Diversity and Organizational Change/Performance

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Diversity is a fact of life in most organizations, especially in multiethnic societies. Members of organizations vary along multiple social identities, including race, ethnicity, gender, age, social class, sexual orientation, age, and many others. These identities have varying degrees of salience in the organization and its environment and are important because of their symbolic meaning and because of their substantive manifestation in cultural and other group-based differences in values, behavior, style, and other dimensions of social life and communication. Diversity also matters greatly because of historical and continuing patterns of exclusion, status differences, and problematic relationships across various intergroup interfaces.

This heterogeneity can be and is addressed in a variety of ways by organizations, their leaders, and their members, with implications for a range of organizational processes, including organizational change and performance. Organizations must consider how to address legal and social imperatives regarding fairness, as well as how to engage differences in the service of organizational imperatives, or even in the service of shaping those goals. How the organization manages diversity in its people also affects its relationship with its environment, including its ability to attract and retain talent and to interact productively with the surrounding communities. These organizational approaches are dynamic, in that there can be a bidirectional relationship between how the organization approaches change and development and how diversity is experienced and managed; also, there can be a relationship with how much diversity and which types of diversity are present and recognized in the organization. For example, approaches to organizational change that focus on diversity and inclusion as core components may also support the creation of an organizational climate that is more welcoming to people who were previously underrepresented in the organization and who thereby will be more likely to enter and stay in the organization.

Ultimately, diversity presents both challenges and opportunities. To achieve their goals, organizations must find ways to create alignment and to focus on common objectives, while at the same time engaging with a range of approaches, styles, talents, and resources in the service of those goals. They must also do so in a way that is experienced as fair, both internally and externally; and they must grapple with diversity not only in identities and cultures but also in views about diversity itself and its value. For example, assimilationist ideologies or values will make it much more difficult to engage diversity as a source of added value, especially in the context of status and power differentials or embedded privilege associated with societally or organizationally dominant identities. In contrast, approaches that emphasize equity across social identities together with the value and expression of difference can present challenges to individuals and groups who either have not learned how to handle differences productively or prefer to maintain homogeneity. In spite of, or in combination with, these challenges, many organizations emphasize

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the benefits of diversity. Organizations that manage diversity effectively can recruit and retain a broader set of talent, access a broader set of resources and ideas, innovate more, and in some cases obtain better outcomes than organizations that are less effective in this regard. And in a growing number of societies there are legal and societal demands that organizations must be more inclusive and representative of multiple groups, especially those that have been historically excluded, marginalized, or disempowered.

A key and a positive approach to diversity that is used to maximize its benefits involves fostering inclusion: creating and embedding organizational, leadership, and interpersonal practices that result in a sense of safety, full belonging, participation, and voice across the range of diversity dimensions, without requiring assimilation or the loss of valued identities. One aspect of inclusion that is often contested regards the degree to which it is desirable for people to be able to express their nonwork identities in the context of work, to bring their whole self to work. Yet, increasingly, in part due to work on multiple and intersecting identities, it is becoming clearer that, for most people, it may be difficult or even impossible to separate the various aspects of their selves; one cannot simply be a lawyer, for example, while ignoring that one is also a mother, a Latina, a person with a visual impairment, an American citizen, a graduate of Harvard Law School, and so on. These multiple identities exist in juxtaposition and in relationship to those of others in the organization, and inclusion involves creating practices that allow individuals to feel integrated and whole while engaging and working with each other effectively, productively, and authentically. Optimally, these practices and the associated skills will also be associated with maximization of the benefits of diversity to the organization and to its members.

The focus on diversity and inclusion and on their potential benefits for organizations has been associated with a systematic growth in the area as a field of work and research. Many organizations now incorporate one or more executives—often with the title of chief diversity and inclusion officer-charged with spearheading the design and implementation of a diversity and inclusion strategy and with integrating it into the overall mission and strategy of the organization. There is a growing cadre of consulting firms that specialize in providing services in the area of diversity and inclusion; firms that provide broader services in organizational change and performance find that they must incorporate expertise on diversity and inclusion. And researchers in psychology, organizational behavior, management, intergroup relations, intercultural communication, and related fields have increasingly focused on diversity as a defined field for theory and research.

SEE ALSO: Affirmative Action; Assimilation; Ethnic Stratification within Organizations; Workplace, Race and Ethnicity in

FURTHER READING

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