed to increase employee knowledge, awareness, and sensitiv-

ity to diversity issues. It is the starting point for the development of diversity programs. The immediate objectives:

▶ to provide information about diversity

▶ to heighten awareness and sensitivity through uncovering hidden assumptions and biases

▶ to assess attitudes and values

▶ to correct myths and stereotypes
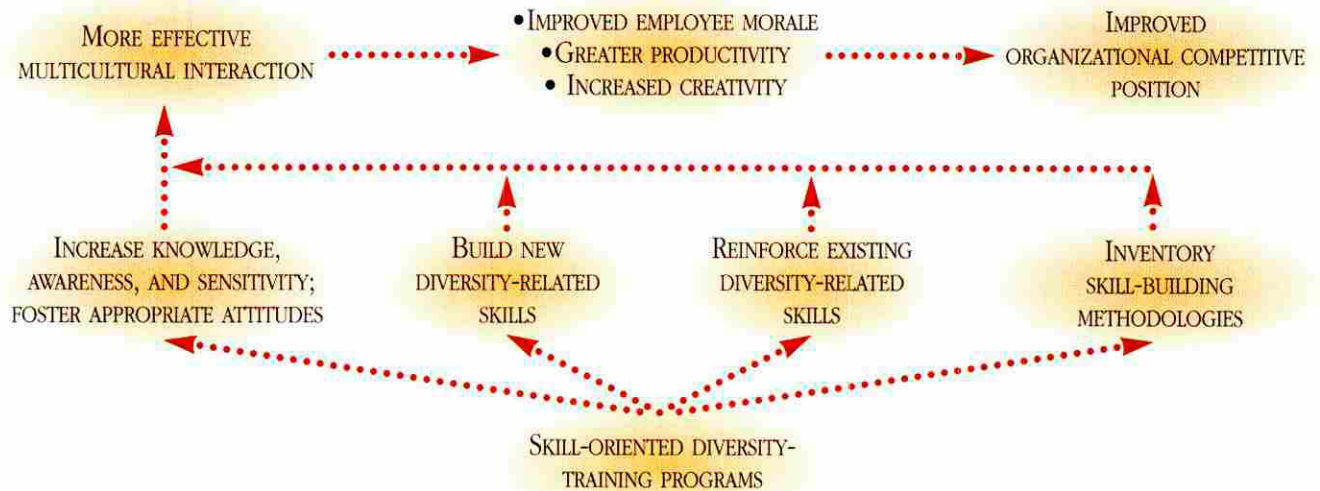
▶ to foster individual and group sharing.

Figure 1, above, depicts an awareness-based training model.

Awareness-based training promotes effective intercultural communication. In doing so, it works to achieve its longer-range goals of improving morale, productivity, and creativity, thereby contributing to the organization's competitive position.

Awareness-based training focuses mainly on the cognitive features of diversity training. It provides information about diversity, ranging from anecdotes to statistical presentations that illustrate the business necessity for diversity training.

Programs differ in emphases. Some focus on heightening awareness by providing substantive information about the cultures of the vari-

FIGURE 2
Skill-Based Diversity-Training Model

MORE EFFECTIVE MULTICULTURAL INTERACTION

- IMPROVED EMPLOYEE MORALE
- GREATER PRODUCTIVITY
- INCREASED CREATIVITY

IMPROVED ORGANIZATIONAL COMPETITIVE POSITION

INCREASE KNOWLEDGE, AWARENESS, AND SENSITIVITY; FOSTER APPROPRIATE ATTITUDES

BUILD NEW DIVERSITY-RELATED SKILLS

REINFORCE EXISTING DIVERSITY-RELATED SKILLS

INVENTORY SKILL-BUILDING METHODOLOGIES

SKILL-ORIENTED DIVERSITY-TRAINING PROGRAMS

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ous identity groups in the U.S. workplace.

Others are process-oriented, aiming at uncovering participants' unconscious cultural assumptions and biases. A standard feature of this type of training is experiential exercises aimed at helping participants get more in touch with themselves and their feelings about diversity. Exercises encourage trainees to view others as individuals rather than as representatives of a group, and thus to avoid stereotyping.

Important as those goals are, awareness-based training is not without its detractors. Beverly Geber, associate editor of *Training,* notes some of the criticisms in her July 1990 article, "Managing Diversity." For behaviorists, she says, awareness training is "far too squishy, psychological, and unmeasurable."

Further, awareness-based training is open to criticism for its limitations. It seeks to heighten awareness, but it does not provide skills to enable participants to act more effectively.

Geber says some organizations assume "managers will emerge from those [awareness training] sessions thunderstruck—amazed by the revelation that they might be making

unconscious, erroneous assumptions about people" and hoping that the revelation will be a first step toward changing attitudes. But many are finding that—without skills training in how to deal with cultural differences—people may be at a loss as to what to do with their new understanding.

Skill-based diversity training. While awareness-based training is primarily cognitive, skill-based training is primarily behavioral. The two approaches are closely interrelated, because the latter is based on increased self-awareness of diversity-related issues.

Skill-based training provides tools to promote effective interaction in a heterogeneous work setting. It has three important objectives:

◗ building new diversity-interaction skills
◗ reinforcing existing skills
◗ inventorying skill-building methodologies.

As with awareness training, skill-based training has long-range, organization-wide goals. These include improving morale, productivity, and creativity through effective intercultural communication—and consequently helping to increase an orga-

nization's competitive edge. These relationships are illustrated in our skill-based training model, shown in figure 2.

Skill-based training is still relatively new, and authorities differ as to the specific skill mix required for effective management of diversity. In "Skills for Managing Multicultural Teams," *(Cultural Diversity at Work,* volume 4, 1992), diversity consultant Beverly A. Battaglia cites four diversity skills that are critical for creating a collaborative environment:

◗ cross-cultural understanding
◗ intercultural communication
◗ facilitation skills
◗ flexibility or adaptability.

Cross-cultural understanding encompasses knowledge about how and why culturally different team members act the way they do, and respect for differing cultural operating styles.

Intercultural communication is the ability to eliminate communication barriers such as insufficient exchange of information, semantic difficulties, receivers who hear only what they want to hear, different perceptions among senders and receivers, nonverbal cues that are ignored or misinterpreted, and a lack of language

fluency. Effectiveness at intercultural communication is a skill that requires patience, awareness, and constant checking of the interaction process to detect barriers.

Facilitation skills deal with the ability to mediate differences and help others negotiate misunderstandings. The growing use of teamwork and the accompanying heightened potential for conflict and misunderstanding makes facilitation skills increasingly important.

Flexibility, or adaptability, is the ability to modify expectations, readjust operating norms, try new approaches, and be patient. Employees need to learn to adapt to their work environment while maintaining their individuality.

A skill-based diversity-training program involves a specific range of skills. In "The New Workforce,"

(*Healthcare Forum Journal*, January/February 1992), James B. Williams lists such skills areas:

◗ self-awareness—the ability to recognize the assumptions one has harbored about those who are "different"

◗ clear headedness—a refusal to rely on stereotypes, instead using valid individual character and skills assessments when allocating job assignments and promotions or when rendering other key decisions

◗ openness—a readiness to share knowledge of the "rules of the game" with "outsiders," and to provide them with access to mentors who can help them penetrate invisible barriers and move up in the organization

◗ candor—the ability to engage in constructive dialogue about differences, whether they are individual, ethnic, cultural, or organizational ones (a challenging task, because many organizational policies and practices are designed to minimize differences, though people should not be treated as identical)

◗ adaptability—the willingness to change old rules that discourage or thwart the full realization of the benefits of diversity to the organization

◗ egalitarianism—the commitment to encourage employees to grow professionally and to participate fully in the success of the organization.

Regardless of the specific skill mix, many believe that diversity training needs to move beyond consciousness-raising to provide workers with the tools to build more effective interaction among diverse individuals.

More on diversity training. The benefits of diversity training have been amply and repeatedly demonstrated.

Diversity in Theory: Changing Paradigms

Part of the challenge of managing diversity lies in the fact that it is a new field of endeavor. Its meaning and parameters are still being defined, and there is only a relatively small, though growing, body of experience for organizational leaders to consult for precedents.

In the last few years, many books have been published that seek to define the issues and provide practical approaches. But the new paradigm is still evolving in its definitions and strategies. It can mean anything—from simply valuing differences in people, to the politically acceptable, multicultural integration of people.

No matter how it is defined, diversity is one of the buzzwords (along with quality) for organizational issues that need to be addressed in the 1990s.

Organizational change. Management consultants who have published on this topic—including Taylor Cox, Roosevelt Thomas, David Jamieson and Julie O'Mara, Marilyn Loden and Judith B. Rosener, Ann M. Morrison, and John Fernandez—emphasize the need for changing organizational culture rather than trying to change people to fit the culture.

For the most part, they offer steps similar to those found in organizational change models:

◗ defining current reality
◗ creating a vision of the desired future state
◗ from the disparity between the real and the ideal, creating systems to bring an organization closer to its goal.

A new corporate mindset. In *Managing Workforce 2000,* Jamieson and O'Mara define "portraits of diversity" from six perspectives: age, gender, ethnicity, education, disabilities, and values. These two professionals were among the first to provide practical management strategies for responding more flexibly to heterogeneity. They identify four strategies: matching people and jobs, managing and rewarding performance, informing and involving people, and supporting lifestyle and life needs.

Designating their approach "flex-management," they assert that by changing an organization's policies and systems, you can also change organizational values. The new values are a new corporate mindset based on "individualizing, providing choices, seeing people as assets, valuing differences, encouraging greater self-management, and creating flexibility."

Capitalizing on differences. Another definitive work of the early 1990s was *Workforce America!* by Marilyn Loden and Judith Rosener.

This book emphasizes creating organizations that "capitalize on differences" as a way to tap into the potential contributions of individuals from diverse backgrounds. Managing diversity, on the other hand, is a way to recognize the need for respecting an individual's culture while valuing performance.

Loden and Rosener's book, like Jamieson and O'Mara's, is now a classic. Both sets of authors propose sensible management strategies with an appreciation for the mix of culture and values in organizations today.

Multicultural management. An appealing response to supervising people from different cultures is to have managers study those cultures and adjust their management practices accordingly. This is what Sondra Thiederman recommends in *Profiting in America's Multicultural Marketplace.*

The drawback to Thiederman's approach is that effective multicultural management would require studying each culture and then implementing appropriate adaptations. But the mix of cultures is always increasing, and such adjustments can take a lot of time and money. So Thiederman's approach—while necessary for global

As trainers and organizations compile a record of experience, they gain new insights into what is effective and what is not.

Naturally, mistakes have been made along the way. Some early training efforts conveyed the impression that white males were oppressors who stood outside of and in opposition to the diversity process. People are learning now that diversity-training programs are more effective when they are inclusive and when they focus primarily on interacting in the present rather than on making accusations about injustices of the past.

Diversity experts H.B. Karp and Nancy Sutton maintain that diversity training should be more pragmatic and less attitude-driven. They think the training needs to create an environment in which all participants feel free to express their attitudes; in which the trainer is sensitive to the views of the trainees (including groups of white, male managers and employees); and in which the focus is on present realities rather than past injustices.

This shift makes sense from a practical standpoint, as well. White men are a major segment of the workforce, and they are still overwhelmingly the power holders in most large organizations. Training programs that cast them as adversaries alienate a large part of the workforce and can undercut efforts to obtain white men's commitment to diversity strategies, as leaders.

Several additional considerations have become clear. First, training is unlikely to be effective when companies approach it as a one-time intervention. Like other diversity activities, it needs to be used on a sustained basis. In other words, companies should provide training programs at appropriate intervals.

Also, organizations need follow-up activities, to evaluate training programs. This means more than just asking participants to provide written or verbal evaluations about the quality of training. It means devising tools to monitor changes in behaviors that result from training.

Taking the pulse

Organizational responses to diversity are as varied as the organizations themselves. In general, more people appreciate the importance of diversity initiatives. At the same time, many others continue to be skeptical about diversity's benefits. In some

operations—is unrealistic in most U.S. settings, in view of the many demands on today's managers.

Three paradigms. What was missing from earlier approaches to diversity was a clear focus on understanding and changing the organizational culture to support the strategies.

Along came Roosevelt Thomas's contribution, *Beyond Race and Gender*. In this book, Thomas focuses on describing the substantial problems organizations face in trying to change—as opposed to create—a corporate culture to support diversity. Thomas provides a helpful chart that contrasts differences in goals, motives, benefits, and challenges among three paradigms that define approaches to difference on the job. The paradigms (in the order in which they were developed):

▶ affirmative action
▶ valuing differences
▶ managing diversity.

Thomas maintains that today's organizations tend to respond to the paradigms according to how they perceive the issues, how willing they are to address them, and what resources they have available to commit to change.

The earliest paradigm was equal-employment opportunity (EEO) and affirmative action. These programs make up a "right the wrongs" approach. They essentially deny differences by promoting assimilation into the dominant culture of a workplace.

EEO and affirmative action recognize that specific groups in an organization have been systematically disadvantaged by the dominant culture. These programs focus on women and the four major racial and ethnic minority groups—African Americans, Hispanics, Asian Americans, and native Americans. Programs and efforts to reduce prejudice and overcome barriers center on creating upward mobility within organizations for members of those groups.

From the normative position of the affirmative-action and EEO approach, to acknowledge differences means to risk making judgments of right and wrong, superiority and inferiority, or normality and oddity.

The second paradigm Thomas describes is valuing differences. This means respecting people for their differences. Such an approach encourages us to be conscious of and responsive to a wide range of people who are different from ourselves. It places more emphasis on interpersonal relations, and less on systems and culture.

Thomas defines the third and newest paradigm in this way: "Managing diversity is a comprehensive managerial process for developing an environment that works for all employees."

Managing diversity operates in an environment in which diversity is viewed "not as an us/them kind of problem to be solved, but as a resource to be managed." Thomas describes managing diversity as a process that taps the potential of all employees—including white males.

Thomas's view of managing diversity is not about helping people assimilate into already-existing organizational cultures. He says that acceptance, tolerance, and an understanding of differences are not enough, by themselves, to create an empowered workforce. In addition to those elements, Thomas says, we need to manage that diversity.

This approach maintains that supplementary efforts to change people do not get at the real need. The real need is to change the system by modifying the core culture. According to Thomas, such change requires time, in-depth analysis, effort, knowledge, and a clear understanding of the implications.

FIGURE 3

Current Attention to Managing a Culturally Diverse Workforce

% OF COMPANIES

	HIGH PRIORITY	MODERATE ATTENTION	BEGINNING TO LOOK	NOTHING BEING DONE	OTHER
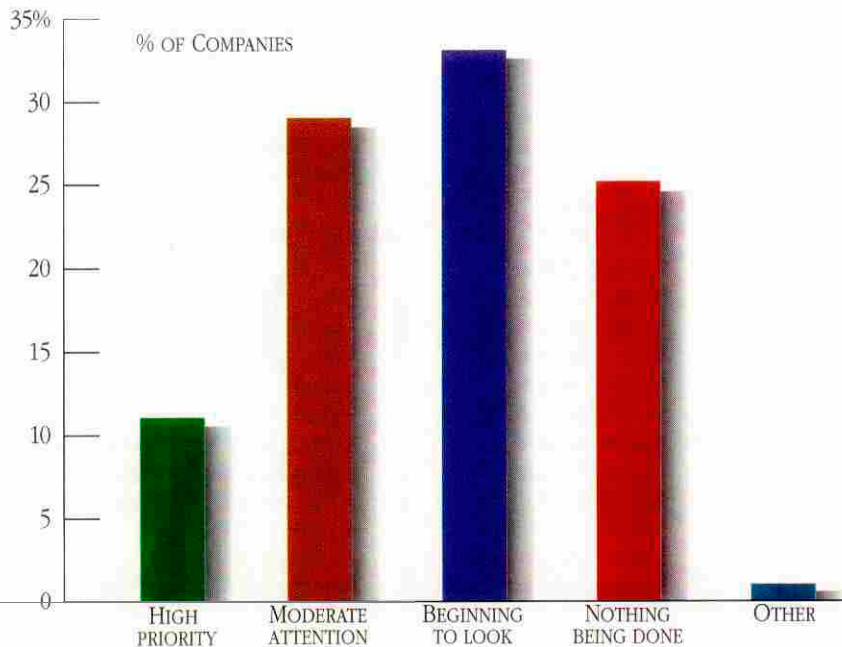
213 respondents out of possible 444

organizations, unsuccessful initiatives have soured opinion. In others, resistance to diversity has prevented initiatives that support diversity from being implemented in the first place.

Growing acceptance. The ubiquity of diversity material in management literature and the popularity of diversity seminars, workshops, and conferences across the country indicate just how topical the issue has become among human resource practitioners. What's more, a growing number of top-level corporate executives are recognizing its significance.

In fall 1991, the American Society for Training and Development conducted a national survey of HRD executives in *Fortune* 1000 companies, regarding diversity issues. Of the surveyed executives, 213 (48 percent) responded. Respondents represented 10 industry groups, including manufacturing, financial services, electronics, retail, agriculture and food products, chemical and allied products, consumer products, energy products, communications, and diversified services.

When asked to assess their companies' levels of attention to diversity issues, 73 percent of respondents indicated that the issues were receiving attention, ranging from high priority (11 percent) to moderate attention (29 percent) and "just beginning to look" (33 percent.) This response, especially the sizable number initially focusing on diversity in a recession year, suggests that senior managers see a connection between the bottom line and diversity.

See figure 3 for a breakdown of the responses.

An abundance of other research supports the findings of ASTD's study.

In a 1991 survey, Towers Perrin found a growing concern for the diversity issues originally raised in the landmark Hudson Institute study, *Workforce 2000.*

More than half (55 percent) of the corporate respondents to the Towers Perrin survey said that management support for programs aimed at managing the changing workforce had increased over the past two years.

Forty-one percent said the level of management support was the same as it had been two years earlier. Only 4 percent said support had declined over the two-year period.

A full 91 percent of the Towers Perrin respondents agreed that their senior managers believe that people are the "make-or-break corporate resource of the 1990s."

Moreover, 61 percent acknowledged that workforce programs were implemented in large part because senior management believed that such programs would enhance the organization's competitive position. Phrased another way, the survey found that the most important factor contributing to increased management support for workforce-related programs was greater senior-management awareness of the significance of such programs.

Other factors influencing decisions to support workforce-related programs include the need to attract and retain a skilled workforce, the effects of workforce trends on the companies, similar actions being taken by each organization's competitors, employee demands, retention and turnover problems, and government mandates or social pressure.
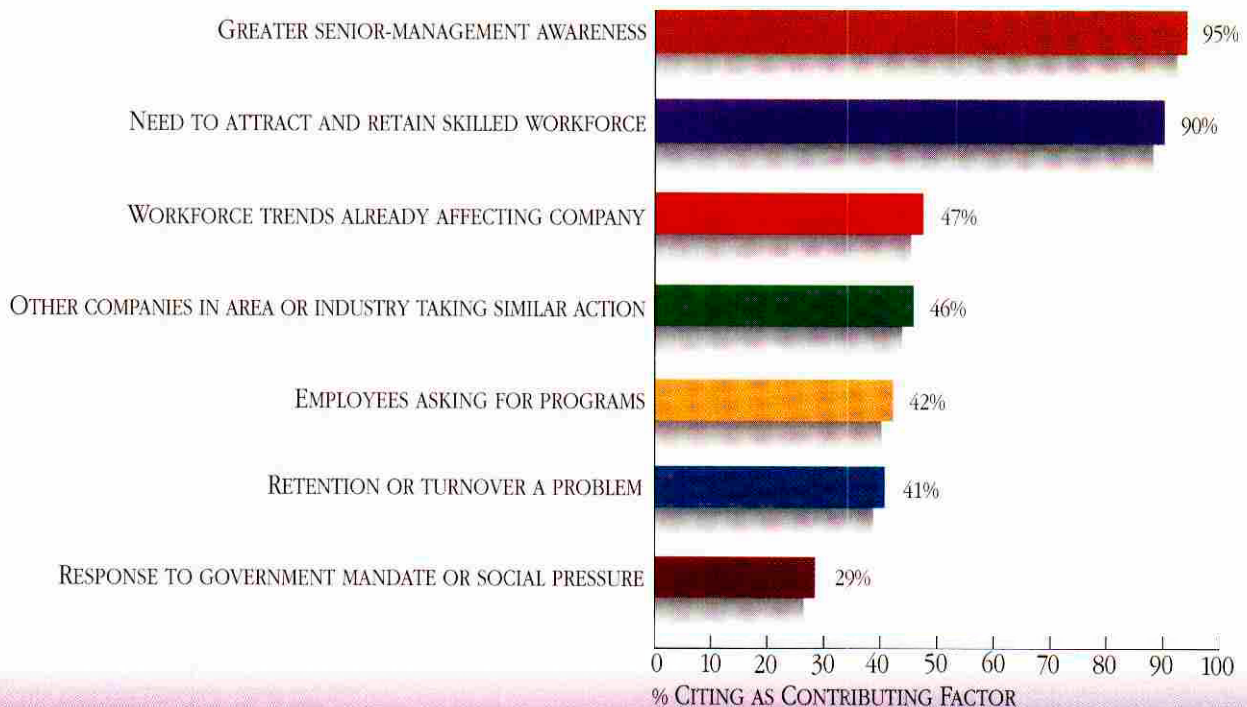
See figure 4 on page 35 for a comparison of those factors.

Similarly, a survey by the Conference Board found that top management most commonly views diversity as a competitive opportunity. According to a 1992 survey of 131 leading organizations in human resource practices, 42 percent of executives surveyed agree that "learning to capitalize on diversity will increase productivity and competitiveness."

Other views described diversity in the following ways:
▶ part of good management (24 percent)
▶ a major challenge (22 percent)
▶ an affirmative-action issue (8 percent)
▶ an issue with no serious impact (4 percent).

The numbers show that diversity initiatives have gained legitimacy, and that many executives see a connection between diversity management and the bottom line. What the numbers do not reflect is the level of

FIGURE 4

Factors Supporting Increased Management Support of Workforce-Related Programs

GREATER SENIOR-MANAGEMENT AWARENESS — 95%

NEED TO ATTRACT AND RETAIN SKILLED WORKFORCE — 90%

WORKFORCE TRENDS ALREADY AFFECTING COMPANY — 47%

OTHER COMPANIES IN AREA OR INDUSTRY TAKING SIMILAR ACTION — 46%

EMPLOYEES ASKING FOR PROGRAMS — 42%

RETENTION OR TURNOVER A PROBLEM — 41%

RESPONSE TO GOVERNMENT MANDATE OR SOCIAL PRESSURE — 29%

0 10 20 30 40 50 60 70 80 90 100

% CITING AS CONTRIBUTING FACTOR

Source: Towers Perrin, 1991

commitment to change.

Some diversity activities are more widely used than others. A survey on the subject was conducted in 1993 by the Society for Human Resource Management and the Commerce Clearing House. The study found that the most prevalent diversity-related activities among responding organizations were policies against sexual harassment (93 percent) and the provision of physical access for employees with disabilities (76 percent)—two activities linked to legal concerns.

Other common activities that support diversity are flexible work schedules (almost 66 percent), greater flexibility in days off for religious holidays (almost 58 percent), and parental-leave policies (nearly 57 percent).

Diversity training was not included in the SHRM/CCH ranking of policies and programs. But it is widely used as an element in many diversity strategies. Almost two-thirds of the 406 companies participating in a Harris survey in 1991 indicated that they conduct diversity training for managers. And almost 40 percent conduct such training for all employees.

What's more, most organizations in the Harris survey indicated that they have future plans to train managers (80 percent) or their entire workforces (65 percent).

The same survey found that 50 percent of organizations used a communications statement from senior management about diversity; an additional 16 percent intend to do so in the future. Twenty-eight percent have mentoring programs for women and minorities; many more intend to put such programs in place. Those who use diversity task forces totaled 31 percent, with another 22 percent intending to establish such task forces.

It appears that few organizations use tools to measure diversity performance or to link such performance with individual accountability. The SHRM/CCH survey found that only 30 percent of its respondents who conduct diversity training go on to measure resulting behavior at work.

Fewer than 20 percent reward managers for increasing the diversity of their work groups.

And some resistance. Clearly, acceptance of a diversity agenda in the workplace is growing. But the story of its progress is not simply that of a snowball effect, picking up adherents as it rolls along.

In some organizations, resistance to diversity initiatives is formidable. One way this is visible is through the absence of any diversity programs and policies in those workplaces. Another indicator is found in the ways those organizations formulate questions about diversity.

Ellen J. Solomon, an organization consultant, notes that valid questions that are typically raised to explore diversity initiatives are sometimes reformulated to resist it. A few examples:

▶ "What is the business case for diversity?" may be expressed as procrastination—"We need more (and more and more) data."

▶ The open-ended question, "Why are we doing this work now?" can

become the negative judgment, "This just isn't practical when we have so many competing business and financial priorities."

▶ "What does a managing-diversity effort involve?" may be rephrased to include its own answer—"Doesn't managing diversity just mean diversity of thought and perspective?"

Discrimination underlies some of the backlash. We cannot separate the workplace from U.S. society as a whole. Resistance to some diversity initiatives in the work environment parallels the racism and sexism that taint many areas of our national life. Solomon maintains that a failure to recognize resistance to diversity ini-

tiatives "prevents the organization from addressing discrimination on other levels as well."

But discrimination is not the only factor involved in resistance to diversity. Fear and past experiences with ineffective diversity programs also play a part. To understand these factors, we need to determine who is being resistant.

Change is seldom easy for individuals or organizations. And diversity initiatives spell change, for they challenge entrenched practices. Diversity specialist Judith Katz points out that resistance is part of the process of change.

Change moves us out of our com-

fort zone, Katz says. "We knew how to interact and be successful in the old culture. But it is very scary when the rules change. At the same time that we say we want change, we will also resist."

Among those (but by no means the only ones) who resist diversity activities are some white males. Part of the reason for this is a perception that white men not only are excluded from diversity concerns, but actually are the cause of the concerns. Theirs is the dominant culture in most organizations. Because white men are typically the power holders, the nontraditional workers in an organization—namely, everybody

Out of Isolation: Diversity Connections

Valuing and managing diversity are not isolated from other business practices. In fact, diversity efforts can complement other kinds of initiatives that are widespread in organizations today.

Human resource experts John Fernandez and Elizabeth Shaw point to crucial—and often overlooked—connections between diversity and each of four other business approaches that have become popular in many organizations:

▶ total-quality management
▶ team building
▶ reengineering
▶ empowerment.

Total-quality management. Fernandez and Shaw point out the linkages between diversity efforts and TQM initiatives. "Well-managed diversity leads to high-performance quality teams," they say, "which in turn lead to quality products and services."

TQM is a process of continuous evaluation and adjustment to ensure that the customer receives the highest quality service or product at the lowest cost. TQM's efficacy is a hotly debated subject, but many organizations have found that it is a key long-term business strategy.

The TQM process involves several concepts that parallel those of managing diversity. As identified by the Conference Board, these include, first, customer satisfaction and the concept of the internal customer. The common theme in this concept is the need to meet internal requirements (those of a diverse workforce or of various departments) before an organization can be successful in focusing on quality for external customers.

A second key concept is alignment. This means that organizations can more effectively unite diverse employees and groups behind a common goal, when those employees feel that their employers value their differences.

Third is the concept of employee empowerment. When employees as team members are empowered to

make the decisions that affect their work, they are likely to communicate most effectively in an environment of openness, respect, and trust—that is, an environment in which diversity is valued.

A fourth common concept is the changing role of managers. In the TQM process, the role of managers has changed from a directive role to a facilitative, team-building role. Effectively managing a diverse workforce is part of enabling workers to perform up to their potential.

Additional parallels include the fact that both diversity and TQM activities are driven by top management. In both, critical tasks for ensuring success include identifying appropriate champions, implementing systemic changes, breaking down barriers, and clarifying roles. And both share a vision of an organizational culture change to support new ways of doing high-performance work and to support the people doing it.

Another linkage is in the role of quality facilitators. In TQM environments, these people act formally as team leaders in team-building meetings and activities. But informally, they act as culture brokers to enable information to flow among cultural groups in the unit.

As culture brokers, quality facilitators interpret behaviors of diverse groups. They link teams with each other, departments with units; and clients (especially multicultural clients) with services. In short, in their informal role, quality facilitators promote understanding and appreciation of the richness of cultural diversity.

Team building. A further set of connections in the chain are the connections among diversity, TQM, and team building. Team building is an integral part of the TQM process. High-performance teams are needed to create high-quality products and services.

Fernandez and Shaw observe that developing effective quality teams is becoming more difficult for several reasons. Among them is the fact that customers and employees are becoming more diverse. Quality teams are likely to consist of people who differ in race, ethnic background, gender, age, sexual orientation, and other dimensions.

else—are relatively disempowered. Many are resentful. It's a small wonder that some white males see diversity issues as threatening.

Katz calls fear an important factor in white men's resistance to diversity activities. The change process creates ambiguity about the future, and many white men are uncertain about where they will fit into organizations in which valuing and managing diversity is a priority.

According to Katz, such backlash is "a clue that something else needs to happen."

Inclusion is the key. White males—and others too—need to be given a vision of the future and of their role in it. "As part of the change process," says Katz, "we have to create an atmosphere where people feel safe."

White men resist diversity programs because they fear exclusion. But some organizations are finding that some minorities and women also are resistant—because they fear inclusion. They hesitate to participate in diversity-support networks, for example, because they do not want to be seen as outside the mainstream. For example, the chief personnel officer at a leading professional-services firm says that some women professionals in his organization are "concerned about being branded as a woman." They feel they can make it on their own credentials.

Such a mindset establishes its own barriers. It keeps people from taking full advantage of the resources that are available to them. "We need to break through that mindset," the executive observes.

Different groups seem to differ in terms of the degree of support they feel for diversity initiatives. The SHRM/CCH survey—which questioned human resource professionals, line managers, and top management about a range of diversity-related issues—found that HR professionals tend to view diversity programs more positively than do line managers. The line managers tend to be

Fernandez and Shaw maintain that the difficulties are surmountable if organizations train their people to understand and respect their diversity, as well as to understand teamwork and other tools for innovation.

Reengineering. Reengineering is a new, customer-centered strategy that focuses on processes. It is designed to give a company a competitive advantage by determining the most effective processes for serving customers in the most cost-effective, high-quality way.

The link with diversity lies in the fact that decisions about what should be reengineered and how to do it are made by people. In most organizations, this means that decisions are made by diverse people working in teams. These people need to know how to subordinate some measure of their individuality to the group process—without denying the existence of differences, and without being regimented into a uniform approach that could squelch creativity.

Empowerment. There are also key linkages between diversity and employee empowerment. Empowerment involves pushing problem solving and decision making to the lowest appropriate level. The process gives employees a greater sense of ownership. It calls on them to work in new, more flexible ways—ways that the traditional control model (in which employees were told what to do) did not require.

Empowerment gained impetus from organizations that restructured in response to economic pressures. Restructuring often involves eliminating layers of middle management. In many cases, decisions previously made by middle managers become the responsibility of the employees at lower levels who are directly involved in the tasks.

To transition successfully to an empowerment model, employees need to gain the confidence and competence to take actions not covered by the organization's rules.

A successful transition entails five ingredients, according to management specialists David E. Bowen and Edward E. Lawler. Bowen and Lawler say firms must provide employees with the following:

▶ information about the organization
▶ knowledge to enable them to contribute to organizational performance
▶ power to make decisions that influence organizational performance
▶ skills
▶ rewards based on the organization's performance.

Of course, employees are likely to be the most creative and to make the best decisions when they work in a setting of trust, openness, and respect—in other words, a setting in which diversity is valued. Mary-Jo Hall points out that the aim of diversity work is "to create an environment where every person is valued as a contributor—and therefore empowered to maximize [his or her] contributions."

For Roosevelt Thomas, empowerment is a defining ingredient in the managing-diversity paradigm—and vice-versa. He points out that empowerment is "another word for the process of tapping employees' full potential." He also observes that managing diversity is a "critical determinant" of the success of efforts to empower employees.

Much decision making by empowered employees occurs in team situations. So employees' ability to communicate effectively with their team members is a critical component of an organization's success. Team members are likely to be as heterogeneous as the workforces of which they are part, so each person becomes a culture broker who contributes to transforming the organizational culture into one that values diversity.

Empowerment requires managers to act in ways that value diversity. Empowered managers need to adopt a facilitating management style rather than a directive or controlling style. Their role includes facilitating employee risk-taking and ownership, openly sharing information with employees (eliminating the unwritten rules that were characteristic of the "old boy" network in traditional, homogeneous organizations), coaching and counseling subordinates, and recognizing and using subordinates' expertise.

skeptical about diversity's benefits. They are more likely than HR people to think that diversity makes their jobs harder.

Between those two groups are senior managers. Sixty percent of HR professionals surveyed think a more diverse workforce will enable their organizations to serve their clients and customers better, and the figure for line managers is 21 percent. For senior managers, the figure is about 41 percent.

More than 50 percent of HR professionals think diversity programs are "socially desirable," and almost 41 percent believe they would lose some of their best employees if they did not have diversity programs. Opinion among line managers presents a striking contrast: Only 18 percent think such programs are socially desirable, and only 12 percent think top employees would be lost without them. Among senior-level management, the figures are 35 percent and 26 percent.

One area in which line managers and senior managers hold similar beliefs is with regard to diversity's cost-benefit ratio: About 15 percent of both groups think the costs outweigh the benefits. (Among HR professionals, the figure is 11 percent.)

The other side of the coin is the presumably overwhelming majority of all groups who think diversity's benefits are greater than its costs.

Ineffective diversity initiatives also can sour people on diversity. Many of these activities now have been in place long enough to be assessed. The link between ineffectiveness and skepticism is not spelled out in the surveys we examined, but it is probably reasonable to assume a correlation—though not necessarily a one-to-one correlation. As the saying goes, "Once bitten, twice shy."

In the ASTD study, 52 percent of respondents judged their in-place diversity programs to be effective or moderately effective. But almost half either did not know (30 percent) or considered their programs ineffective (18 percent).

The SHRM/CCH survey was more exhaustive, querying respondents across a range of diversity policies and programs. The activities with the highest ratings for effectiveness:

● sexual-harassment policies (of organizations with sexual-harassment policies, 91 percent judged them to be effective)
● physical access for employees with disabilities (85 percent)
● parental-leave policies (73 percent)
● flexible work schedules (72 percent).

Programs and policies with the lowest effectiveness ratings are health-insurance coverage for partners of gay and lesbian employees (among organizations with such a policy, only 15 percent thought them effective), plans to reduce geographic relocation to accommodate dual-career families (24 percent), fast-track programs for minorities (27 percent), and translation of corporate materials into other languages for employees who lack English-language skills (37 percent).

An index of perceptions about the effectiveness of diversity-training programs is presented by the SHRM/CCH survey:

● About 3 percent of respondents whose companies used such programs found them to be extremely successful.
● Almost 30 percent found them to be quite successful.
● About 50 percent said the programs at their companies were neutral (50 percent)
● About 13 percent called them largely unsuccessful.
● Five percent called them extremely unsuccessful.

Obviously, resistance to diversity activities is significant. Diversity professionals Michael Mobley and Tamara Payne say that handling backlash is the "biggest challenge facing diversity trainers."

The Conference Board provides evidence that backlash is a challenge to the full range of diversity activities. The Conference Board survey finds 61 percent of respondents feel that the fear of backlash from white males is among the three most serious barriers to implementing diversity initiatives.

Terra incognita. The jury is still out with regard to the effectiveness of diversity programs, or on ways to cope with resistance to them. That's because the diversity-learning process is still partly terra incognita. Managers, trainers, and others involved in valuing and managing diversity are searching for answers.

> FEAR OF BACKLASH FROM WHITE MALES IS AMONG THE THREE MOST SERIOUS BARRIERS TO IMPLEMENTING DIVERSITY INITIATIVES

Naturally, they make mistakes.

Thomas observes that "Mistakes at the cutting edge are different—and potentially more valuable—than mistakes elsewhere." After citing an example of an effort to value diversity that went wrong, he adds that these people "need to be told that they were pioneers, that conflicts and failures came with the territory, and that they would be judged accordingly."

Diversity and other business issues

The focus on diversity should not prevent us from remembering that it is only one of numerous important business issues. And most people don't view it as the most important one.

The ASTD survey asked executives to rank management issues in order of importance. Only 2 percent cited diversity as the most important issue. Customer service received the highest rating (33 percent), with productivity ranked at 29 percent, total-quality management at 21 percent, and performance management at 7 percent.

The SHRM/CCH survey compared

diversity with other human resource issues. Most respondents rated diversity management as a lower priority than nine other issues. These include profitability, market share, capital investment, health care, total-quality management, revising compensation, restructuring, downsizing, and education and training.

Close ties. Diversity initiatives work best when they are integrated into a larger system of business practices. In fact, they have close ties to four other processes—total-quality management, team building, reengineering, and employee empowerment.

(For an in-depth discussion of the linkages, see "Out of Isolation: Diversity Connections," on page 36.)

What those four processes—plus diversity—have in common is a commitment to continuous learning. Learning organizations integrate such commitment into their practices and culture. They design their processes, products, and services—and their approaches to their clients, customers, and employees—to be openended, in order to respond to rapid change. They develop, too, an openness to learning how to learn.

As David Garvin of the Harvard Business School says, "Continuous improvement requires a commitment to learning."

According to Fred Kofman and Peter Senge, of the Center for Organizational Learning at Massachusetts Institute of Technology, learning communities are based on three factors:
▶ a culture rooted in transcendent human values of love, wonder, humility, and compassion
▶ a set of practices for generative conversation and coordinated action (primarily dialogue, in which language functions as the medium for connecting, inventing, and coordi-

nating action in the workplace)
▶ a capacity to see and work with the flow of life as a system, rather than dissecting and trying to fix the problematic parts.

Because of their commitment, openness, and ability to deal with complexity, the participants in a learning community influence others in an organization. A shift in perspective occurs—security resides not in stability (the old model) but in a dynamic equilibrium between holding on and letting go of beliefs, assumptions, and certainties.

What people know takes second place to what they can learn. Simplistic answers are less important than penetrating questions.

To some, these ideas are too far removed from daily life to seem practicable. Garvin observes about similar recommendations that they sound desirable but do not provide a framework for action. So that's just what he does. Garvin discusses a list of management building blocks that provide guidelines for practice:
▶ systematic problem solving
▶ experimenting with new approaches
▶ learning from past experience and from the best practices of others
▶ transferring knowledge quickly and efficiently throughout the organization.

Garvin notes that many organizations practice such activities, but not in a systematic way. Creating systems and processes to do so will enable organizations to manage learning more effectively, he maintains.

Many firms are finding that commitment to continuous learning is not idyllic rhetoric, but a strategic business imperative. Arie P. de Geus, former head of strategic planning at Royal Dutch/Shell, says, "We understand that the only competitive advantage the company of the future

will have is its managers' ability to learn faster than their competitors."

William Fulmer adds that a competitive edge depends on the ability of all of an organization's people to learn, not just its managers. Most organizations constantly deal with uncertainty, he says, so "all levels of the organization must be given opportunities to learn how to anticipate and adapt to change."

The connections with diversity are clear. Learning organizations value their workforces. Managers in such organizations encourage multiple perspectives while honoring and pursuing the fundamental financial needs of the organization.

Recognizing that today's immediate needs may be unimportant tomorrow, these managers know that they do not have ready answers about the best way to manage. They are learners as well as facilitators of learning. They respect differences in their people and encourage them to perform to their potential. In short, they are "walking the walk" of valuing and managing diversity. ■