



Diversity in organizations

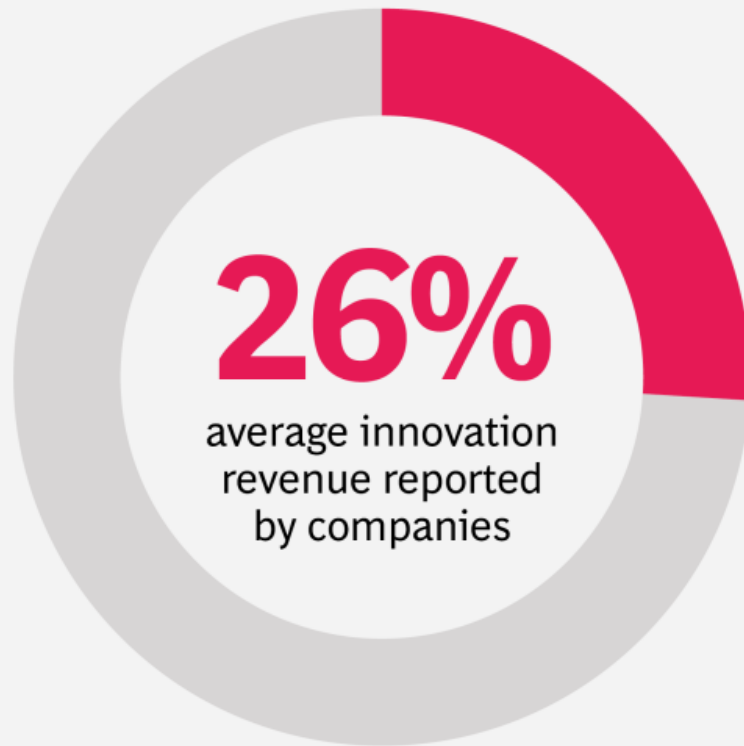
What is diversity?

- ▶ Diversity refers to **identity-based differences** among and between two or more people that affect their lives as applicants, employees, and customers.
- ▶ These identity-based differences include such things as
 - ▶ Race, ethnicity
 - ▶ Gender
 - ▶ Sexual orientation
 - ▶ Age
 - ▶ Religion
 - ▶ Citizenship status
 - ▶ Military status
 - ▶ Mental and physical health condition
 - ▶ Socio-economic background
 - ▶ Language
 - ▶ Geographical location

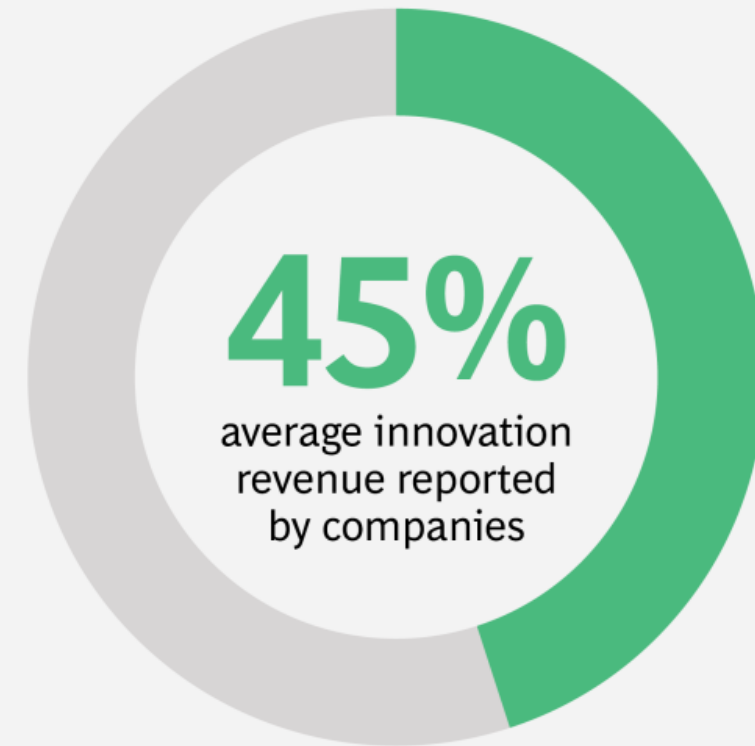
Why is diversity important?

- ▶ Ensure that members of diverse groups **are valued and treated fairly** within organizations in all areas including hiring, compensation, performance evaluation, and customer service activities.
- ▶ Organizations must show appreciation for diversity among job applicants, employees, and customers.
- ▶ When you **VALUE each and every employee**, you **CREATE value with them**.
- ▶ People with diverse backgrounds trigger creative ideas, and perspectives informed by their cultural experiences.

Companies with
below-average diversity scores



Companies with
above-average diversity scores



Source: BCG diversity and innovation survey, 2017 (n=1,681).

Note: Average diversity score calculated using the Blau index, a statistical means of combining individual indices into an overall aggregate index.

Large-cap companies with at least one woman on the board have outperformed their peer group with no women on the-board by 26% over the last six years, according to a report by Credit Suisse Research Institute

New research from Tufts University indicates that diverse groups perform better than homogenous groups when it comes to decision making and that this is due largely to dramatic differences in the way whites behave in diverse groups--changes that occur even before group members begin to interact.

Between 2008 and 2010, companies with more diverse top teams were also top financial performers. That's probably no coincidence.



A study written up in Scientific American [looked at 1.5 million academic papers](#) and "found that papers written by diverse groups receive more citations and [had] higher impact factors than papers written by people from the same ethnic group."

According to a [2015 McKinsey report](#) called Diversity Matters, companies in the top quartile for both racial and ethnic diversity are 35% more likely to have financial returns that exceed their national industry medians. For companies in the top quartile for gender diversity this is 15%.

Type of diversity

Surface-level diversity

Diversity in the form of characteristics of individuals that are readily visible including, but not limited to, age, body size, visible disabilities, race or sex.

Deep-level diversity

Diversity in characteristics that are non-observable such as attitudes, values, ideologies, and beliefs, such as religion.

Hidden diversity

Diversity in characteristics that are deep-level but may be concealed or revealed at discretion by individuals who possess them, such as sexual orientation, mental health disorders.

Inclusion

- ▶ Inclusion is the practice of ensuring that people feel a sense of belonging and support from the organization.
- ▶ It is a way of achieving diversity.
- ▶ Diversity refers to the traits and characteristics that make people unique while inclusion refers to the behaviors and social norms that ensure people feel welcome.



Barriers to diversity in workplace

- ▶ Insensitivity
- ▶ Lack of inclusion
- ▶ Microaggressions (eg. Ethnic minorities, LGBTQ+ facing backlash at office)
- ▶ Resistance to change
- ▶ Lack of continual diversity training.
- ▶ Difficulty in defining diversity.
- ▶ Cognitive biases.
- ▶ Homophily : the tendency of individuals to associate with others who are similar to them.
- ▶ Poor communication.
- ▶ Informal mentoring.

Subtle cases of discrimination

- ▶ Some assignments can set you up for promotion — this is the glamour work.
- ▶ Other assignments are necessary but unsung — this is the office housework.
- ▶ Research shows that women and people of color are much more likely to get housework-type assignments than to get assigned to glamour work.
- ▶ **Managers and executives have to fix this imbalance if they're going to make progress on corporate diversity goals.**
- ▶ Employees who differ from most of their colleagues in religion, gender, sexual orientation, socio-economic background, and generation often hide important parts of themselves at work for fear of negative consequences.
- ▶ This makes it difficult to know how these employees feel and what they want, which makes them vulnerable to leaving their organizations.
- ▶ **The key to inclusion is understanding who your employees really are.**

Think...

Let's say there are two candidates for an accountant position. One of them is very sociable, talkative and funny. The other is timid, never looks you in the eyes and doesn't understand irony. Which one of them should you choose?

Movie recommendations for Diversity

- ▶ The Intern (2015)
- ▶ The Accountant (2016)
- ▶ Moneyball (2014)

Peer Assessment - Group

- ▶ Every team has to write about their journey of working in team from first semester in Innovation to second in Entrepreneurship. Please focus on the following: (500 words)
 - ▶ How you gradually came to know about abilities of your team members (diversity) and how you used it for the advantage of your group performance.
 - ▶ Often times, you may have faced internal conflicts. How did you resolve conflicts among the team members? Give an example to elaborate.
 - ▶ What did you learn through the experience of working in group, which you did not know before?
- ▶ Each group has to give marks to other group out of 5 based on the write up. Marks without feedback and review will not be counted.
- ▶ Please maintain integrity.
- ▶ After the submission deadline, a day will be fixed in which the write ups will be randomly distributed across groups and they will have to assess it within a time limit and return.
- ▶ Peer Assessment helps in gaining information through other's work and also learning about aspects of assessment and review which are equally useful to the students.