

Role of Managing Diversity in the Workplace: Best Practices and Challenges

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Abstract

Due to the increased awareness of its potential advantages for organizations, the role of managing diversity in the workplace has attracted a lot of attention. Workplaces are growing more varied in terms of the backgrounds, ethnicities, genders, ages, and perspectives of employees in a world that is getting more globalized and interconnected. To build a peaceful and inclusive workplace, effective management is necessary because this variety presents special difficulties and opportunities. Promoting equality, inclusion, and respect for all employees is a key component of managing diversity in the workplace. The diverse experiences, abilities, and viewpoints of an organization's staff can be used to improve creativity, problem-solving, and decision-making processes. Furthermore, valuing diversity can boost employee satisfaction, engagement, and retention, which will eventually help the organization succeed. However, managing diversity also calls for resolving any prejudices and obstacles that can prevent its efficient application. To combat stereotypes, discrimination, and unintentional bias, organizations must engage in diversity training, encourage cultural sensitivity, and promote open communication. In conclusion, managing diversity at work is essential for organizations to succeed in the varied and dynamic business world of today. Organizations may foster a more productive and inclusive workplace culture that fosters creativity and success by respecting and utilizing the distinctive contributions of workers from a variety of backgrounds.

Keywords: Diversity, Work environment, Employee, Workplace culture, Organization

Introduction:

Managing diversity in the workplace has become essential for organizations seeking long-term success in the globalized and linked world of today. Race, ethnicity, gender, age, sexual orientation, religion, and disability are just a few of the many differences between people that make up diversity. For an inclusive workplace to encourage creativity, increase productivity, and draw and keep top talent, it is essential to manage this diversity effectively.

Recognizing, appreciating, and utilizing the distinctive perspectives, experiences, and talents of people from varied backgrounds is a key component of managing diversity in the workplace. It aims to build an inclusive culture where everyone feels appreciated, valued, and empowered to offer their best work, going beyond simple representation and quotas.

The encouragement of creativity and invention is one of the main advantages of managing diversity at work. When people from different backgrounds join together, they contribute a variety of ideas, viewpoints, and approaches to problem-solving. This variety of viewpoints encourages a rich and lively interchange of ideas, which boosts innovation and creativity within the organization. Companies can obtain a competitive edge in today's fast-paced and constantly changing business environment by encouraging people to share their different thoughts and questioning conventional ways of thinking.

Additionally, managing workplace diversity has been associated with higher employee engagement and productivity. Employees are more likely to be motivated, devoted, and loyal to their organization when they feel involved and valued. People feel a sense of belonging in inclusive environments where they can be completely themselves without worrying about bias or discrimination. This then results in more productivity, enhanced teamwork, and higher levels of job satisfaction. As more job candidates look for workplaces that value diversity and offer equitable opportunities for growth and promotion, businesses that place a high priority on diversity and inclusion are also more likely to draw in and keep top talent. Figure 1 shows the various strategies to manage workforce diversity.

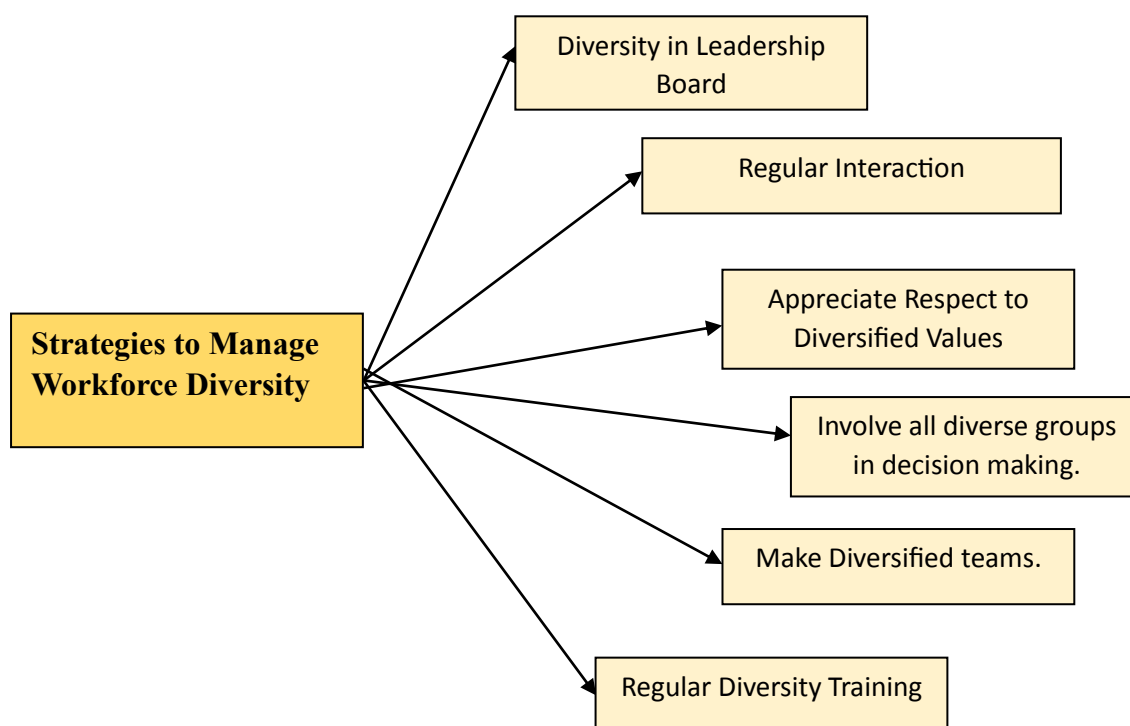


Figure 1 Strategies to Manage Workforce Diversity.

Additionally, managing diversity is not only required by law in many areas, but it is also a moral obligation. The necessity of fostering a diverse and inclusive workplace is emphasized by laws and regulations that forbid discrimination in the workplace based on a variety of protected traits. Organizations that violate these legal requirements run the danger of losing their good name as well as potential legal repercussions that could harm their business operations and brand image.

In conclusion, managing workplace diversity is a crucial component of contemporary organizational management. Organizations may promote creativity, innovation, and productivity while simultaneously fostering a culture of inclusion and equality by valuing and utilizing individual differences. In addition to being morally good, embracing diversity gives businesses a competitive edge in today's dynamic and diversified global marketplace.

Literature Review:

In today's organisations, managing diversity in the workplace is a subject that is receiving more and more attention. Businesses are seeing the need to take advantage of diversity's advantages while handling the difficulties that come with it as societies become increasingly varied. In order to provide a broad overview of the function of managing diversity in the workplace, this literature review will look at significant ideas, theories, and empirical data. The evaluation will look at a number of diversity management-related topics, such as how it affects innovation, employee satisfaction, and organizational performance.

Cox (1991) proposed the idea of a multicultural organization and emphasized the value of using diversity as a strategic tool. The article emphasizes the importance of organizations recognizing and efficiently managing diversity, laying the groundwork for further research on diversity management.

Thomas and Ely (1995) provided a brand-new approach to managing diversity that goes beyond compliance and symbolic gestures. They contend that in order to promote creativity, better judgment, and greater employee engagement, organizations should welcome and capitalize on differences.

For handling diversity at work, **Kossek and Lobel (1996)** offer useful advice. They emphasize how crucial it is to incorporate diversity management into all aspects of HR, such as hiring, training, and performance reviews. The authors stress the importance of organizational support and leadership commitment in creating an inclusive workplace.

In their discussion of human resource diversity management tactics, **Dass and Parker (1999)** put a particular emphasis on how organizations may overcome resistance and speed up the learning process. They emphasize the value of proactive diversity management in fostering an inclusive culture and improving organizational learning. Whereas, **Kramar (1999)** offered advice and planning techniques for effectively managing diversity in organizations. It provides a comprehensive strategy for managing diversity, taking into account various factors like hiring, training, career advancement, and organizational policies.

Jehn, Northcraft, and Neale (1999) looked into how diversity, conflict, and workgroup performance are related. According to their research, task- and relationship-related disputes in diverse work teams can actually improve performance because they foster a variety of viewpoints, encourage critical thinking, and result in better decision-making. Whereas, the relationship between diversity, conflict, and performance in work groups is examined by **Pelled, Eisenhardt, and Xin (1999)**. They contend that diverse work groups can eventually reach superior levels of performance due to the wider range of opinions and knowledge, even

when they first experience higher levels of conflict. The writers offer advice on how to manage diversity within teams and enhance performance.

The advantages of managing diversity in the workplace have been underlined in numerous research. In terms of creativity and problem-solving, diverse work teams outperform homogeneous ones, according to a meta-analysis by **Jackson, Joshi, and Erhardt (2003)**. Increased organizational flexibility, better decision-making, and higher employee satisfaction were all mentioned as additional advantages of managing diversity in **Dreachslin, Hunt, and Sprainer's (2000)** study.

Richard (2000) looked at the connection between ethnic diversity, corporate strategy, and firm performance. According to the research, diversity may be a useful resource for organizations, enhancing productivity and competitiveness. The effects of formalized human resource management (HRM) frameworks on diversity initiatives and employee satisfaction are examined by **Frank (1995)**. The results demonstrate the value of integrated HRM practices in fostering diversity and improving workers' views of fairness and satisfaction.

Riordan and Shore (1997) investigated the connection between employee attitudes, demographic diversity, and work unit outcomes. They discover that the agreement between individual and group demographic variables has an impact on favorable employee attitudes including job satisfaction and organizational commitment. The writers stress the need of managing diversity to foster a healthy work environment and improve organizational results.

Herring (2009) looked into the relationship between diversity and innovation and questioned if diversity improves problem- and decision-solving. According to the study, varied workplaces can encourage creativity and spark original thought, which can support organizational innovation.

Joshi (2011) discusses the difficulties of managing diversity, especially in work teams. The author highlights the significance of inclusive leadership and team procedures as they analyze potential obstacles to effective diversity management and suggest solutions for them.

Thomas (2006) investigated the idea of cultural intelligence and how to manage diversity in a globalized company. In order to effectively manage heterogeneous teams, the article emphasizes the significance of cultivating cross-cultural competency and awareness.

Plaut (2008) explores the idea of diversity resistance, which alludes to unfavorable responses to measures promoting diversity. The article outlines methods for overcoming resistance in various forms, including denial, avoidance, and discrimination. The effectiveness of organizations' adopted diversity policies and practices are examined by **Kelly (2006)**. To ensure the effectiveness of diversity programs, they stress the significance of responsibility, openness, and ongoing evaluation.

Conclusion:

In conclusion, in today's globalized world, managing diversity in the workplace is essential for the success and expansion of organizations. The benefits and advantages of appreciating and recognizing diversity in the workplace are numerous. First off, combining a variety of

viewpoints, concepts, and experiences, fosters creativity and innovation. The success of an organization can be attributed to its ability to solve problems and make decisions more effectively as a result of this diversity of viewpoints. Additionally, managing diversity promotes a productive workplace that is welcoming, respectful, and encouraging of all employees. Individuals are more likely to be interested, driven, and committed to their work when they feel valued and acknowledged for their distinctive contributions. Employee retention, productivity, and morale all increase as a result. Managing diversity is also crucial for bringing in and keeping great people. Organizations that promote diversity and foster inclusive cultures are more likely to draw a diverse pool of candidates in today's competitive employment market. Organizations are able to react to shifting market needs and grab new possibilities thanks to the diversity of talent that they have access. The management of diversity is not only a moral requirement; it is also associated with financial success. According to studies, inclusive workplaces and diverse teams perform better than their homogeneous counterparts, resulting in bigger financial gains and improved organizational success. In conclusion, managing diversity in the workplace is a strategic business requirement, not just a trend or a social duty. Organizations can gain a competitive edge in the market, increased innovation, and higher employee engagement by recognizing and utilizing the potential of diversity. The long-term success and viability of any organization depend on its ability to embrace diversity. Doing so is not just the moral thing to do, but also the sensible thing to do.

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