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Making diversity policies work

*By **Meir Shemla***

Managing diversity in organizations is one of the defining issues of our time. Most institutions try to promote the creation of a diverse, creative workforce, but unfortunately, even after several decades of work, how this is created is still very unclear. A more scientific approach is needed.

Most major Western institutions believe diversity is a good HR strategy. The general consensus among executives is that diverse organizations are more creative and more productive. Following this view, most enterprises aspire to become more diverse and more inclusive. Many make at least some effort to implement diversity-related policies through affirmative action, targeted recruiting, diversity training, work-life integration, mentoring, and other means.

Unfortunately, after our recent review of the diversity policies literature, my colleagues and I found that

organizations have even more work to do than they tend to imagine when it comes to creating high-performing diverse workplaces.

In our review of both the macro and micro literature in the major scholarly journals that touched on diversity since 2000, approximately 100 articles in all, my colleagues and I found that many organizations have pursued a variety of methods to try to make the workplace more diverse and more inclusive. They have recruited to meet specific ethnic or minority hiring targets, undertaken anti-bias training, organized employee-led resource groups on a

shared identity, and designed work-life benefits to help workers with non-work needs.

No single answer

Yet despite all that experience, no one has found a straightforward answer to the question of how to create a highly productive diverse organizational unit. A close look at these studies suggests that while people might like the idea of diversity, no single set of solutions seems to work on a consistent basis. This research suggests that realizing the promise of diversity isn't chemistry: you can't just mix the ingredients and expect you will spark the same desired reaction every time. Neither diversity training, affirmative action, nor work-life balance policies yielded consistent results.

However, we also believe that several bad management habits have made progress toward this goal even slower than it had to be. Specifically:

• Organizations often do not match their diversity practices with their organizational goals very well. For instance, they may aim to ultimately increase the performance of diverse groups, but then pursue diversity policies that are primarily designed to impact the representation of certain social groups in leadership positions. It is clear that initiatives designed to achieve representation goals are not necessarily the same as those designed to achieve performance goals, and vice versa (although the two may overlap and reinforce one another to some extent). ▶

Making diversity policies work *(continued)*

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• Often there is a mismatch between how organizations design diversity policies and how they implement them. Many factors come into play between the formal announcement of diversity-related initiatives and relevant organizational outcomes. The variance in how policies are actually carried out goes a long way towards explaining why they often don't work. To understand why initiatives do or do not work requires that these factors be carefully considered. Are the initiatives implemented as planned? Do implemented initiatives result in desired employee behaviours? Do the new employee behaviours produce positive organizational outcomes? And in each case, why or why not?

In general, managers tend to focus too much on popular programmes and too little on their specific goals and context. When initiatives are undertaken simply to satisfy shifting trends with no clear goal in mind, we should not be surprised to find that quite often very little is achieved. At the same time, in many cases diversity-related activities are implemented in isolation and, thus, inadequate attention is given to how new procedures might interact with the existing organizational culture or with other HR policies already in place to affect outcomes.

Next steps

Most of these problems are correctable, and in varying ways, just require more thought about their diversity goals and programmes. More specifically, managers should:

• Think clearly about their goals. If the goal is simply to increase the numbers of a particular group, that's relatively easy to achieve, but don't expect numerical representation to make decision-making more effective or inclusive automatically. When contemplating any new initiative, it is logical to start by asking, 'What am I trying to accomplish?' In the diversity domain, relevant organizational goals come in two forms: representation and performance. Often diversity is defined in terms of representation – the extent to which members of under-represented groups are present in a workforce. And sometimes this is sufficient. But more commonly the issue of performance comes into play as well; to what extent and in what ways does enhanced representation improve organizational outcomes? Thus, in most cases both types of goals – representation and performance – must be addressed by diversity-related initiatives.

• Try not to copy-paste diversity programmes. Our research suggests that no single policy works across all contexts. The diversity programme you adopt will depend on your goal, your organization, and your culture. People try to copy Norway's experience with executive boards, for example, but ignore the fact that Norway's unique culture and unique history mean that Norwegian programmes often can't be easily replicated. Policies must be tailored to the needs of the particular organization. In practice, solutions should be situation-specific depending on an organization's representation and/or performance goals and on its assessment of the employee behaviours most in need of change.

• Remember good design is one thing, but good implementation is another. It is well known that diversity-related (as well as other) initiatives promulgated at the top aren't always carried out as planned. Often this is because middle-level managers and front-line supervisors lack the ability, motivation, and/or opportunity to do what is expected. Gaps in ability, for example, may simply reflect the facts that managers are uncertain about what the organization is trying to accomplish and unclear about what is expected of them. Remedies here call for greater transparency and honesty regarding goals, and may also involve increased efforts to formalize diversity-

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related strategies, as well as supporting policies and initiatives.

• Answer the question: 'Why should I?' Gaps between the design and implementation of diversity policies often boil down to concerns on the part of non-beneficiaries (eg, white males) that diversity-related initiatives will disadvantage their particular demographic group. In part, these concerns can be assuaged via extensive communication efforts that emphasise the positive performance effects stemming from enhanced diversity and inclusion. However, these efforts will bear fruit only to the extent that the organization has unwavering commitment to equal opportunity for all employees.

Meanwhile, back in the lab

Researchers in this field also need to improve their game. Although a significant amount of research has been conducted to try to understand whether particular diversity-promotion practices actually help reduce discrimination, increase managerial diversity, and enhance performance, the results are riddled with inconsistencies that limit our ability to compare the value of particular practices, their purposes and their effects.

In our study, we had originally wanted to organize research results by diversity practice type, such as targeted recruitment or diversity training, but we quickly realized that this would be a messy endeavour, in part because some studies relied on the organization certifying its own success while others asked individuals to respond. The upshot is that despite nearly two decades of scholarship, we still have relatively little theory about the process to inform scholars about how to organize their findings.

Very few studies we reviewed looked closely at what kinds of diversity initiatives work and why, and fewer still at the impact one set of practices has on another. Micro-studies tended to look at programmes too narrowly without reflecting on their larger social impact and macro-studies tended to take too broad a view, often content simply to note the presence or absence of any kind of diversity programme. As a result, it is difficult to be certain which practices trigger which mechanisms under what conditions and for whom.

We urge future research to more carefully examine the different paths that link ability, motivation, and opportunity-enhancing diversity practice bundles to organizational outcomes, and to incorporate the measurement of more facet-specific rather than generic intermediary outcomes. At the same time, they need to develop a common framework that makes it easier to compare similar programmes or programmes dealing with similar issues.

Clearly, research like this is difficult, but it must be done if we are to have any chance of acquiring the information and insights we need for such initiatives to succeed. Diversity researchers need to do much more to understand the dynamics of discrimination in an organization and how those pressures can be defused. ■

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