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THE EFFECTIVE MANAGEMENT OF CULTURAL DIVERSITY

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Long before the now famous Hudson Report sent shock waves through corporate America in 1987 with its predictions about demographic changes affecting the workforce, diversity was on the radar screens of forward-thinking business leaders across the country. EEO laws of the 1960s and 1970s and affirmative action requirements were already putting attention on equity in the workplace, and immigration was bringing a wider range of cultures and languages to both the workforce and marketplace. Finally, global business realities were highlighting the need for increased cultural understanding and flexibility. Because of vision and necessity, companies began to understand that diversity was a business issue and managing it effectively was a strategic imperative for growth and survival.

◆ *Laying the Foundation With an Inclusive Definition of Diversity*

Diversity is not a liberal ideological movement, to be supported or resisted. Rather, it is a reality in today's business environment. Managed well, diversity provides benefits that increase success.

However, when ignored or mismanaged, it brings challenges and obstacles that can hinder the organization's ability to succeed. The right question then is not, do we have to deal with diversity, but rather, how do we manage it to reap its potential benefits? At its core, diversity is about inclusion and exclusion. The foundation for effectively leveraging diversity lies in defining it in a broad and inclusive way. Organizations that define it broadly, involving all dimensions of similarity and difference around which there are inclusions and exclusions that affect the business, find that there is greater buy-in and strategic relevance. There is also a stronger business case and less resistance when all in the organization can see themselves reflected in the definition and can identify inclusions and exclusions that play out in the organization every day through us-versus-them attitudes, stereotypes, assumptions, preconceived expectations, and differences in treatment.

Our model, the Four Layers of Diversity (Figure 4.1), is used in many organizations across the country to frame the issue and encourage discussion and involvement in managing diversity. The multiple dimensions of diversity around which there is inclusion and exclusion are depicted in four concentric circles. Personality, relating to individual style and characteristics, is in the center. Whether a person is an introvert or extrovert, reflective or expressive, quick paced or methodical, a thinker or a doer, for example, all influence how the individual will be treated, get along with others, and progress in the organization. The second layer, the Internal Dimensions, comprises the six aspects of ourselves over which we have little control. Our gender, age, sexual orientation, race, ethnicity, and physical ability are for the most part not choices, yet they influence our treatment in organizations, the roles we play in life, and the expectations of us,

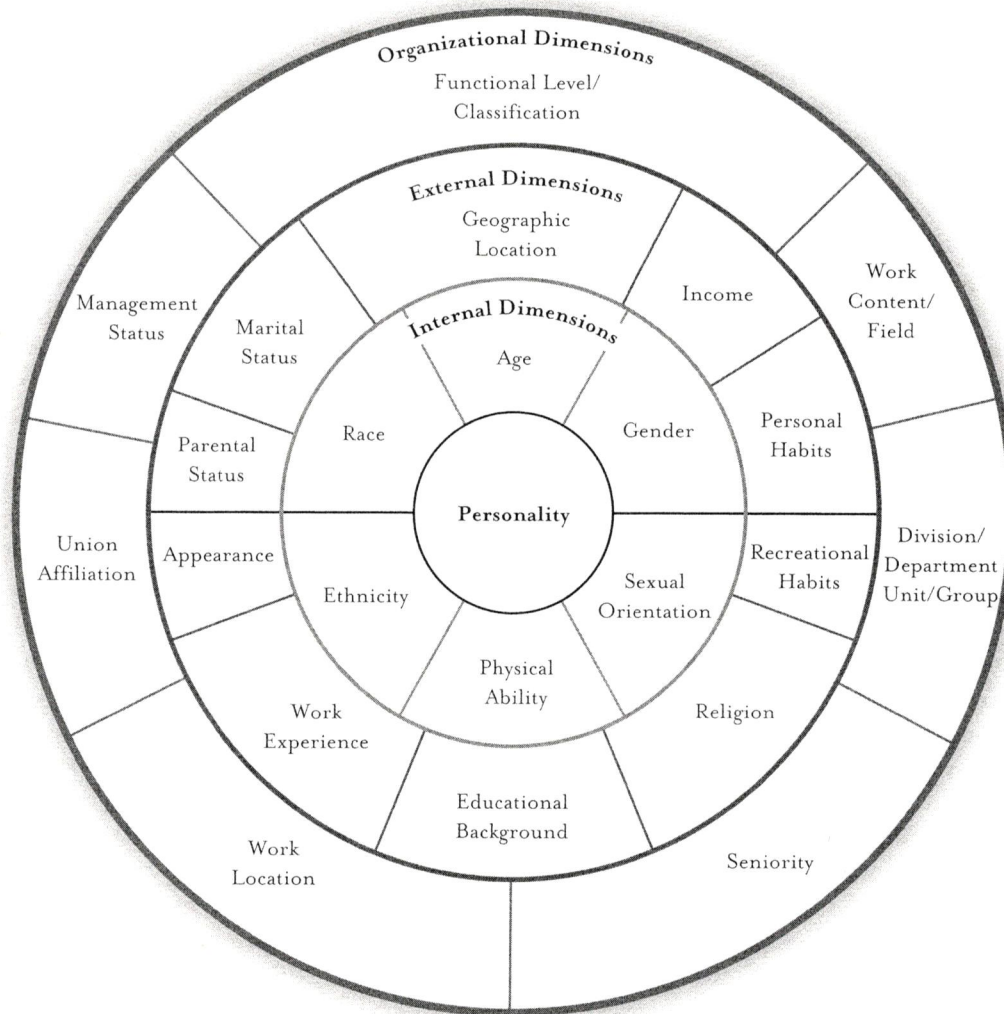
both our own and others. The third layer, External Dimensions, comprises those that are the result of life experiences and choices. Aspects such as religion, education, marital status, work experience, and recreational habits are areas around which employees can connect or disconnect, be valued or disrespected, depending on how these dimensions are seen and used.

The last layer, Organizational Dimensions, contains those aspects of similarity and differences that are part of work in the organization. What difference might it make if someone is the CEO or an entry-level employee, in marketing, manufacturing, human resources, or customer service, a manager or a union shop steward? These dimensions also affect both treatment of employees and productivity of the organization.

All these aspects represent areas in which there may be similarity and common ground as well as differences. When well managed, these differences have the potential to bring new perspectives, ideas, and viewpoints needed by the organization. However, if mismanaged, they can sow the seeds of conflict and misunderstanding that sabotage teamwork and productivity and hinder effectiveness. To maximize the ability to manage this complex set of differences, organizations need to have a framework and strategy. The following three areas of focus offer a framework.

♦ *A Framework for Managing Diversity as Organizational Change*

Over the years, we have witnessed and been part of many diversity initiatives and strategies. Some worked effectively, some only in part, but few accomplished all of their original objectives. Those that came out of a

Figure 4.1 The Four Layers of Diversity

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"check off the box" mentality or were looking for a quick fix never had traction and had little impact. The efforts that had longevity did so because they were thorough and affected the structure at an operational level.

Diversity benefits are leveraged successfully when an initiative is looked at as a culture change intervention with both

people and systems interlocked and working for the benefit of the whole. This kind of change is almost always an unwieldy process that takes time, tenacity, and determination to see it through. The following framework creates a manageable structure for getting through the process and yielding results.

For an organization to get its arms around the complexity of diversity culture change, it needs to focus on three arenas: (1) individual attitudes and behaviors, (2) managerial skills and practices, and (3) organizational values and policies. The individual attitudes and behaviors component asks employees to do some intrapersonal work that involves identifying their attitudes and beliefs on a wide range of topics such as how they feel about multiple languages spoken in the workplace; attitudes toward whether coworkers can be openly gay in the workplace; conflicting union and management positions on any number of policies; and the hottest diversity topic of the early 2000s—generational differences, or how 20-somethings and 60-somethings vary in their view of the world of work. Change in this arena requires identifying and acknowledging the feelings that come from these differences and the behaviors that result as well. For example, if my attitude toward 20-somethings is that they are shallow and uncommitted, my behavior is likely to be standoffish, uncollaborative, and unresponsive in helping them acculturate to the organization. These behaviors will ultimately affect organizational culture, outreach, and openness to fellow employees as well as services delivered to customers. Training to affect individual attitudes and behaviors has probably yielded the most success in diversity initiatives over the last 25 years. There are many remarkable and impressive examples of change that we have seen. They are a necessary first step but insufficient to change the culture of the organization.

The second arena in which change needs to take place is that of managerial skills and practices. The essence of this change is the recognition that one style of management does not fit all. Managerial practices must be tailored to suit a wide range of employees.

Depending on one's culture, for example, feedback about performance may be delivered very directly, or it may also be given in a much more indirect and subtle way, sometimes with the help of an intermediary or cultural interpreter. Another example of the wide range of practices needed has to do with norms involving meeting participation and giving feedback to bosses. In hierarchical cultures, direct questions or feedback to a boss would be unthinkable, yet it is expected in most parts of the United States. Another cultural difference is how pats on the back or other positive reinforcements are given. Properly acknowledging exemplary performance requires cultural knowledge and sensitivity. In many cultures, public acknowledgment is totally humiliating. In such cases, acknowledging good work, perhaps with a very private and quiet thank you or a note in the employee's file, works wonders, instead of public acknowledgment, which could be mortifying. Managers need to know these differences among their employees because they affect conflict resolution, accountability, team cohesion, commitment, and ultimately work performance.

The last arena of change that is required to successfully leverage diversity involves changes in organizational values and policies. This area is the most complex in which to make progress, and we have seen the least success here. Adjusting the promotional system, for example, or how people are hired and recruited to create a broader talent pool and a more equitable organization, requires complex work that has many steps. For example, how do you begin the process of selecting recruiters who themselves are diverse? And if they are diverse by the internal dimensions, that does not necessarily mean they are open to differences and are themselves objective about others. Sometimes they push for people who look or act like them.