Is Diversity The only Destination?

While the students at the Management schools are taught that initiatives driven by diversity possess the potential to address internal and external concerns and aid the development of varied skills within the organization, the business environment is divided as to support the cause or maintain a neutral stance.

- BY **PROF. MANISH KUMAR**

Hemang has been recently promoted as the engagement manager at the BIG 4 consulting firm. He is a fellow from one of the top IIMs and has an industry experience of 5 years. His new role expects him to bring in clients for the organization, and he is keen to continue the fast track of success he has achieved in his organization. This morning, John-his boss-came over to him asking him to prepare a pitch for a banking client on gender diversity initiatives. The client is mostly concentrated in metropolitan cities with significant number of customers from diverse backgrounds.

John briefed Hemang that the client is facing difficulties because of fast growth and would like to see business sense in the proposal for workforce diversity management. John recollected that a few women employees of the client company had left in the recent past citing discrimination in the workplace as the reason, which was bad publicity for the client in the social media forums as well as the print media. Hemang understands that in his new role selling

matters the most, but he also recalls the New Year resolution in which he decided to lead his life (including professional life) with utmost integrity.

Hemang had earlier worked on two projects related to gender diversity initiatives. However, he is not sure whether he should focus on suggesting initiatives with respect to gender diversity, or suggest a more exhaustive list of initiatives as part of diversity management. The top management team of the client comprises of all male members and, none of them has management as their educational qualification. In the past, typical questions from the management have been regarding the rationale for increasing the number of female employees (from 10% to say 50%), and its anticipated tangible benefits.

Hemang fears that if all the members of the top management team are not on the same page, then politicking may influence the decision, and the desired ratios would be relegated to "non-strategic" functions, like HR. On the other side, Hemang has learnt from his friends about clients, who are extremely enthusiastic about gender diversity.

Hemang is unsure of the way to address the stereotypical notion of the client, that most of the female employees leave them post marriage or post progeny. In this scenario, the client has a view that other employees have to fill in for their female colleagues' absence, as well as, very often for their inability to keep pace with the fast changing work environment.

Although Hemang has access to a plethora of research reports that demonstrate the financial benefits of diversity initiatives, he is not sure how some of the above concerns are addressed by such reports. For example, he recalls a recent report1 that spoke of organizations with better gender initiatives doing 15% better financially as compared to their peers. Similarly, organizations with better racial and ethnic diversity initiatives were doing 35% financially better than their peers. He is aware that critics have questioned such findings by stating that obviously organizations those who do better, have resources and motivation to indulge in such initiatives. Further, such findings are

often criticized by Indian organizations as not applicable to Indian realities.

Hemang recalls his own findings based on his prior consulting assignments. He had done a survey on the perception of organizational climate in two large organizations in India2. He was pleasantly surprised to learn from the survey that female employees in fact were more flexible towards change. They reported higher levels of comfort with changing customer needs, and the dynamic nature of organizational environment. Female employees were further reported by their bosses in survey to indulge less in inappropriate and disruptive behaviour as compared to male employees. Although, aware of limitations of the survey, which was being specific to the two organizations, Hemang, was however happy that the results were based on contexts that were closer home and based solely on his own work experience. He however, was in dilemma whether he should share other aspects of the study with the client-i.e., in the same study, women participants were found to have less clarity regarding various aspects of their work, and had less attachment towards their organization. To add to the confusion, the results were also different for the two organizations. Scores for women were higher than men over the appreciation of welfare mechanisms and fairness in systems and processes in the first organization, while men did better in the second organization. On subsequent detailed enquiry from the two organizations, Hemang learnt that the first organization, although being a bureaucratic setup, had put in mechanism on gender issues including policies regarding recruitment, promotion, postings, and other benefits including maternity leaves, while in the second organization, which was a private sector organization, there were no policy arrangements on aspects of gender.

Hemang himself wanted to be logically convinced of the idea of diversity initiatives before approaching the client. He also wanted to bring in some numbers to highlight the business aspects of gender diversity initiatives. He could not stop recalling his course on organizational behaviour in his first year, in which diversity management

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topic was taught. He could still vividly recall lively discussions the topic had generated. The professor had finished the session by stating that any diversity initiative has to be able to take care of internal and external concerns, and enhance the development of diverse skills. If internally, employees of diverse background are happy and satisfied with the systems and processes, and, if diversity is able to enhance the organizational ability to solve external aspects such as business problems and serving customers better, then it definitely makes sense to bring in the diversity initiative. Beyond these, what is needed is just to ensure the diverse personal and professional needs of individuals are taken care of, and saying this, the professor had walked out of the class.

While Hemang is a true believer in gender diversity, he would like to provide well-rounded counsel to the client- encompassing the company's culture, the environment, abilities of both the sexes that result in a successful workplace and delivery to customers of the bank.

1. The findings of the research and consulting assignments mentioned in the case are based on real studies.
2. The Indian survey mentioned in the case is a research work undertaken by the author of this case along with three co-authors.

The mentioned case is a typical example of protruding gender diversity at workplace. Gender bias occurs because of personal values, perceptions, traditional and orthodox ideologies one holds on to in his life. Here, we are unsure of what has resulted in imbibing such perceptions or values etc. Is it because of the absence of managerial acumen of the top management team, or, the absence of any female member on the board? At an age, where people and activists are advocating the thoughts of emancipation of women and the need of 'socent' culture to be elicited to transcend any dogmas pertaining to the biasness for women fraternity, there is a surprising fact that says that only 4.2% of CEOs in Fortune 500 companies are female.

The fact that we are still living in a patriarchal society is clearly visible. Hemang is in a lurch to figure out the gender diversity initiatives he might propose because of two reasons probably. One, he is in a fix to presume the incompetency of the management in realizing the need for a comprehensive initiative structure and second, he is not sure how research reports will address the issues in the organization.

A Collaborative Effort

Hemang should put across the fact to the management that removing such kind of gender biasness calls for a collaborative effort. Women should be given due opportunities in organizations, as they have a barrage of innovative and creative thoughts, which can have an astounding impact in organizations. Over here, the management can ask the human resource function to play a pivotal role in bringing women to the fore, and, also bring out the best in them, by eradicating any form of discrimination. More women should be brought into the leadership funnel assigning bigger responsibilities. Men also have a role to play in providing the right support. Men should realize that the rise of gender balance has been and will be beneficial to them as well.

Breaking workplace barriers

If we consider the traditional jobs as against the non-traditional ones, then what we observe is that women are relegated or considered for low-paying, clerical or administrative jobs, as opposed to men who are placed on their career paths straightaway. In the manufacturing sectors, women are more often assumed as not very strong enough to tackle the shop floor hassles. They are considered only for table or back office jobs. The perceptions of people influence their thought process and they are driven by that. Hence is the case for such biasness in the work place. Globally, only about half of working-age women are employed, and, they earn only about three-quarters as much as men do, even when they have the same level of education, and are in the same occupation. Women are overrepresented in informal, temporary, and low-productivity jobs with low pay and limited opportunities for advancement. There are certain kind of leaves which when availed, is considered as not a mere sabbatical for them, but more of a stopgap in their career. This also hinders their employers, and their thoughts are curtailed to consider them for any future leadership roles as such in their organization. Even in management functions, things are limited for them because of their partial impediment related to mobility and sojourn. Since they have to manage their domestic front as well, it adds as a catalyst to the cause. Security in the context of the society in such cases is also a concern.

The gender diversity initiative should present the management the scope of refueling their policies, to ensure that women get an equal chance to represent themselves wholly within the organization. Whether it comes to driving business strategy, or bringing ideas onto the table, or, for that matter setting examples at work place, women should be given equal opportunities, and, there should be a pro rata representation for them everywhere. We should appreciate and respect the role a women plays in her life, and, the way she perfectly balances personal and professional life. Hence, in order to lend a helping hand to this cause, organizations should inscribe policies in a manner, which will enable them to reap maximum benefits from their productivity.

Successful implementation of diversity depends mainly on a manager's ability to understand what is best for the organization based on teamwork, and the dynamics of the workplace. Managing diversity is a comprehensive process for creating a work environment that includes everyone. Managers must focus on the skills, competencies and adaptability of people to work towards a common goal. Personal awareness is the key element in identifying and steadying a diverse workforce. There should not be any room for biases and prejudices coming in the way of taking decisions. A good way to bolster the chances of success is imparting training to people on the benefits of diversity. Teamwork and communication are the key to create and nurture bonding between people. **HC**

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Diversity has become a huge focus area for a number of organizations in the past few years, and with good reason. Having the best talent with the right skills is vital for any company, and, is critical to success in competitive markets. Competing for talent is particularly difficult, given that many of the roles that offer critical experiences and career pathways for future leaders, may be difficult for women.

Facilitating Change

Change is something that all of us are resistant to. If the changes suggested, gets supported by the leaders, and with valid reason, then the planned change can be a huge success. In this scenario, the client has come forward to bring the change; hence, Hemang can help the client build the reputation of having an inclusive culture.

Given the above scenario, it is recommended that Hemang study the existing framework to support diversity. It will help in validating and making his business case stronger, but at the same time, he also needs to be cautious. As already cited, the reports are skewed, and, we also fear the politicking by the senior management due to perception, so it is important to position well.

Expanding offering in diversity

Hemang needs to define diversity at a slightly broader level. It is one thing to know that the organization needs to expand its diversity offerings, but an entirely different thing to know exactly how and where to start. Before diving into a broadly ambitious initiative that may not fit well with the organization, conducting a thorough analysis of the business' need is essential, and, it can help if he looks deeper into findings.

Hemang should discover the specific circumstances that need to be fixed first. This analysis is the first critical step in effectively reinventing the organization's diversity strategy. The diversity strategy should be anchored by a mission statement, and influenced by employee preferences. Following a current state assessment, Hemang should define or review the organization's business-focused diversity mission statement, which will serve as a guide for a diversity strategy. Both the mission statement and the output from the current state assessment, should direct the major areas of strategic focus for diversity.
It is recommended to craft a diversity strategy, which could include the following-

- A vision and mission for the change champions to lead
- The same language that addresses all the stakeholders, thus providing a common ground to contribute
- It is equally critical to understand the elements that will drive this forward along with the metrics to define success
- Accountability and responsibility, if clearly defined, will help
- A project plan with frequent intervals to take stock of achievements or milestones.

Once the strategy is finalized, it is important to agree upon the metrics to measure success, which should be deployed at multiple levels. These metrics need not be limited to gender diversity alone, but can consider some aspects like customer portfolio, occupational background, etc.

People

- The leadership has to understand the components of the model
- Leaders have to drive the change process to make it effective
- The leadership should take into consideration the internal and external scenarios and demographic changes to make informed decisions
- The selection process of volunteers driving this change is critical. If they are effective in creating quick turnarounds and success stories, they can maintain the momentum of change
- Create core committees to focus on all aspects of diversity to get the pulse of employees and help in getting approval from the management.

Products and Services

- Product offerings and services are differentiable and uniquely preferred by its members and customers
- Product and service suppliers are diverse and embrace strategic diversity

Processes

- Strategic diversity as a key theme needs to be deployed through multiple sources including performance management, professional development, and succession planning
- Should provide diverse offerings in terms of initiatives, projects, and professional businesses to enable the change
- Incorporate 'Strategic Diversity' as a core competency, and include it in the leadership development curriculum

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- Develop training resources to be used in orientations, training conferences, and for self-study
- Create targeted development programs for women to build the case of gender diversity

Policies

- Policies and practices should promote and accelerate the theme of strategic diversity
- Create a culture of inclusivity and not diversity

An organization with a brand focusing on inclusive culture promoted through multiple channels helps in attracting and retaining talent. Hence, it is time to focus on Employee Value Proposition, by projecting itself as a changing company with increased focus on gender diversity. It can be done by a multi-pronged strategy, which could include the following-

- Conducting some events and interviews focusing on gender inclusivity
- Sharing success stories of women
- Creating a persona of being an inclusive workforce celebrating company

Increasing focus on inclusivity has been linked to the innovative capacity of an organization. This shall generate different perspectives, provide a more holistic analysis of the challenges a company faces, and incentivize greater effort, thus leading to better decision making. **HC**