

Case B

Diversity issues & strategies

This report will advise on plausible strategies for promoting diversity at Scania by briefly evaluating theories from the field of diversity management and analyse how IBM tackled similar issues during the period 1995-2004

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Scania's predicament

In order for Scania to survive and thrive in the tough competitive environment that is today's global economy, it is essential that they remain as product leader within their field. Innovation and creativity is therefore key, and since research time and time again has proved that diversity increases creativity, it is crucial that Scania diversifies (Brooks, 2009). The current situation is problematic, as women and other groups are severely underrepresented. During 2012 Scania had 10 % women in the management team and 0 % women in the board.

In the upcoming report we will be taking a more thorough look at how this problem can be amended

IBM's Diversity strategy

IBM (International Business Machines) has always been open for diversity and equality although early on the culture often discouraged recognizing differences among employees and instead promoted a uniform IBM identity. That was until 1995 when, a HR specialist Ted Childs, launched eight different task forces for different identified minority groups. These groups which were Asians, Blacks, Gays and Lesbians, Hispanics, Native Americans, People with Disabilities, Women and White Men. These task forces were intended to provide a forum for people to share ideas, learn from each other and help develop the company into a more diversity friendly environment.

This initiative became a huge success primarily due to a few key factors. First and foremost, the project had a great leader and inspiring role model in Ted Childs. Research within change management has concluded that a good role model is crucial in order to achieve organizational change (Martens, 2016). The project would likely have failed, were it not for Ted Childs passion and perseverance. Secondly, a good organizational culture was already established regarding issues of diversity and equality. Through decades of hard work with promoting diversity, IBM had managed to create some great values and thereby laying the foundation for such a project to succeed. Thirdly, these task forces were granted the authority and recognition necessary. By involving senior executives and making the launch of the task forces a high profile event, it was a clear statement to the entire organization that these issues were of great importance.

While the project was indubitably successful, it poses some challenges for IBM, moving forward. Firstly, the segregation which arose from these task forces could in time erode trust between groups and diminish merits of individuals within minority groups. This in turn could create a more polarizing and excluding workplace. Secondly, by taking such a clear stance in these social issues IBM is indirectly enforcing their socio-political values on others. A huge challenge will be trying to adapt their equity standards to the religious, cultural and political context of their different locations around the world.

Scania's solution

Drawing inspiration from IBM, we propose that Scania should hire a person or a team who can take on equality and diversity questions. While the current perspective on equality revolves primarily around gender it is important that Scania integrate gender into a broader diversity lens. We furthermore recommend that Scania educate all employees about the great benefits of diversity, the dual agenda and the different approaches to solving this complex issue.

References

Brooks, I. (2009). *Organizational Behavior 4th ed.* Essex, England: Pearson Education Limited.

Martens, D. v. (Performer). (2016, September 15). *KTH Lecture on organizational control*. KTH, Sal D2, Stockholm, Sweden.