
PART I

Strategic Approaches to Diversity

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Developing Strategic Approaches to Diversity Policy

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SUMMARY

This chapter considers how organizations might develop diversity policy in the context of the social, economic and legal environments of the UK. It is suggested that the dominant 'equal opportunities' paradigm has not yet been supplanted by a 'diversity' paradigm and the chapter therefore explores possible types of diversity policy, which are broadly characterized as reactive and proactive. The chapter discusses the role of two key policy levers—training and development and monitoring and auditing—to illustrate the challenges of translating policy into practice. In conclusion, the chapter argues that abandoning altogether traditional 'equal opportunity' policy would be a retrograde step, while asserting that if approached with caution, the diversity discourse does have potential to push forward the equality project.

INTRODUCTION

Diversity is infinite: everyone is different from everyone else. If we take diversity to mean the multiplicity of characteristics that combine to make us individuals, we risk producing a definition so broad as to become meaningless (Heneman et al., 1996). On the one hand if we are to search for a definition that can be operationalized in the form of organizational policy, then it is necessary to narrow the definition in order to focus policy efforts. On the other hand, a broad conceptualization of diversity has the capacity to recognize not simply individual diversity, but also the heterogeneous nature of diverse social groups within the workforce (Liff, 1999), for example women, minority ethnic groups, disabled

people and so on. The definition adopted for the purposes of a discussion in this chapter of developing diversity policy within organizations is one which locates the diversity debate in the categories of gender, ethnicity, age and disability because, as we shall see later, these demographic characteristics strongly influence employment outcomes. That said, the overlapping and sometimes fluid nature of these categories is recognized. For example, motherhood impacts upon women's relationship with employment, but not all women are or will become mothers. Thus different women will have different needs and aspirations over the life course.

It is also relevant in defining diversity that in the UK, in practice, when organizations talk about diversity policy they are usually referring to a set of procedures and practices, which were once labelled 'equal opportunities'. Equal opportunities policies (EOPs) have traditionally been concerned with the employment disadvantage and discrimination experienced by certain groups of workers, especially women, minority ethnic people, disabled people, older workers and lesbians and gay men. The general thrust of EOPs has been for organizations to develop procedures and practices to eliminate discriminatory behaviour by line managers and other gatekeepers and in so doing reduce the disadvantage experienced by individual members of the groups covered by the policy. One of the criticisms of this approach has been that it is negative, in the sense that failure to comply is associated with penalties (imposed by legislation) and punitive actions (for example, the disciplining of anyone found contravening policy). In other words, the positive benefits of compliance and commitment to the ideals or goals of the policy are not effectively sold to organizational members. In contrast, diversity policy seeks not only to recognize workforce diversity, but to value it rather than see it as a problem requiring a remedy. While there can be no argument with the valuing of diversity as a goal, the question which diversity policies need to address is how organizations can achieve that objective, particularly in view of the fact that to have a diverse workforce is no guarantee of that diversity being valued. Therefore, the project should begin but not end with achieving workforce diversity.

This is the background for this chapter's discussion of how organizations might develop strategic approaches to diversity policy. First, the social, economic and legal contexts of diversity policy development in the UK are discussed. The segmented nature of the labour market is highlighted, which gives rise to different patterns of employment among diverse employee groups. Second, the internal contexts of organizations are explored. Here, the emphasis is on dominant, hegemonic organizational cultures, which reproduce and reinforce normative values and behaviours, which run counter to a valuing diversity paradigm. Finally, the chapter turns its attention to consider how organizations might learn to value diversity. In other words, what kinds of policy levers might be contained within a diversity policy to push forward the terrain from an approach based on redressing discrimination towards one based on positive conceptions of difference?

THE EXTERNAL CONTEXTS OF DIVERSITY POLICY DEVELOPMENT

THE SOCIAL AND ECONOMIC CONTEXTS

Gender, race and ethnicity, age, whether or not one is disabled, are all factors which influence employment outcomes. The external labour market in which organizations are situated is sharply segmented (Kirton & Greene, 2000). However, it is not the intention

of this chapter to enter into a detailed discussion of the employment inequalities which result from this segmentation. That said, the labour market patterns of various groups of employees is a relevant area for consideration here because it shapes the context in which diversity policy is developed, adding weight to the argument (made below) that diversity policy should build upon equality policy.

Female employment in the UK is now at the highest rate ever, with women comprising 45 per cent of the workforce and just below 70 per cent of women in employment. The largest employment rate increase in the last decade has been among women with children aged below five. The vast majority of women (88 per cent) work in the service industries and the main occupations for women are clerical (where 24 per cent of women have jobs), professional/technical (22 per cent), personal/protective (16 per cent), managerial (12 per cent) and sales (12 per cent) (EOR, 2001). These factors point to greater gender diversity in the labour market than previous generations have witnessed and indicates that organizations might need to adjust their employment strategies to recruit and retain this increasingly important labour source.

Non-white ethnic minority people comprise about 6 per cent of the British workforce. Recent analysis of Labour Force Survey data shows that ethnic minorities are disproportionately found in lower-skilled and lower-grade jobs. In particular, they are under-represented in senior management grades in large organizations (Hoque & Noon, 1999). This is despite progress having been made by most ethnic minority groups in qualification levels. It is notable that in terms of occupational and educational attainment there are considerable differences between different ethnic minority groups (Kirton & Greene, 2000).

Disabled people make up 13 per cent of the working-age population. They are over-represented in low-skilled, low-status jobs and are three times more likely than non-disabled to be unemployed (DfEE, 1997). The likelihood of an organization employing disabled people is linked to size (with larger organizations more likely) and sector (manufacturing most likely) (Honey et al., 1993).

Ageism is sometimes described as the fourth main form of discrimination in employment. Age intersects with other diversity issues: gender, race and disability, with women, ethnic minorities and disabled people experiencing age disadvantage to the greatest extent. People over the age of 50 are disproportionately represented among the long-term unemployed and older employees are less likely to receive training from their employers (DfEE, 1997).

The segmented nature of the labour market briefly sketched above produces inequalities of pay and opportunities among diverse social groups. Thus, the labour market tends to produce discrimination and inequality (Dickens, 1999) rather than to value diversity. This is the external social and economic context in which organizations develop diversity policy.

THE LEGAL CONTEXT

The British legal and regulative framework for diversity and equality is set out in Table 1.1 and discussed more fully in Chapter 5. It can be seen that at present UK organizations can be held legally liable for cases of discrimination on grounds of gender, race and disability. There also exists a code of practice designed to promote age equality. British anti-discrimination legislation adopts a complaints-based approach, which concentrates

TABLE 1.1 UK legal/regulative framework for diversity and equality*Sex Discrimination Act (SDA) (1975)*

Covers discrimination on grounds of gender, marital status and gender reassignment

Recognizes direct and indirect discrimination. *Direct* discrimination is where a person from one group is treated less favourably than are people not in that group. *Indirect* discrimination occurs where an apparently neutral employment practice has a disproportionately disadvantageous effect upon a particular group

Race Relations Act (RRA) (1976)

Covers discrimination on grounds of colour, race, nationality, or ethnic or national origins

The wording of the SDA and RRA are almost identical, therefore decisions of the tribunals and courts made under one Act are used to interpret the other

Disability Discrimination Act (DDA) (1995)

Covers discrimination against people with disabilities. Disability is defined as a physical or mental impairment, which has a long-term adverse effect on the person's ability to carry out normal day-to-day activities

Prohibits less favourable treatment, but allows the employer the defence of justification in some material and substantial circumstances

Code of Practice for Age Diversity in Employment (1998)

Does not have the force of the law, but urges employers to ensure that age is not a barrier to jobs and opportunities

on providing redress for individual victims of discrimination through the Employment Tribunal system, rather than seeking to promote equality (Johnson & Johnstone, 2000). For this reason, British legislation in this area has been criticized as being weak and minimalist in its nature. In order to avoid legal liability, employers are advised to adopt formal procedures to ensure that discrimination does not take place. Advice on how to do this is found in various codes of practice available from the Equal Opportunities Commission, Commission for Racial Equality and the Disability Rights Commission which, although not legally binding, provide guidance as to good practice.

The legislation outlined has underpinned traditional EOPs in the UK context and a shift to diversity policy does not render this requirement any less important. Therefore, it remains essential that organizations have policy mechanisms for ensuring that discrimination does not take place and that organizational members do not adopt discriminatory behaviours. Indeed, the need to comply with legislation represents a sound business case argument for developing policy. It is argued that it is not in the organization's interest in financial, productivity and public relations terms to be placed in the position of defending complaints of discrimination (Cameron, 1993). Yet, contrary to this, complaints to Employment Tribunals are increasing (EOR, 1999c), indicating that overall compliance with the law is partial. To risk stating the obvious, the rising number of complaints suggests that many organizations do not value diversity. Therefore, the law, albeit minimalist, provides a valuable safety net for many employees and has been an important trigger to EOP development. However, the UK legislation's partial nature (covering only two groups of employees until fairly recently) has typically constrained the breadth of coverage of EOPs and led most organizations to concentrate on gender and race equality. In terms of diversity policy development, the concern remains that some employers, who have been unconvinced by the economic arguments for complying with the law, will be similarly unconvinced by business arguments for valuing diversity. Generally speaking then, it is

employers who have hitherto adopted strong EOPs (with the law as their foundation), who are likely to build on these to develop proactive diversity policy. The chapter now turns to explore the internal context of diversity policy.

THE INTERNAL CONTEXT OF DIVERSITY POLICY DEVELOPMENT—ORGANIZATION CULTURE

Organizational culture is usually defined in terms of shared symbols, languages, practices and deeply embedded beliefs and values (Newman, 1995). This implies a high degree of homogeneity within the organization, which may not constitute an accurate picture, or alternatively, the organization may be seeking to become more diverse and for this reason cultural homogeneity may be perceived as undesirable. In any case, it would be naive to suggest that diversity and cultural homogeneity could coexist without coming into conflict. To look at this another way, diversity might create problems for some organizations whose cultures are not inclusive. In terms of defining organizational culture, it would be more accurate to say that the cultural values of the dominant group come to be seen as residing in the organization, but that subcultures also exist. Nevertheless, the dominant group—the power holders—is the group able to use their structural position to impose their own cultural values on other organizational members. Thus, organizational cultures are infused with power inequalities. Since white males dominate management, it is this group whose cultural values come to be seen as the norm. Other groups are required to conform to and assimilate within this norm. Alvesson and Billing (1997: 107) talk about the ‘pressure for homogeneity and culturally competent behaviour’. This involves individuals, consciously or unconsciously, conforming and adapting to organization norms in order to fit in or progress their careers, for example by adopting the expected and desired language, work style, appearance and so on. The demand for ‘cultural competence’ reinforces and reproduces the dominant monoculture, from which those who do not comply, or conform, remain excluded.

It is worth providing a few detailed examples of cultural processes at work in organizations. Performance appraisal is a widespread organizational practice, which is supposed to evaluate objectively and fairly employee performance. However, the objectivity and fairness of appraisal have been questioned. It is argued that performance appraisal systems are framed by the cultural beliefs, values and assumptions of the people who design them. Cultural values then determine who is judged a good employee and who is deemed suitable for training or promotion opportunities. The problem is that in a diverse workforce cultural values and assumptions will not be homogeneous; what is felt to be a fair judgement of ability and potential by one subgroup might not be shared by another (Chen & DiTomaso, 1996), possibly resulting in some people not feeling valued. Another important area of human resource practice is recruitment and selection (see also Chapter 20). Case studies conducted in the UK context by Collinson et al. (1990) examine this sphere. Their study of the insurance industry uncovers the cultural assumptions underlying male managers’ stereotypes of male and female attributes. When evaluating male candidates, involvement in sport was a definite advantage, whereas a female’s sporting achievements were read as indicative of a ‘very narrow existence’ (1990: 147). Another example was behaviour described as ‘pushy’ when exhibited by a female candidate and as ‘showing initiative’ when a male candidate was involved (1990: 101). Thus women were less likely to be recruited to what were viewed as gender-incongruent jobs.

These examples illustrate the difficulties involved in valuing diversity in an organizational context where power holders constitute a largely homogeneous group. Further, in some cultural contexts a diversity discourse could be used to exclude as much as to include. Rutherford's (1999) case study of banking illustrates how the discourses of gendered biological and psychological difference might be used to justify the scarcity of women in management grades and in so doing reproduce the status quo of male domination. After all, if women were not suited to management in banking what would be the point of creating policies to attempt to improve their representation there? Thus, jobs become infused with stereotyped characteristics, which are believed to be linked to gender, race (Liff & Dickens, 2000) and to some extent, age.

Miller (1996: 207) describes organizational culture as an 'abstraction' and 'therefore a most difficult thing to manage'. He suggests that while the organization may be able to address the more tangible manifestations of the dominant culture, which may create an adverse environment for certain groups of workers, it is much harder to address the more fundamental values and assumptions held by organizational members. Thus, policy intervention at a superficial level—for example, tinkering with cultural symbols such as uniforms, dress codes or the layout of buildings—will not create new shared values at a fundamental level. In addition, some organizational members might eschew culture change efforts and adhere to the traditional core values of the dominant culture (Miller & Rowney, 1999), rendering the construction of a valuing diversity culture less plausible. Following from this, in their research Collinson et al. (1990) emphasize human agency, arguing that human beings retain a relative autonomy and a capacity to act in a manner of their own choosing irrespective of organizational policy. In this vein, line managers, and other gatekeepers, are able either to act in accordance with diversity policy or in opposition to it. Hoque and Noon's (1999) study of race discrimination in the recruitment process, for example, shows that managers' actions are often responsible for unfairness (rather than the policy or procedures per se). Also, other (lower level) employees will not abandon their own stereotypes and prejudices simply because the organization states that it values diversity. To summarize, organizational culture is important for diversity policy because employees who are perceived as different can feel undervalued and excluded by informal cultural practices.

DEVELOPING DIVERSITY POLICY

The above discussions of the outer and inner contexts of organizations suggest that the valuing of diversity will not occur naturally. Organizations, including individual organizational members, will need to be persuaded of the (ethical or economic) merits of valuing diversity. Following from that, specific and measurable policy initiatives will need to be developed if change is to occur. This section of the chapter considers the ideology, triggers and characteristics of diversity policy. It is not the intention here to offer a precise set of policy prescriptions, rather to delineate broad approaches.

APPROACHES TO DIVERSITY

At present in the UK 'equal opportunities' is the dominant term used by organizations to frame their approach to managing difference, discrimination and disadvantage. That

said, it has never been entirely clear whether the aim of equal opportunities should be equal access, equal treatment or equal outcomes (or of course all three). (For a fuller discussion see Miller, 1996; Webb, 1997; Kirton & Greene, 2000.) However, EOPs tend to be associated with treating everybody the same (Skinner, 1999). In contrast, within diversity policy, in order to value diversity it might be necessary to recognize difference with different treatment (for example, disabled people might have particular requirements related to their disability). The situation becomes complex because sometimes, in the interests of fairness (and it is clearly necessary to treat people fairly if they are to feel valued), it will be essential to treat people the same (for example, by having standardized recruitment and selection procedures). This conceptual muddle notwithstanding, recent evidence indicates that around two-thirds of workplaces are covered by formal written EOPs (Cully et al., 1999). In contrast, there is little information available about the spread and coverage of diversity policy. Although the aim of diversity policy—to value diversity—is seemingly more transparent and straightforward than the aim of EOPs, there remains a lack of precision about what this involves. What is clear is that a diversity policy will sit uncomfortably with a drive for lower costs, because resources will be necessary to make the policy meaningful and real (Skinner, 1999). The UK Chartered Institute of Personnel and Development (CIPD) suggests that ‘diversity takes equality forward’ (IPD, 1996). It ‘develops and complements established approaches to equal opportunities’ and ‘builds on an understanding of the need for equal opportunity policies’ (IPD, 1996: 1). Further, it is argued that EOPs provide a solid platform on which diversity policy can be built, and for this reason diversity policy will be most successful where this approach is taken (Cornelius et al., 2001). The term ‘diversity model of equal opportunity’ has also been coined (Webb, 1997: 163–4) to ‘signify a commitment by the employer to create a workplace which facilitates the inclusion of all social categories and enables everyone to contribute to the business’. Thus, in the UK context discussions about diversity policy cannot be entirely divorced from traditional equal opportunity approaches. It remains unclear how UK organizations will operationalize diversity and how this might diverge from or transform traditional EOPs.

The proponents of diversity approaches usually emphasize the advantages to business in valuing diversity. This discussion typically centres on four main areas: taking advantage of diversity in the labour market; maximizing employee potential; managing across borders and cultures; creating business opportunities and enhancing creativity (Cornelius et al., 2001). The first area concerns the changing demography of the British labour market, examined earlier. To reiterate, the most salient changes for employers are the decline of young workers entering the full-time, permanent workforce and the increase of women available for employment. Together, these factors indicate that many employers will seek to recruit women and older workers (although young people in full-time education continue to be available for part-time work). The second area emphasizes the harnessing of the human capital possessed by diverse groups. This argument holds that prejudice, discrimination and within-organization disadvantage create low morale and disaffection, which in turn lead to poor individual and organizational performance. Here, employers need to confront prejudice and discrimination and seek to eliminate them, so that human capital can be fully utilized. The third area is particularly concerned with the globalization of world markets and the international labour and product markets that many organizations operate within. It is believed that a diverse workforce can make a positive contribution to such organizations. From this perspective, it is worthwhile

organizations proactively seeking to recruit and retain diverse employees. The fourth area concerns customer markets. The assumption is that organizations could gain access to new markets by tapping the culturally specific experiences and insights that a diverse workforce possesses. Again, diversity adds value to the organization. To be effective in economic business terms, diversity policy would need to tackle the area(s) appropriate to the particular organizational context and circumstances. Placing the emphasis on a narrow conception of the organizational benefits to be derived from diversity might result in a partial rather than comprehensive policy. For example, a narrow approach might render organizations more amenable to valuing certain types of diversity over others. There is no evidence to suggest that an organization that values gender diversity will necessarily place an equivalent value upon ethnic diversity, especially as women comprise overall a larger customer market than do ethnic minorities.

Furthermore, there is no assumption made here that all organizations stand to benefit (in a narrow sense) either from equality or from diversity—this assumption rests on shaky foundations and its veracity needs to be challenged. Dickens (1994), for example, points to the partial and contingent nature of economic rationales for diversity, which often pay insufficient attention to the wider context in which organizations operate. For example, policy initiatives developed to attract and retain women often arise from a shortage of young labour and when employers need to fill part-time jobs, rather than stemming from a belief that women add value to the organization. Other employers in certain geographical locations can attract minority ethnic labour into lower-level jobs without pursuing either equality or proactive diversity policy, simply because this group is over-represented in low-skill, low-pay work (Edwards, 1995). In other words, some organizations are able to flourish with undervalued diverse workforces, while others need pursue neither equality nor diversity in order to deliver profits or other organizational objectives.

TYPES OF DIVERSITY POLICY

With these caveats in mind, an attempt is now made to map out possible approaches to diversity in order to frame a discussion of the types of policy initiatives that might be followed by organizations seeking to learn to value diversity. This has been developed from a review of the literature in the area. Table 1.2 proposes two different types of diversity policy—the reactive and proactive. As can be seen, the reactive approach rests on a narrow conception of business interests. In contrast, the proactive approach looks at the longer-term, broader picture and sees the organization as having social and ethical responsibilities, which underpin the organization's long-term health and viability. Thus, the definition of 'business case' interests can be narrowly or broadly conceived. Dickens (1994) makes an argument for broadening these to include social, ethical and environmental issues, so that even where short-term gains are not apparent organizations might become convinced to attach a greater importance to valuing workforce diversity.

As with any typology, it is intended as a classificatory tool to aid discussion and analysis. In reality organizations may not fit neatly into either category. There are a number of possible reasons for this. First, an organization may have adopted the language and rhetoric of diversity to describe its former EOP in order to downplay equality issues and to suggest neutrality towards diverse social groups, thereby signalling that inequality

is not an issue within the organization (Kirton & Greene, 2000). This organization is unlikely to have a clearly articulated approach to diversity policy and practice; instead it may simply declare that it values all individuals, whatever their backgrounds. Second, an organization may straddle both the reactive and the proactive approaches by developing different policy initiatives in relation to different groups of employees. For example, an organization seeking to attract more female customers might be proactive in relation to recruiting, retaining and developing women employees, but less so in relation to other groups.

The discussion now moves to elucidate further the features of proactive diversity policy, because it is this approach that offers the greatest potential for the depth of transformation required for organizations to value diversity. In contrast, with reactive diversity policy any change is likely to be either short term, superficial, or both. Clearly, this is not to say that the proactive organization is not interested in some aspects of the shorter agenda of the reactive approach. It is merely a question of emphasis and the investment in the development of a longer agenda.

PROACTIVE DIVERSITY POLICY

Table 1.2 suggests that proactive diversity policy would be undermined by ethical beliefs and values. This is in contrast to reactive diversity policy, which would seek simply to utilize workforce diversity to further measurable and short-term business interests. The problem with the reactive approach is that employees might feel exploited by the policy (Thomas & Ely, 1996 in Cornelius et al., 2001), in which case the organization could not expect to co-opt employees to its aspirations. Further support for the proactive approach arises from the increasing interest in ethical issues in business and organizations. This is captured by GrandMet's statement cited in CIPD's position paper on 'managing diversity': 'Customers are increasingly looking through the front door of the companies

TABLE 1.2 Types of diversity policy

	Reactive diversity policy	Proactive diversity policy
Ideology	Utilitarian instrumentalism Business case Diversity viewed as cost	Ethical rationality Social justice Diversity viewed as asset
Triggers	Labour and skills shortages Declining profits Shareholders' needs	Corporate reputation Attract investors Multiple stakeholders' needs
Characteristics	Abandons EOP Legal compliance Focus on recruitment Add-on initiatives Managerial autonomy Mission statement Dependent on statements of intent Management-led Narrow agenda Short term	Builds on EOP Goes beyond the law Focus also on promotion blocks Mainstreaming Managerial accountability Ongoing publicity Dependent on monitoring and auditing Consultation with stakeholders Broad agenda Long term

they buy from. If they do not like what they see in terms of social responsibility, they will not go in' (IPD, 1996).

The triggers to a policy built on the foundation of social and ethical responsibility would be centred on corporate reputation, the wish to attract new investors or the perceived need to consider the interests of organizational stakeholders. Here, corporate reputation would be seen to be contingent on being a 'good employer' and linked to this the perceived need to fulfil social obligations by embracing equality, justice and diversity. Within proactive diversity policy consultation with stakeholders—consumers, community groups, employee groups and trade unions for example—would be worthwhile because it is essential that future policy developments will be informed by feedback from those involved with the organization. Thus, lack of diversity or failing to value diversity cannot be justified on the basis that there is no short-term gain. This means that the organization needs to develop policy, which is less concerned with measuring and quantifying specific gains and outcomes for the business, and instead looks for qualitative improvements in the experiences of the workforce. A good example of a UK company practising this approach is the Littlewoods Organization. Each of the businesses within the company has its own diversity action plan, which is linked to every business function. The plan identifies how diversity and equality can add value to the business, customers and the community (EOR, 1998).

Proactive policy would encompass several characteristics as shown in Table 1.2. There are several points which are worthy of further explication, but it goes without saying that the proactive organization would see diversity policy as extending and complementing the policy provisions of the existing EOP, rather than supplanting it. It is also self-evident that this approach would be compliant with equality legislation.

Where this approach has something more distinctive to offer is in its commitment to work towards valuing diversity, rather than seeing it as a problem to be managed or resolved. This would involve a 'mainstreaming' approach, which integrates diversity and equality considerations into all business and employment policies (Rees, 1998), rather than being dependent on 'add-on' initiatives geared towards tackling a particular issue such as women's under-representation in senior management. It is also necessary to ensure that diversity policy does not just benefit higher-level employees (Richards, 2000). There needs to be consideration given to how diversity at the lower levels of the organizational pyramid can also be valued. Again, Littlewoods is a good example. There, it is planned that managers' performance will be assessed on diversity outcomes, for example the ethnic minority profile of their departments, how they respond to job-share requests and on community involvement initiatives (EOR, 1998). Also, diversity policy should be integral to the management of change so that any achievements are built upon rather than lost, if the organization undergoes restructuring, 'downsizing' or some other such change.

LINKING POLICY TO PRACTICE

It has been suggested that statements of policy are poor indicators of good practice in this area (Noon, 1993). Indeed, it might be that such statements are being used simply as 'window dressing' (Hoque & Noon, 1999). This section discusses the role of two key policy levers—training and development and monitoring and auditing—in translating

diversity policy into practice (see also Chapters 14 and 17). Training and development can be used for two diversity-related purposes. First, to communicate the aims of the policy (at employee induction, for example), to raise employee awareness of diversity issues and to instruct managers and other employees of their roles and duties in relation to diversity policy (for example, managers' performance objectives might be tied to diversity outcomes). Second, training programmes might be utilized as a way of achieving greater diversity in certain occupations or at certain levels of the organization.

The first type of diversity training seeks to alter employee behaviour so that a culture of valuing difference can emerge. However, there is some evidence, in the US context at least, of employee resentment of training that attempts to manipulate the beliefs and attitudes of employees: 'Diversity training seemed to fuel the fires of a national backlash. Many people came to believe that the point of diversity training was to change white men' (Zhu & Kleiner, 2000: 6). These authors argue that diversity education needs to be a 'cultural issue' rather than a 'training issue' if it is to be effective. In other words, the contention is that people will not learn how to value diversity simply by being exposed to a one-off training course, especially if forced to attend. In the UK context, despite the existence of training, it has been found that assessments of employees were based on stereotypes of the 'traditional' worker, instead of accommodating diversity (in this case the needs of part-time workers) (Skinner, 1999). In contrast, in the Australian context positive benefits of diversity training have been identified from a study of a major corporation (Sinclair, 2000), where participants reportedly developed awareness of their own stereotypes and a new respect for others. Based on these studies, the utility and efficacy of diversity training are debatable, but effectiveness is likely to be contingent upon the specific organizational context, as well as upon how the training process is managed. In order to pre-empt some of the possible pitfalls, organizations need to take some precautions. In addition to providing training geared towards developing greater understanding of diverse employees (which may or may not result in the desired outcome), organizations need to find ways of rewarding positive contributions to diversity, through the performance appraisal system, for example (EOR, 2001). They also still need to be prepared to confront the existence of behaviours in opposition to a diversity paradigm, such as discrimination and harassment. The latter involves providing specific examples of inappropriate and unacceptable behaviours, together with the methods of discipline to be applied. A degree of 'backlash' or resentment is inevitable, given that valuing diversity in organizations will involve some loss of privilege for some groups (Sinclair, 2000). The possible resulting behaviours of angry individuals and groups cannot simply be ignored.

The second type of diversity training essentially seeks to break down various forms of vertical occupational segregation. In particular, it seeks to tackle the problem of the 'glass ceiling' encountered by certain groups of employees. The aim is to achieve diversity at the higher levels of the organization. There are a number of organizations which have adopted this approach in relation to women. The Royal Mail, for example, has developed an in-house training course for women in non-managerial positions who wish to explore personal development opportunities (EOR, 1996). British Telecom has developed a course for women middle managers to assist them in progressing their careers within the male-dominated context of the telecommunications industry (EOR, 1999a). Lloyds TSB, in the banking and finance industry, has a similar programme for ethnic minority employees (EOR, 1999b).

TABLE 1.3 A diversity audit

1	<i>Where are employees located?</i> Produce a breakdown by grade, job and site on the basis of gender, ethnicity, age and disability. This will help identify patterns of segmentation and possible blocks to internal horizontal or vertical mobility
2	<i>What educational, vocational and professional qualifications do employees hold?</i> Combined with the information gained from the exercise (1) above, this will help identify employees who are underemployed and who might be suitable for development and promotion. It will also help to identify any patterns of career underachievement among diverse employees
3	<i>What skills and experience do employees have?</i> This is a complementary exercise to (2) above, which trawls for a wider profile of experience and expertise, which may not be reflected in formal qualifications
4	<i>Auditing and monitoring access to training and development opportunities</i> Review the routes to promotion and horizontal mobility. Identify patterns of access and take-up among diverse employees
5	<i>Auditing and monitoring recruitment and appraisal procedures, processes and outcomes</i> This will identify any biases in procedures and processes and whether stereotypes inform decisions
6	<i>Cohort analysis</i> This involves tracking the career progress of a diverse group of employees over a period of time and helps identify obstacles
7	<i>Employee attitude survey</i> This will complement the data gathered from the exercises above. Its aim is to explore diverse employees' perceptions of the organization

Source: adapted Kirton and Greene (2000) *The Dynamics of Managing Diversity*. Reprinted by permission of Butterworth-Heinemann.

Although these initiatives appear to meet diversity objectives by seeking to recast workforce composition and value difference, they also meet controversy on grounds that employees are selected for their demographic characteristics rather than on the basis of merit. From the point of view of the beneficiaries of targeted training, being positioned as in need of assistance can be a stigmatizing experience. This presents a dilemma, which is not easily resolved.

Another important principle of good diversity practice for organizations is to develop ways of monitoring and evaluating the outcomes of policy initiatives. Various bodies such as the Equal Opportunities Commission (EOC), Commission for Racial Equality (CRE) and CIPD recommend this approach. Noon (1993: 45) goes so far as to argue that

in an increasingly competitive environment, where according to a plethora of HRM literature, people are deemed to be an organisation's 'most valued asset', can companies afford not to be making high quality decisions with regard to their personnel? Arguably, a thorough monitoring policy, covering gender, ethnic grouping, disability and age, may become a competitive advantage in the future.

Table 1.3 sets out the elements of a diversity audit.

The objective of the audit is to gather information about the workforce, with the aim of utilizing the findings to inform diversity policy development and implementation. The findings should indicate the extent to which diversity exists in the organization and the extent to which diversity is valued. This might subsequently lead to the implementation of

remedial policies, for example recruitment initiatives designed to draw in more diversity such as advertising in the ethnic minority press. Or better-quality part-time work might be considered in order to offer alternative work arrangements and career paths to working parents. An audit might also identify the ways in which an organization is underutilizing the skills and abilities of diverse employees (Liff & Dickens, 2000). Policy can then be oriented towards areas where there appear to be blockages to the valuing of diversity, perhaps by introducing targeted training programmes. These are all simply examples to illustrate the ways in which it is possible for organizations to respond in practical terms to diversity issues and also to demonstrate the dynamic nature of policy in this area. A further benefit of a diversity audit lies in the importance of understanding *practice* as it relates to policy. Put another way, organizational practice does not always accurately reflect policy, but if diversity policy is to be more than vacuous rhetoric, there have to be mechanisms for ensuring it is being followed by organizational members, especially gatekeepers and decision-makers.

CONCLUSIONS

Critics of equal opportunity argue that this policy approach has failed to deliver equality (Kandola & Fullerton, 1994). While it is true to say that employment inequalities do still exist, overt discrimination on grounds of gender and race is less commonplace than it was prior to the development of the sex and race discrimination acts and of organizational EOPs. Therefore, the traditional equality approach has had some, albeit limited, impact. The limitations mainly arise from the wider context in which the organization is situated. In other words, even relatively strenuous efforts to tackle discrimination and disadvantage within the organization are hampered by structural inequalities at a societal level, in particular the interrelationship between education, training and employment (Rees, 1998). The continued existence of social inequalities could be said to indicate that as a society we are not yet ready to value diversity—adopting the language will not make it happen. However, this should not be used as an excuse for organizational inertia or fatalism. Businesses have social responsibilities (one of these is to treat employees fairly) and they also have a need for social legitimacy in order to survive in the longer term (Miller & Rowney, 1999). This would point to a need for organizations to value workforce diversity, irrespective of the purchase of short-term business case arguments discussed earlier.

The concept of diversity has been subjected to a substantial critique because of its focus on the needs of businesses and organizations, but it can also be useful for organizational policy-makers and practitioners as a way of gaining access to some of the resources necessary to achieve gains for employees. In particular, the new discourse of diversity provides the opportunity for the message about difference to be heard. However, recognition of difference and the adoption of diversity policy should not be used as an excuse for the ad hoc or inconsistent treatment of individual employees, which might reproduce historic inequalities and take the organization further from, not closer to, valuing diversity. Organizations can develop proactive diversity policy, starting the journey towards learning to value diversity, but it must be recognized that the project will be a long-term one. Diversity goals cannot be realized without first dismantling the many obstacles to organizational equality. The problem in the UK context is that most organizations are

predominantly concerned with the bottom line—short-term profitability—(Sisson, 1995) and this orientation militates against long agendas. This renders it all the more important that the retrograde step of abandoning or neglecting equal opportunity policy should be avoided. Nevertheless, it must be recognized that policy approaches which focus on certain groups of employees—most typically women and ethnic minorities—have engendered some employee resentment (Cockburn, 1991; Miller & Rowney, 1999). All in all, perhaps it is now an appropriate juncture in the history of equality initiatives to develop more inclusive definitions. One of the strengths of the diversity discourse is its capacity to stretch beyond the narrow confines of the law associated with traditional equality approaches and to recognize individual as well as group-based difference.

In conclusion, diversity policy development needs to be approached with caution. First, it needs to build on existing and traditional equal opportunities, in order that the safety net is not dislodged, particularly for groups of employees whose diversity might not add obvious value to the organization, but who from an ethical perspective still have a right to expect fair treatment. Second, it needs to articulate a strong case for diversity and show how in practical terms the goal of valuing diversity is to be achieved by making clear linkages to specific policy levers. Third, the policy should not be viewed as static: there are no once-and-for-all solutions. Rather, it must be regularly reviewed following comprehensive evaluation of policy initiatives through an ongoing monitoring and auditing process. Finally, organizations must be prepared to confront policy failures as well as to celebrate successes, in order to rise to the challenge of learning to value diversity.

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