

This Week's Goals

So far, we have examined the stable characteristics that define us as individuals and shape our attraction to and compatibility with different types of work, work roles and organizations e.g. P-E fit. We have also examined the dynamics of motivated behaviour, including what drives action as well as how motivated action can be encouraged or discouraged and seen how behaviour results from the interaction of the person and the situation. To sum up, people differ in both capability and motivation and how they apply those qualities to work depends on how they perceive the context in relation to their goals and intent as well as the actual opportunities to do so. We can connect this knowledge to the organization-wide dynamics of the people make the place model, the ASA framework, and start to construct a more detailed picture of how people within an organization can share a degree of similarity in their mindsets and behaviours.

This week, our focus is on two implications of those conclusions. Firstly, because organizations are primarily social arrangements, comprising groups of people working together to achieve shared objectives, work almost always involves dealing with other people. Given that people differ in fundamental ways, we will most likely end up working with people who are different from ourselves even in organizations with strong cultures where broad similarities exist between members on some dimensions. And as discussed at the start of the module, this likelihood is increasing in line with the global trends in how work organizations and industries operate. The second related implication is that the natural social dynamics of whole organizations toward similarity create an inherent tension in responding to the natural diversity of individuals along with the contemporary need to increase rather than decrease the range of different people, mindsets, and behaviours within them and so their adaptability and innovation. The need to effectively address and positively manage diversity and inclusion is a core agenda for many organizations as well as societies.

My goals for us this week are:

1. To examine and understand the nature of workplace diversity and inclusion
2. To explore the behavioural consequences of difference and their practical implications for the success of organizational strategies and practices

The Business Case for Diversity & Inclusion

There is now a wealth of strong and compelling data and evidence to support and indeed urge organizations to focus on achieving a diverse workforce and operating in a way that allows all members to contribute and realise their potential. Companies with more diverse workforce composition achieve better business results, full stop. For instance, McKinsey report that companies in their research that were highest in gender diversity on executive teams were 25 percent more likely to have above-average profitability than companies lowest on gender diversity. The equivalent figure for ethnic diversity was 36%. But the representation of particular categories of people within the workforce is increasingly understood to be just the start of an effective strategy because the way in which diverse employees relate to each other and take part in the organization is what allows the potential of diversity to be realised in outcomes. This is the difference between achieving diversity and achieving inclusion. Whereas the former is about ensuring a diversity of people get seats at the table, the latter is about ensuring those people have a voice in what happens at that table. Below are links to web articles from three sources, the World Economic Forum, McKinsey and Deloitte, each presenting a summary of the business case for diversity and inclusion. Choose one of these articles to read, or browse all three, to get a broad idea of the available evidence and current agenda.

World Economic Forum

McKinsey & Company

Deloitte

As you can see from these sources, the consistent message is that there is no doubt about the need for strategic focus on diversity and inclusion and many organizations are investing resources in this area, but that demonstrable progress on both representation and inclusion is limited. In order to understand why that might be the case, we need to dig deeper into the meaning of diversity and what it means on a behavioural level for the way we conduct relationships in the workplace.

Defining Diversity and Inclusion

It is often the case in practice, that when people use the term diversity, what they mean is the proportion of the workforce who are women or ethnic minorities, or older people, or whatever group is legally protected in that territory. That kind of narrow labelling is actually unhelpful in understanding and managing diversity because it excludes the core of what diversity means and in turn, narrows the organizations approach to the 'problem'. Read this established definition below:

“Diversity is typically conceptualized as referring to differences between individuals on any attribute that may lead to the perception that another person is different from self...[it] may be seen as a characteristic of a social grouping (i.e., group, organization, society) that reflects the degree to which there are objective or subjective differences between people within the group” (Van Knippenberg & Schippers, 2007.)

The first point to note here are that diversity refers to any attribute on which people perceive themselves to differ, not just the fundamental visible characteristics such as gender, ethnicity, nationality or age. Those fundamental characteristics are very important in shaping our experience and world view but they are so-called **surface-characteristics**, things that we see when we first meet each other. We also differ on **deep-level characteristics**, factors that are not visible, such as our individual differences, which as you know also shape who we are in structural ways. There is some evidence that surface-level factors may be more important in first encounters but that deep-level factors such as values and personality become more significant as we work with colleagues over time. Expanding our lens to include many potential differences allows a deeper understanding of the effects of diversity.

A second point to note is that diversity is a characteristic of a group of people, not of an individual member of the group. This is logical, but again, lost in common usage of the term diversity. I cannot be 'different' without a reference point of other people. We are different in specific ways in relation to a specific group of people. This is important because often the problem of diversity is seen as belonging to the individual who differs on some factor e.g. the single woman on the management team and so the solution is targeted at the person not the group e.g. the woman must work to fit in. When we widen our lens to see diversity as an issue of a group, it allows us to examine its consequences on the relationships and outcomes of the group and opens up a range of possible solutions to any difficulties.

As noted, diversity refers to who has a seat at the table whereas inclusion refers to the way work is done and relationships conducted at that table. Inclusion is more difficult to define simply because it encompasses a range of factors and experiences. The definition below is from the CIPD (Chartered Institute of Personnel and Development), the UKs professional body for HR professionals and it captures the individual and organizational aspects of the term:

“Workplace inclusion is when people feel valued and accepted in their team and in the wider organisation, without having to conform. Inclusive organisations support employees, regardless of their background or circumstance, to thrive at work.” (CIPD, 2019).

As you can see, inclusion is more about the felt consequences of individual's perceived differences in the responses of colleagues and the organization rather than the existence of those differences in the first place. It captures the ease with which individuals feel that they can behave in ways consistent with their self-identity rather than feeling the need to suppress some aspects of self in an effort to conform to the context in order to operate within it.

Understanding the Dynamics of Difference

In the earlier section on the business case we learnt that the need for diversity and inclusion is clear but the progress on achieving these desired outcomes in organizations is limited. It becomes easier to understand why these goals are so practically challenging when we examine the psychological realities and behavioural consequences of working with different others.

When the potential of diverse teams is discussed, the logic most usually relates to the benefits of enhanced knowledge on work performance and outcomes. This is what is called a '**value-in diversity**' perspective. The idea is that bringing together people who have different backgrounds, experiences and styles generates a richer knowledge pool for task completion. Applying differing perspectives also means the team are forced to reconcile and integrate ideas, a process which leads to questioning of assumptions and objectives. In that way, diverse teams have greater knowledge to bring to the work and also use information more effectively, a double advantage. When the diversity is task-related, so-called informational diversity, this will result in better quality work outputs. Where there is the appearance of diversity, for instance in nationality or ethnicity, but actually individuals have a similar underlying approach to the work based on common education or professional background, these knowledge effects are unlikely.

However, as well as creating this performance potential, the very fact of differences between colleagues regardless of their nature also has social or interpersonal effects that act to make the realisation of benefits hard to achieve in practice. The **dysfunctional diversity perspective** focuses on these constraining interpersonal effects. These effects stem from basic psychological processes common to all of us that are the basis for the way we form our social identities, our notions of ourselves in social scenarios e.g. engineer, MBA graduate, conference speaker as well as father, friend and so on. In order to understand who we are, we are in an ongoing process of comparing ourselves to others and we do that based on our perceptions of similarity and difference. The aspects on which we compare ourselves with others will depend on the context and scenario and so are changeable.

As a result of this comparison, we mentally form **in-groups and out-groups**, the former composed of people we perceive as being similar to us and the latter those who we perceive to be dissimilar. This would be unremarkable except that this classification is motivated and leads to differing behaviour towards people dependent on those groupings. Self-esteem maintenance, and in fact psychological health, requires us to feel OK about ourselves and so we naturally feel more positively towards those who we believe share our qualities. As the saying goes, 'birds of a feather flock together'! In the workplace, this positive preference can lead to communicating more freely, spending more informal time with and positively supporting ingroup members. Over time, as the differences in communication and contact accumulate, this positive bias towards similar others can lead to negative bias towards outgroup members as well as exclusion and conflict.

A significant aspect of this process is that the perception of similarity and difference is most often non-conscious, that is implicit, or not the subject of conscious intention. The area of **implicit bias** or implicit attitudes has become central in diversity and inclusion discussions and practices because it has been shown that almost all of us have instinctive negative responses to others based on their perceived group member characteristics e.g. implicit attitudes that are racist or misogynist for instance. These attributions and their consequences, therefore, are not necessarily aligned with work roles and goals and create bonds and rifts between people that interfere with the development of positive working relationships and necessary collaboration. This process is captured in **social identity theory** and it is important to understand. In a diverse workplace, there is more opportunity for in grouping and out grouping to occur in ways that interfere with the work. Read the attached brief explainers on social identity theory and implicit attitudes.

This interesting [TED talk by Helen Turnbull](#) titled Inclusion, Exclusion, Illusion and Collusion highlights some of these dynamics.

Diversity & Inclusion Challenges in Practice

Given the fundamental psychology underlying our responses to people based on perceived similarity and difference it becomes clear why hiring a diverse workforce is not in itself enough to unlock the potential benefits of enhanced knowledge and creativity nor to guarantee that presence in the organization will automatically lead to belonging and contribution. Much investment has been made by organizations in implicit bias or other types of diversity awareness training in the hopes of tackling these relational issues but the evidence suggests that training is not particularly effective. Intervening in the natural social processes that lead to inclusion (and exclusion) requires a deep and challenging examination and rework of organizational practice and culture in many cases. The attached Harvard Business Review paper outlines evidence about actions that are effective. Read the idea in brief and look at the data display to get the idea of this message.

In this [TED talk by Daisy Auger Dominguez](#) , titled Inclusion Revolution, the speaker highlights what inclusion means for individuals on a personal level and argues that awareness without action is not enough.

Additional Reading

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