A Thesis entitled
Emerging Trends in Workforce Diversity

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An Abstract of
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This thesis is written in support of a training and education program of the same title. These documents provide a general review of workplace diversity and cover topics such as emerging trends, historical connections to modern diversity and cultural aspects of diversity. Arguably, the origins of the contemporary movement of political and cultural diversity as it applies to the workplace can be linked directly to the Civil Rights struggles of the late 1950’s and 1960’s. However, a broader perspective of the issue will link workplace diversity to events in the formation of our nation. This is important as it provides a full context for examining the subject matter. Understanding historical and foundational links for workplace diversity to American culture will assist enterprise leaders in grasping the entirety of workplace diversity and responding to challenges offered.
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Chapter One

Defining Workplace Diversity

Workplace diversity is a contemporary management issue that all employers have to deal with. A clear business case for institutional awareness and managerial competency related to the issue of workforce diversity is required. This thesis is written to provide both a conceptual and practical approach for managers and supervisors regarding workplace diversity. Workplace diversity extends beyond sensitivity for traditional groups of employees. Workplace diversity is an attempt to create both qualitative and quantitative measures of the business culture of any enterprise to determine if people who subscribe to a particular social grouping not considered a part of the main stream in America cultural are respected and treated fairly. Workplace diversity may apply to the supplier selection, advertising/marketing and community relations programs, and management competency within the enterprise but is most commonly thought of as an employment matter. Workplace diversity is fluid and linked to the evolving concept of cultural diversity. American business leaders and other enterprise managers must have general
knowledge and specific aptitudes regarding past, present and emerging workplace diversity in order to be successful.

It is doubtful that managers and supervisors (leaders in any enterprise) indifferent to workplace diversity and related issues will continue to hold their positions or be promoted into larger roles. Business has too much at risk to continue to promote people who are diversity insensitive into managerial and leadership positions. For that reason, enterprise leaders must have a general understanding of workplace diversity management and be prepared to support actions designed to achieve a diversity rich business environment. Changes in the workplace have occurred as a result of the concern surrounding workplace diversity.

The idea of workforce diversity applies in all business settings. Essentially, any American institution that employs people has a workforce diversity concern. Workforce diversity is not limited to retail, manufacturing, banking or other for profit enterprises. I have elected to apply workplace diversity in the largest possible context. Consider the contemporary employee concerns in any large university, public service organization (Red Cross, AARP) or government agency. Certainly, the issue of workplace diversity is just as significant in this context as in the for profit context. External political and judicial leaders and other advocates for social reform will continue to promote changes in the workplace of the future. Diversity sensitivity is to a large extent already a part of the American workplace. It is curious that a concept as broad and commonly used as workplace diversity has to be explained in terms that business people
can understand. Today, one can scarcely read a newspaper or watch a television news broadcast without encountering some message about diversity.

Supervisors and managers are expected to participate in the proper selection, utilization and promotion of employees regardless of race, creed, national origin, gender and age. These diversity-based classifications of the workplace have been in place for several decades and are generally considered to be among the “protected groups” from an employment perspective.

In attempting to define diversity Dr. R. Roosevelt Thomas Jr. writes (1991) “Diversity includes everyone; it is not something that is defined by race or gender. It extends to age, persona and corporate background, education, function and personality. It includes lifestyle, sexual preference, geographic origin, tenure with the organization, exempt or non-exempt status, and management or non-management.... A commitment to diversity is a commitment to all employees, not an attempt at preferential treatment” (10 –11). Here we learn that workplace diversity is a synonym for inclusion of all people within the enterprise. Dr. Thomas attaches inclusion to people in special groups with cultural, racial or other attributes typically viewed as not part of the main stream.

Thomas does not promote special action to overcome perceived and real disparate treatment. Rather he promotes diversity as an ideal that is based on full inclusion of all employees. Inclusion will generate improved results for the enterprise and higher social objectives. Thomas chooses to offer a definition of diversity that requires us to accept the theory that full inclusion of all employees will contribute to positive business results. It is a huge leap to conclude that
business will adopt diversity management practices simply because there is a
genral theory that inclusion is a good thing. Business and not for profit
organizations are lead by people driven to achieve organizational goals. We
have to link workplace diversity to strategic consequences (incentives and
penalties) before we can really generate a case for improved business results
from diversity. The Thomas definition fails to achieve this link except in an
idealized and altruistic manner. Yet it is important as it represents a very broad
ideal from which business leaders can frame their policies and procedures. This
is important as some form of the idealized approach to workplace diversity is
required to provide justification and rational for management decisions on this
diversity.

Thomas also brings to the table the argument that the workplace should
promote basic rights and liberties to all members (citizens and even non-
citizens). This idea seems consistent with national policy. Further it is consistent
with recent legislative and judiciary activity. The United States has a constitution
that promises certain basic rights to all citizens and laws that protect the rights of
certain groups. This concept of Protected Groups is intended to distinguish
people by special characteristics including, race, skin color, ethnicity, national
origin, gender, veteran status, pregnancy and marital status as discussed in the
CCH online (2003) publication Business Owner’s Toolkit (99). Generally, the
concept of protected groups is applied to traditional business activities related to
employment. National policy incorporates a race, gender and age neutral
position. Workplace diversity involves the transfer of the ideal of equal treatment for all into the workplace.

Thomas argues that it is good business to adopt a diversity sensitive workplace to extend those same rights and freedoms at work. It is very evident that the workplace environment is very different than the social environment in America. Consider this as an example. An employer may legally complete a search of the workplace including lockers and personal property as long as it maintains (communicates) an appropriate policy to do so. A similar invasion of one’s car following a routine stop by a police officer would not be allowed without some indication of probable cause. The workplace is unique, and operates to achieve a specific enterprise mission. The rules that generally apply in the general public social setting don’t simply translate into the workplace. That is not to say that a business may disregard the laws of the land. Without special laws, financial penalties and social consequences, workplace diversity would not have evolved as a contemporary issue in spite of the argument that diversity is a worthy social ideal, as defined by Thomas. The transformation of social policy into the employment setting can be viewed as a source of controversy within the workplace diversity movement.

Thomas suggests that we have to both segregate people by groups and also include all people into the main stream organizational culture. This is a physical impossibility. The very process of identification of a group of people by a special factor (race, religion, marital status, or lifestyle choice) is an example of exclusion. This dichotomy presents a special kind of problem for the employer
and business manager that seeks to adopt a diversity friendly workplace. While the ideal of full inclusion as presented by Thomas resonates with the many social reformists, business consultants, and employees, most organizations fall well short of achieving this ideal. We can identify many reasons for this. I will limit my discussion to the following:

- Full inclusion is limited by the nature of the workforce itself.
- Inclusion is a poorly defined ideal.
- Many members of the workforce reject inclusion.
- There is little tangible evidence to support the relationship between achieving workforce diversity and business success

Like Thomas, other management theorists promote inclusion of the workforce as a way to achievement diversity and other business goals. The very nature of being employed requires inclusion. It is doubtful that Thomas is simply speaking of the work when he calls out inclusion. I suspect that by inclusion, he is offering a unique vision of employee involvement that goes beyond the basic actions of completing work. Typically, inclusion and participation invoke the idea of democracy in the workplace. Most businesses have incorporated techniques of employee inclusion and participation but these techniques are limited in scope and application. For example, it is common for employers to support employee suggestion programs to capture and obtain input from employees on key issues. It is also somewhat common for employers to conduct meetings with employees to obtain input on important decisions that will impact those same employees. A common form of employee inclusion is the “focus group.” Focus groups and
other forms of employee based participatory governing groups, have been quite successful in many organizations. These forms of employee participation programs were debated in labor contracts and related litigation in the 1980’s. Many unions fought hard to restrict employee participation programs such as these. Ultimately, the US government placed specific restrictions on these kinds of programs as they were viewed as employer controlled bargaining units.

Even thought employee participation can be a powerful force in the motivation of a workforce, inclusionary and participatory management techniques do not achieve the ideal of full inclusion. A large part of the workforce does not want to partake in such activities. They are satisfied with the job and not interested in this kind of participation. It is common to see people reject opportunities to be included at work beyond the act of doing their jobs. Employee participation and inclusion takes time, requires people to move from their normal job, and requires leaders to abdicate their authority. These things just don't happen when there is no direct link between inclusion and business results or inclusion and pay.

Unlike the calculation of Return on Investment (ROI), or Income before Income Tax (IBIT) or Net Profit Margins, all of which have specific and measurable standards; the idealistic definition of diversity such as that promoted by Thomas cannot be linked to any measurable standards. Arguably, the US Government has adopted a general test related to the requirement that all large employers file an annual EEO1 Report. This report requires an employer to report the composition of its workforce along lines of gender, race and disability
status. Generally speaking, Federal contractors are expected to develop an Affirmative Action Program. The intent of this requirement is to achieve a labor force distribution that mirrors the community in which the contractor is located. Even so, tangible measurements are not clearly defined and subjective. Clear National standards for measuring diversity are not available.

Furthermore, it is entirely possible that a fully included workforce could be rather homogeneous from general accepted standards. Consider the Detroit Red Wings Hockey Team or any other men’s professional sport team. Full inclusion of all its players would include ample playing time for each team member. Given that there are no female or permanently disabled members of the Red Wings (or all of the NHL, NBA and NFL for that matter as of Nov. 2003) even full inclusion of the players would not result in a truly diverse workplace. Dr. Thomas’ definition breaks down as soon as we apply basic external standards of protected group identity. While men’s professional sports teams have many other issues of diversity to consider, it is clear from this basic analysis that the inclusion of the existing workforce based upon diversity group classifications will not necessarily result in the achievement of workplace diversity. In fact, we can argue that diversity for the sake of inclusion will ultimately weaken organizations and lower performance standards. This double standard in application of the diversity principles is troubling and defies logic. It is prudent to pause and reflect on this problem but not to dwell upon it. The fact that some uniquely formed workplace arrangements are not held to the same standards as most is one that we have to accept on face value. It is difficult to imagine a situation in which the National
Football League would be required to adopt a policy of accommodation to promote the game day participation of all injured players.

None the less, the conceptual argument of inclusion remains a compelling force in the development of workforce diversity programs in the United States. Many large organizations use this approach in the crafting of their operating philosophy related to diversity and employee relation. We will also see that at least one large international for profit enterprise, Prudential, has created specific diversity measures for all areas of its business activity and thus have taken steps to link managerial and business performance to diversity measures that are generally altruistic in nature.

The Thomas definition calls upon the acceptance of an undefined social ideal of inclusion of all employees. It has very practical limitations as we have seen. None the less, it is very commonly accepted approach by many employers. Managers and supervisors must have a basic grasp of this altruistic approach to achieve continued success. Dr. Peter Wood provides a contrasting definition of diversity. He writes “Diversity bids us to think of America not as a single garment, but as divided up into separate group – on the basis of race, ethnicity or sex for starters – some of which have historically enjoyed privileges that have been denied the others. Diversity, though, is more than a propensity to dwell on the separate threads that make up the social fabric. It is above all a political doctrine asserting that some social categories deserve compensatory privileges in light of the prejudicial ways in which members of these categories have been treated in the past and the disadvantages they continue to face. Diversity sees
itself as a tool for knocking down the door to exclusive enclaves – colleges, workplaces, churches, organizations of all sorts – of the favored groups (5).”

Wood provides an interesting contrast to the Thomas approach. He incorporates the social ideal of inclusion by force (special action). He expands on the Thomas definition by promoting specific actions to correct exclusionary problems in the workplace. Wood’s definition of workplace diversity is cynical but also very practical. His definition expands the idea of workplace diversity to cultural based activity designed to achieve broad political and social objectives. From this perspective, workplace diversity requires specific action to correct perceived inequities in the workplace. It also expands upon the idea of Protected Groups. Wood’s idea of special threads is similar to the idea of protected groups but is very much expanded and entangled. The metaphor is intentional. Just like a thread in a fabric, it is linked to the whole cloth in a way that is complicated and delicate. Upset one thread and you can upset the entire cloth. Take a silk scarf or a necktie. One misplaced or snagged thread can ruin the garment. Similarly, Wood implies that differences based on race, lifestyle, generation, values, religion, gender and disability are like threads in a garment. A problem herein can destroy the fabric of the organization. This special thread concept is expanded and also includes other generally applied categorization of employees such as; sexual preference, native language, citizenship, family status, co-habitation activity, and other lifestyle based choices.

Wood’s definition expands workplace diversity in three significant ways. First, it is not limited to the ideal of inclusion. Second, it requires attention and
focus on one or more of several unique groups that can be classified as not of the mainstream. Third, it requires employers to take specific action to eliminate the barriers and limitations on individuals classified in these unique threads. Wood’s definition calls on the idea of separation, not inclusion. Where the Thomas definition requires us to include all people, Wood’s requires us to promote the value of special group identity. This difference is perplexing and likely a significant factor that contributes to the general indifference by business regarding the ideal of diversity. On one hand, business leaders are asked not to foster identity based on “protected group” categories. On the other hand, they are asked to identify members of special groups and take action to ensure they are provided equal / more equal treatment than others. We begin to understand why most business leaders embrace diversity only on the conceptual level and relegate diversity management as a prophylactic technique rather than a business ideal. It makes a very complicated concept even more complicated. Action (Affirmative Action) is nearly impossible to deal with effectively and safely.

Wood’s definition was published in 2003. Roosevelt’s definition was published in 1991. Thus providing strong evidence that workplace diversity is an evolving idea. A major reason for the expansion of the diversity included group (from traditional protected groups idea to threads concept) is the changing cultural norms in the United States. Thomas may have been able to predict and justify an expanded application of diversity in 1991, but Wood can clearly see that diversity has an ever expanding focus that crosses both horizontally and vertically through American culture (like threads weave through a cloth). Diversity
has evolved rapidly in the past 13 years and Wood anticipates that it will continue to evolve.

Wood’s definition also asserts that diversity has political components that require action by employers and managers. These actions include correcting policies that have contributed to exclusion of people who belong to unique groups, developing programs to help people included in these unique groups to achieve career and financial success and finally the elimination of diversity insensitive managers. This action component surfaces in this context and it is significant. The action component as promoted by Wood’s recognizes that appealing to the ideal of inclusion alone will not overcome perceived deficiencies in treatment of people in the workplace.

It is virtually impossible to comply with this definition of workplace diversity, as there is no fixed standard. It is clear that most business leaders accept the ideal of equal treatment on the grounds of race, gender, national origin, and religious affiliation. It is much less clear that most business leaders accept the open ended expansion of diversity to any group that achieve status as formerly oppressed and therein, entitled to preferential treatment in the workplace. This action-oriented expansion of diversity in the Wood definition is justified. However, it adds confusion and makes workplace diversity even more difficult to define and understand.

Wood’s definition is important for another reason too. It is natural to directly link workplace diversity to the Civil Rights, Women’s Rights and Worker’s Right’s movements from earlier periods in American history. The premise of
looking at people as separate groups with unique cultural, social and lifestyle
correlations by Wood’s definition is not consistent with early leaders of these
movements. In his “I have a Dream” speech (1963),” Martin Luther King wrote,
“…Let us not wallow in the valley of despair. I say to you today, my friends, that
even though we face the difficulties of today and tomorrow. I still have a dream. It
is a dream deeply rooted in the American dream. I have a dream that one day
this nation will rise up and live out the true meaning of its creed. We hold these
truths to be self-evident that all men are created equal. I have a dream that one
day on the red hills of Georgia the sons of former slaves and the sons of former
slave owners will be able to sit down together at the table of brotherhood. I have
a dream that one day even the state of Mississippi, a state sweltering with the
heat of oppression, will be transformed into an oasis of freedom and justice. I
have a dream that my four little children will one day live in a nation where they
will not be judged by the color of their skin but by the content of their character…”
(9-10).

King’s view of social equality is also based on inclusion. His vision as
presented in the dream metaphor calls for inclusion of all regardless of skin color.
King also transcends the issue of race by suggesting an ideal in which all people
will be judged, on the content of their character rather than any special grouping.
King argues that we should disregard the unique thread and promote equality for
all regardless of the thread. This illustrates an important evolution of the issue of
diversity and minority group rights over the past several decades.
Workplace diversity is an attempt to create both qualitative and quantitative measures of the business culture of any enterprise to determine if people who subscribe to a particular social grouping that is considered not a part of the main stream in America cultural are respected and treated fairly. As we have seen by a close examination of two differing definitions of diversity as offered by leading experts, workplace diversity is not a clearly defined standard. It is very likely that philosophical based justifications for an enterprise’s operation will be required from a diversity perspective. Current trends in business such as mission statements, visions, core values, profit and loss reporting (annual reports), marketing material and other related business activity will continue to be molded according to the diversity principle. Contemporary, definitions of workplace diversity evolve around the ideal of inclusion or action based on special group identity. Whereas earlier movements such as Civil Rights as presented by King’s Dream Speech evolved around the ideal of equal treatment regardless of group identity. This is an important difference and presents a great deal of confusion to the topic. A mere general discussion of workplace diversity will send most business managers and supervisors into hiding. To some (many), diversity means more work to complete with no recognition for the effort and potentially negative consequences. They know that there are few measurable and tangible results for any diversity program. Diversity management programs and related training often strike fear into the leaders of our businesses.
Chapter Two

Understanding Workplace Diversity

Business is required to comply with the legal obligations regarding diversity. There are social pressures to ensure that business has some sensitivity to diversity matters. One could conclude that diversity management provides intangible benefits related to enhanced employee morale and motivation. However, it is important to spend time to establish general parameters regarding workplace diversity. In his book, *Diversity, The Invention of a Concept*, Dr. Peter Wood links diversity in America to the concepts of equality and freedom. He writes, “Perhaps, but in fact diversity is a principle, in the same manner that Americans commonly understand freedom and equality as principles. They stretch across almost all the contexts of social life, inhabit our thinking about who we are as individuals, and give us grounds for what we can and cannot expect of others” (306). Wood can be interpreted to promote the view that the current workplace diversity movement in the United States is uniquely defined. It has relevance only to the contemporary culture and it does not have relevance in other time periods. In this context, diversity has emotional
and historical linkage to truly American ideals of goodness, fairness and national unity.

Workplace diversity is differentially linked to the act and concepts regarding respect for racial, cultural, ethnical, religious and lifestyle differences. Differentially, in the sense that each person or group can uniquely define the specific rules of workplace diversity as long as they can be attributed to the larger principle of diversity. Some analogies may be helpful here. An employee on the production line can tell another employee a sexually charged joke that results in laughter and mutual camaraderie. Yet the same joke teller can single out a different person to share his same words with and get an entirely different result. One has to consider that someone offended can and may complain. Thus the possibility of a violation of diversity related policy is present. Similarly, a public school principle may hang in his her office a copy of the Golden Rule. Some visitors may see those words and take pride in the courage of the administrator’s profession of fairness and faith. Yet others may see this expression of faith as an imposition of a religious belief on others and demand that the words be removed from such a public place. This differential application of diversity seems somewhat capricious and arbitrary, yet it is not any more so than the way Americans understand the principle of freedom.

Consider the idea of free speech. Americans generally accept the principle of free speech. Yet throughout the country, people differ greatly
regarding what is specifically protected by the law. A similar argument can be made regarding the principle of religious freedom. We begin to develop parameters for workforce diversity by linking them to other uniquely American principles and identifying very broad general rules. Clearly, the idea of workplace diversity is not unfamiliar to most people. This idea of differential application is a critical aptitude for business managers. It is just as important as a solid general understanding of employment law.

Wood provides an example of how effective this concept of diversity has been in the penetration of our culture. In a brief analysis of the post 9/11 treatment of the American Arabic population, he comments, “…Thus while some on the Left fretted that the American people would respond to the attacks with assaults on Arab-Americans and a surge of prejudice, Hitchens correctly observed that Americans simply were not headed in that direction” (296). Generally, some American’s thought that Arabs and Muslims would be subjected to wide spread discrimination, name-calling and malice. In reality, there have been few problems Nationally. Furthermore, only isolated incidents of racial/religious bigotry in the workplace have been cited. One can attribute this to the general acceptance of the diversity principle in the United States and its workplace equivalent. American Culture has evolved greatly regarding concerns of diversity. Consider the actions of recent events in comparison to those taken against Japanese Americans following the 1941 assault on Pearl Harbor.
America has been remarkably void of anti-Muslim and anti-Arabic violence or repression. In spite of this background of general acceptance and linkage to very broad rules of conduct, workplace diversity continues to have a negative connotation among many managers. Managers generally accept the principles of freedom and equality. However, certain individuals and management styles are more accepting of these principles than others are. An autocratic manager is less likely to apply principles of freedom at work than a manager who subscribes to employee involvement is. None the less the principles of freedom have been well established and entrenched in the workplace. In the same manner, an autocratic manager is less likely to assert principles of diversity. Generally speaking management should be able to accept workplace diversity. Yet often they do not. The general disdain for workplace diversity is not simply caused by lack of clarity. Nor can we place the blame on the difficulty in understanding the related concepts. I suggest that workplace diversity adversity is no different than the adversity in having workplace discussion related to politics and religion. The link is the subjective and capricious nature of the principle. Additionally, as applied in the workplace context diversity is a rather new principle and not fully developed. Good managers want to avoid controversy, aggravation, conflict and confusion. They want stability, teamwork and harmony. Clearly, the problem with workplace diversity is that it poses a threat to a manager’s workplace goals and is a threat to the perpetuation of the traditional white male dominance in this segment of our culture.
It is important to make basic observations about workplace diversity. This will assist a manager in recognizing a potential problem. The following list of workplace diversity parameters is very basic. Yet the parameters are very important in building an understanding of workplace diversity. Consider the following general parameters about workplace diversity:

- It is illusive
- It is an evolving principle
- It is subjective and capricious in application
- Managers have no clear legal path from which to operate safely
- Applies to traditional protected groups
- Applies to newly identified groupings of people
- Similar in nature to the principles of freedom and equality
- Widely accepted in the American workplace
- It presents a threat to the incumbent power brokers

A closer examination of some of these parameters in light of emerging demographic trends will provide even greater insights into the concept of workplace diversity. Some segments of the US population are provided special protection under the law regarding treatment in the workplace. A definition of Protected Groups is included in Chapter One of this Thesis. Ongoing social and political developments are continuing to expand and mold the application of the principle of diversity.

In 1997, the Hudson Institute made an effort to analyze emerging demographic, social and political trends. They published a book entitled Work
Force 2020. This is a sequel to their book Workforce 2000, published in the mid-1980’s. These two books were written to evaluate emerging economic, political and demographic trends and make predictions regarding the future of the workforce in America. Workforce 2020 identifies general factors or forces to consider (11-15). Several of these are discussed below.

The first is that the pace of technological change will accelerate in the future. From this general conclusion, several workplace predictions follow:

- High skilled jobs will displace low skilled jobs
- New products and expanded use of current products will create new jobs
- New job growth will outpace the loss of low skilled jobs
- New highly skilled jobs will be filled by highly skilled and educated people
- Workers will be increasingly able to determine their working conditions.

On the surface, it might appear that this force promises a threat to the economic growth of the Country. However, the Hudson Institute sees this as a very positive and powerful development. Technology will provide new and advanced opportunity for America and its workforce.

A second force sited by the Hudson Institute, relates to emerging markets and competition. The economies of other nations and regions will develop. These economies (India, China, and Eastern Europe) will gain greater significance to the workplace in the coming years. Manufacturing will continue to dominate U. S. exports and remain a strong component of the economy but that low skilled jobs especially in mature industries will move from the United States and move to lower cost labor markets. This is evident in current times in the
form of political debate related to the issues of job loss and job creation. Suffice it to say that this is not a new phenomenon as throughout American History jobs like the tide rise and fall with the pull of the industrial base. Undoubtedly, the blacksmiths, teamsters and wheelwrights had similar complaints regarded to their job security at the advent of the automobile.

The third force identified by the Hudson Institute suggests that the general population of America will age and so will the workforce. They link this to the declining value of social security, the rapidly rising cost of health care and the failure of many Americans to save for retirement to support their prediction. Additionally, they predict that this large population segment will create new economic activity that will create new jobs. America’s aging baby boomers will constitute a large and powerful segment of the consumer market. Their resulting demands for entertainment, travel, and other leisure-time pursuits will fuel local labor markets throughout the U. S., but particularly in cities and regions that attract many retirees (38–39). The aging US population is a counter force to the decline in traditional manufacturing jobs. Demands for goods and services by the baby boomers should provide for job creation. Even so, the new service jobs may pay less than the traditional high paying manufacturing jobs. Thus this trend will contribute to a change in the kinds of jobs available, the workforce and wealth distribution in the US.

The Hudson Institute also suggests that the US workforce composition will continue to change with greater participation of elderly and minority non-white members. “…Whites constitute 76 percent of the entire workforce today and will
account for 68 percent in 2020. The share of African-Americans in the labor force will probably remain constant at 11 percent, over the next 20 years. The Asian and Hispanic shares will grow to 6 and 14 percent, respectively” (6). Further they tell us that advanced technical education is an important factor in gaining suitable employment, as American employers will require high technical skills and intellectual capacities.

We can get a better view of the specific emerging workforce diversity issues if we review the expected changes in various segments of the workforce population. This information is taken from a presentation made by Mr. Keith Green at the Society of Human Resource Management’s recent Diversity Conference (2003). Mr. Green predicts several specific demographic trends. Women will continue to expand their numbers in the US workforce. Furthermore, women will continue to see growing opportunities in managerial and executive level positions. Women will also continue to see a shrinking of the compensation gap between their male counterparts. Mr. Green also concludes that women in the US will gain more prominence in organized labor as their composition in union membership continues to grow. The data below supports Mr. Green’s conclusions:

- 46.5% of today’s workforce is female but will grow to 48% by 2008.
- 49.5% of managers and professionals are women. 29% in 1970.
- The main reason few women take jobs abroad is that they’re never asked.
- 29 percent of men turned down a relocation offer, compared to 20 percent of women (1-2).
Green predicts that women will continue to expand in the executive ranks and will continue to close the earnings gap between their male counterparts in the workforce. According to Mr. Green, women in the US earned 77.5 cents for each dollar men were paid in 2002. An examination of his report indicates that this wage disparity is even greater for minority group women. He also indicates that women will grow in prominence among labor unions.

Another trend that Mr. Green predicts is the rapid increase of non-Caucasian and non-native population of the United States. Supporting the conclusions of The Hudson Institute, Mr. Green suggests that the ethnic make-up of the US workforce will grow in the future. He expects to see a significant change in the growth of the Hispanic workforce with lesser growth among Asians and Blacks. Immigration from Latin America, Mexico will continue at a high pace. Currently, 32.5 million American citizens were born outside the US. Mexico and other Hispanic speaking countries in the Western Hemisphere are the places of origin for over 50% of this segment of the population. Immigrants from Asian nations and European nation’s combined comprise only 40% of this segment of the domestic population in the US. Today, Hispanics are the single largest minority group in the United States and they are also the fastest growing segment of our population. Mr. Green predicts that the Caucasian population of the United States will loose its majority status by 2050.

Currently, the laws of the US are expanding to allow for the application of disability classification to a greater percentage of the population. This should not be surprising. We can attribute at least 2 factors for this. First the development
of medical science and expanded understanding of disease has shed new light upon medical problems. Consider Attention Deficit Disorder (ADD). This was an unknown disease just a few decades past. Today, it is a commonly diagnosed medical problem. A similar case could be made for Chronic Fatigue Disorder that is said to afflict many middle-aged people. Secondly, the declining nature of government funding available for disabled programs. Funding cuts at both the State and Federal levels have forced formerly disabled people back into the workforce. We can expect that improvements in nutrition and medical science along with continued pressure on the Federal Government to reduce spending would contribute to the increase of disabled and elderly in the workforce of the future.

Lifestyle issues will continue to present challenges to employers. Currently, there is wide spread debate regarding the rights of gays and lesbians to become legally married. The expansion of social acceptability and legal recognition for homosexual relationships is going to increase. As reported in the Detroit Free Press (Bell), members of the Michigan House of representatives did not approve a Constitutional Amendment that effectively places a ban on gay marriage (2004). We can predict that the pressure will expand for business and industry to provide health care benefits for domestic partners regardless of the legal status of the relationship. Green indicates that 44% of the companies cited in Fortune Magazine’s article, “The Best 100 Companies To Work For,” offer domestic partner benefits. Other lifestyle choices will have to be reconciled with also. The number of single mothers is growing. Heterosexual
couples choosing to live together are also increasing. People are delaying the decision to marry / select a partner thus increasing the composition of the single population among the workforce. Consistent with the predictions of the Hudson Institute, Mr. Green suggests a significant increase in the number of elderly workers in the workforce of the future.

These demographic observations by Green and the Hudson Institute are supported by data available from various other sources. Data on various domestic demographic trends is available on line through the US Census Bureau. This is sorted in many different ways and by a variety of segments of the population including race, gender and age. The CIA Fact Book provides data and observations on a variety of demographic, political and economic factors for all Countries including the US. These additional sources provide factual evidence that support the emerging demographics and economic trends as presented in this thesis.

Data suggests that the older population in the future will be compelled to remain in the workforce as various forces shape their economic and socialization opportunities. Americans will live longer and healthier lives leading to an extension of the retirement period. Thus requiring people to re-think their financial needs and desire to leave behind the social interactions of the workplace. The large segment of the US population commonly known as the baby boomers will impact the workplace. Their health care benefit needs and the exceedingly high cost of health care will also impact the economy and cause some of them to continue working well beyond normal retirement age.
This discussion again brings us to the issue of the resistance to workforce diversity by employers. The great majority of powerful leadership positions in large American institutions belong to people who are members of the current mainstream. White males dominate the boardrooms of America. Diversity management and changing demographics are clear threats to this group. This threat is a significant factor that contributes to the general animosity of business to the concept of workplace diversity. Essentially, the current power brokers in business are being asked to aid in the transfer of their power and authority to groups of people who are very dissimilar to them. Consider this quotation from Work Force 2020, “the twenty-first century holds incredible promise for America’s workers…. But we can achieve this goal only if we take personal responsibility as individuals, parents, employers and citizens. We need to understand our situation and confront our challenges. Outmoded government programs, corporate practices and individual traits must be altered if we are to cope successfully with the new economic realities that are fast approaching…” (141).

It is important to draw some general conclusions about this information. This is necessary to assist the manager in recognizing and analyzing a situation as potentially related to a problem of diversity. This author suggests that current parameters of work force diversity include the following:

- Work force diversity is illusive
- Workforce diversity is a new and evolving principle
- Workforce diversity is often subjective and capricious in application
• Managers have no clear legal path from which to operate safely from a workplace diversity perspective.

• Workforce diversity applies to traditional protected groups but also to other less obvious groupings of people.

• Workforce diversity can be seen as a principle in the same way American view freedom and equality as principles.

• Workplace diversity is widely accepted in the American workplace in spite of a general indifference to it by many managers and businesses.

These parameters represent ideas that managers deal with today in their daily lives. They do not present any significant intellectual challenge. Furthermore, the economic and demographic trends and data that have been cited are not that complicated. This information is also abundantly available from additional sources that are commonly cited in news articles, magazines, and general electronic media. Yet when combined, the demographic trends and parameters listed above create the general circumstances that allow one to make a variety of general conclusions about the future.

The workplace is changing in the following ways:

• Greater percentage of females

• Smaller percentage of Caucasians

• Growing segment of disabled workers

• Propensity to accept new values and non-standard lifestyle choices

• An aging population
• Increasing percentage of Hispanics and Asians

These changes cement the emergence of workplace diversity as a reality that has to be incorporated into business and managed. Like with the onset of the age of computers when people without the appropriate skills were expelled from the workplace or at best re-positioned in the workplace, the onset of the age of workforce diversity is causing a similar redistribution of jobs.

In combination, the parameters of workplace diversity and emerging demographics represent a threat to the dominance of incumbent business leaders. Many of these people are white native born American males and they are threatened in their desire to pass on their position and social status to their offspring. Workforce diversity requires business people to re-think and re-learn how to apply their craft. The facts alone do not explain the propensity for diversity adversity among managers. Rather it is in the promise of a very different workplace that we find reason for diversity adversity. The truly diverse workplace of the future will change the nature of social and economic power in business. The white male majority will emerge as a minority group and as a result will see diminished opportunity. One can speculate that the current national debate regarding the loss of traditional manufacturing jobs in this country is the initial manifestation of this transition.
Chapter Three

Workplace Diversity Risk Factors and Related Social and Political Considerations

There are many business risks associated with the principle of workplace diversity. Even the most diversity sensitive organization and managers have to face the realities that they too are subjected to possible examination of their actions according to the unclear standards of workplace diversity. Enterprise leaders in the United States must concern themselves with the issues of diversity. This is true with traditional diversity issues related to protected groups. It is also true with the potential of claims by new and emerging groups of Americans seeking refuge under the protections of diversity. The issue of diversity has a very subjective and capricious nature as it applies in the workplace. Think of this possible dilemma, an employee in a workplace has impregnated three women. One of these is his legal spouse; the another is a co-employee in a different department within the same company. He applies for benefits coverage for all three of his new dependent children. Each of the three new mothers claim that due to their status as spouse or “spouse in proxy”, they
too are entitled to coverage under the company’s health care plan. The company and members of the management team may be embroiled in an instant controversy.

This has absolutely nothing to do with the work situation except that their exists an employment relationship. The possible ramifications are great. Other employees would certainly become aware of this situation and some of the facts surrounding it. Consider the possible loss of productivity. The employee above could request a personal leave and protection under FMLA for each of the childbirth events. A supervisor might have to operate for an extended period of time without one of his or her key employees. Other members of the department might have to work harder as a result of this as they would possibly have to cover for the time lost. Other employees may have a difficult time with the special benefits provided to a person of this moral character. Religious and ethical considerations could cause conflict among the workforce.

One of the impregnated employees could file a sexual harassment suit against the company. The employee could be given a court order to provide benefits for all three women and children. The employee himself could be a member of a protected group and file claims of discrimination if any of his requests are denied. A very superficial review of this hypothetical situation provides a glimpse of many possible risk factors that are associated with workplace the emerging trends in diversity management.
This thesis will be limited to a brief review of the following five risk factors:

- Possible legal action against a company or individual
- Operational risks such as decline productivity or employee moral
- Pressure from the workforce and or labor unions
- Image in the community
- Individual career management

These are not intended to be all encompassing. However, together they are significant and provide ample insights into the matter of diversity risk assessment and mitigation.

Ken Green from the Society of Human Resource Management provides ample and concise data to support a strong argument that workplace diversity related litigation activity will expand (2003). He tells us that claims with the Federal Equal Employment Opportunity Commission (EEOC) increased by 4.5% in 2002. Further, he indicates that the largest increases were in the area of employment discrimination resulting from national origin and religious affiliation (9). Certainly, this is an important factor for managers to consider as they evaluate their own future. Annually, there are thousands of claims filed with the Federal and State Governments over diversity related matters involving the workplace. Later in this thesis a few examples will be reviewed. Suffice it to say that this aspect of risk management is very important, as it carries with it the possibility of large financial penalties. Additionally, litigation often results in other business risk. It is not uncommon for a government entity to reverse a decision
made by management and thus subjecting the employer to the humiliation of
loosing control over a critical aspect of the business.

It is very possible that managers will be involved with some form of
litigation related to workforce diversity. That involvement may be in the form of a
direct complaint against the manager or simple a complaint against the
enterprise that results in a change of policy or business practices that must be
dealt with. A basic understanding of workforce diversity alone is not enough to
avoid this risk. The Hartford Insurance Company (2004) is just one of many risk
protection businesses that require disclosure of specific diversity based
employment practices (1 – 5). Employers must adopt a strong adversity
sensitive position and at a minimum include the following items; at-will
employment (where allowed), a clear policy against sexual harassment, a
procedure for reporting sexual harassment, an equal employment opportunity
policy, and a periodic legal review of the employment application.

Diversity management has found solid footing in the sales and marking
functions within many American businesses. It is commonplace today for large
manufacturing firms including those in the automotive segment to require their
suppliers to make purchases from minority suppliers. Necessarily, these
business institutions have also adopted their own workplace diversity
management programs. This is true with Ford Motor Company, DaimlerChrysler,
General Motors and Toyota. Since all of these manufacturers are potential
customers to many businesses within the country and in particular Southeast
Michigan and Northwest Ohio, we can begin to appreciate this additional aspect
of diversity management risk consideration. One common element of the automotive supplier diversity programs provides incentives and dis-incentives to their suppliers that comply with the diversity requirements. Another is the submission of a statement of disclosure regarding current minority supplier spending. Without these items and a strong effort to promote minority business, an aspiring supplier is likely to be given little consideration by American Automotive manufacturers.

It is important to examine this risk more closely. In November of 2003, Toyota sponsored a Diversity Supplier conference, The Toyota Opportunity Exchange, at its North American Headquarters near Cincinnati, Ohio. According to marketing material supplied by Toyota (2003), the purpose of the Toyota Opportunity Exchange is to the education and support of Minority Business Enterprises (MBE’s). “Toyota is open to any and all suppliers, regardless of nationality, size or whether they have done business with us before. On a continuous basis we meet with MBEs to discuss their capabilities and products in an attempt to identify opportunities available within our supply chain (3). Furthermore, Toyota strongly encourages its suppliers to participate in their Opportunity Exchange process. At a meeting of the executive representatives of their own supplier group, Toyota officials told the attendees that they were expected to participate in the Opportunity Exchange. Failure to participate would bring possible consequences (a clear threat) of being cast as a non-supporting supplier. I was in attendance at this event, and it was the focus of significant dinner discussion among the audience. It was clear that this was a new and
aggressive posture that Toyota was promoting and it contained a threat of future business to those suppliers who did not comply. Other automobile manufactures have similar positions. This supplier diversity requirement by large automotive manufacturers is powerful contemporary risk factor and force driving workplace diversity. Workplace diversity is no longer an idea promoted by the idealists and government. Workplace diversity is a requirement to do business with large business.

The two risk factors social responsibility and employee relations are similar in nature and context. The primary difference is the source of the risk. The social responsibility risk comes from sources in the community and outside the workplace. The pressure from the workforce is more internal and relates to the existing employment base and any related union representation among them. Contemporary business consultants, authors and management specialists frequently promote diversity as the proper way to manage today's workforce in the United States. This general trend is made clear if we look at some historical events that contribute to the current workplace diversity movement. Additional political and legal actions that also link to the workplace diversity movement will be cited as evidence of these risk factors.

Many of the contemporary experts who promote workplace diversity management link their arguments to related improvements in business results, employee productivity and or employee moral. Evidence for their diversity related claims are somewhat subjective and difficult to substantiate. Consider
the following statement from Thomas. “…All organizations are responsible to a mixture of stakeholders - people and entities with a stake in the enterprise’s viability. By its very nature, this group is diverse. A unique role of the head giraffe (business leader) is to provide leadership in managing this diversity mix. Key component include stockholders, management, employees, customers, vendors and the community… Managing this diversity is a critical aspect of the group of head giraffe’s role” (58). His reference to head giraffe, is to place the responsibility for workplace diversity with top management.

Some companies like Prudential Financial have taken the social and workforce risk factor to a very high level. Prudential has been aggressive in the promotion of workplace diversity management. In their brochure entitled Diversity: The Power of People (2002), Prudential provides testimony regarding the benefits of its diversity management programs. They cite the two programs supported by the organization, Minority Banking Program designed to promote the expansion of minority owned banking institutions and its Supplier Diversity Program as examples of this success. This 13-page brochure goes on to cite other honors that the company has been awarded as a result of their diversity management program. Yet there is no concrete evidence provided to link diversity management to traditional business results. Emillo Egea, the leader of the Prudential Diversity Management program spoke at the fall (2003) Society of Human Resource Management Annual Diversity Conference. In his
presentation, he indicated that Prudential is committed to developing specific measures for diversity management in all aspects of their business. Further he suggested that, Diversity Management at Prudential has become an institutional activity.

We can also find positive diversity testimonies in countless publications from a variety of institutions extolling the virtues of effective workplace management. Consider the following quotation from the Society for Human Resources Magazine article “Reaching for Diversity” (2002). “Although companies’ diversity initiatives help employees by creating opportunities for networking and interaction, they also help their sponsoring companies… The product innovations, marketing efforts and other process improvements that can come out of diversity programs can demonstrate to employees that they are making a difference and that their viewpoints and contribution provide real value to the organization” (4). Here we find the typical soft side argument for diversity with employment matters. Like Dr. Thomas’s definition in Chapter One, this approach is based on the concept of inclusion. This is a very difficult argument to refute and an easy argument to accept.

This is also consistent with some of the most popular employee management techniques as promoted throughout the past several decades. DeHay, Monday and Sharplin address the Herzberg concepts of Motivation/Hygene Factors in their book Supervision (1983). They tell us that Herzberg promotes that real employee motivation comes from inclusion in the workplace beyond just the work itself. They suggest (according to the Herzberg
Theory) productivity is enhanced when people have a real voice and discretionary authority at work. Herzberg’s Theory X and Theory Y are staples in the teachings of many management trainers (88 – 89). There is little debate regarding a long-standing position of management theorists and industrial psychologists regarding the connection between participation and productivity.

A recent movement of employee participation that is common among many employers today has its basis in the same idea. Motivation and productivity are improved simply if an enterprise makes a genuine effort to include people in the decision-making processes regarding policy matters effecting them generally and working procedures, quality matters impacting their specific work areas. Similar ideas promoting the virtues of employee involvement, participation and empowerment can be located in a plethora of contemporary publications on management theory. Consider this additional comment, “…Once they understood I really wanted to talk about goals to be set jointly, not ones imposed by me … they began to open up… The interesting thing was, as they began to participate in goal setting, they became more receptive to my message that their work made a difference” (64 – 65). In the management fairy tale entitled Gung Ho! (1998), Blanchard and Bowles promote the virtues of participation and generally link this to improved business success. Failing to meet the workforce expectations of inclusion and participation could result in the loss of esteem in the community and among the workforce.
Diversity is evident in all aspects of our work lives and we encounter examples of diversity daily. Consider those business travelers who frequently fly on major US airlines. They have constant encounters with issues of diversity. Most notably longer check in lines and potential obstruction from security personnel. Consider the issues of immigration control and tracking of illegal aliens. Daily, thousands of employers have to distribute I-9 forms and complete government mandated reports and forms intended to ensure that only those people with legal rights will hold jobs in our Country. Consider the daily interactions of millions of co-workers on the job. Government intervention and historical factors in workplace diversity is another risk factor that has to be considered. Consider this thought from Dr. Wood. “Generally, in discussion diversity in American Culture it seems sensible to refer to it as a movement, since its proponents are still engage in the tasks of attempting to persuade, to impose, and to institutionalize their views. When it comes to American business, the word “movement” seems lest apt, since the basic doctrines of diversity have already been institutionalized and no longer face serious opposition” (224). There is little doubt the appeal from the variety of voices pleading for diversity sensitivity in the workplace would have had little success had it not been for the intervention of the Federal and State Government in workplace diversity matters.

These governmental concerns can be linked back to the roots of America. One can consider the US Declaration of Independence declaration “…all men are created equal” as evidence linking diversity to the founding of our nation.
A review of the current environmental aspects of workplace diversity would not be complete without examining the legal and historical aspects of the movement. The purpose of this project will be served best by a review first and foremost on the more direct links of recent government action and their connection to the workplace.

In 1964, the US government passed sweeping Civil Rights legislation that forever changed the landscape of business and education. The law had at least two long lasting implications. It cemented the right of the Federal (and local) Government to get involved in enterprise operations and it required all government contractors and when challenged other public and private employers to prove they were not discriminating against others because of race, sex or national origin. This legislation is also responsible for the concept of Protected Groups. The Civil Rights Act of 1964 was based on the idealism of the 1960’s a very turbulent period in American History. President Lyndon Johnson provided the moral and political leadership that drove the US Congress to pass the law. Johnson’s motives are found in a speech given at the University of Michigan and borrowed here from Bailey, Chafe and Sitkoff (2003), in which he promotes his vision of the kind of Nation America should become. “…The Great Society rests on abundance and liberty for all. It demands an end to poverty and racial injustice, to which we are totally committed in our time. But this is just the beginning. The Great Society is a place where every child can find knowledge to enrich his mind and to enlarge his talents. It is a place where leisure is a welcome chance to build and reflect
not a feared cause of boredom and restlessness. It is a place where the city of man serves not only the needs of the body and the demands of commerce, but the desire for beauty and the hunger for community” (98).

Johnson signed the Civil Rights Act of 1964 on July 2, 1964, just a little more than one month after he delivered the words cited above. There can be no doubt about the importance of Johnson and the Civil Rights Act in the modern day lineage of workplace diversity. The Law was written to make specific acts in the workplace forbidden including discrimination based on race, color, religion, sex, and national origin. The law also prohibits retaliation against those who invoke this law for protection in the workplace.

Expansion of diversity based workplace protection offered by the Federal Government continued into the next 4 decades. Several executive orders and laws covering topics such as equal pay, affirmative action, vocational rehabilitation, veterans employment rights, disability and age were passed in a fury of executive and legislative activity between 1964 and 1974. The Federal Court System also has to be given credit for contributing to the workforce diversity movement. The US Supreme Court Case of Regents of California vs. Bakke is often cited as a landmark regarding workplace diversity. Bakke a white male medical student was denied admission to the, Davis, School of Medicine. He sued based on the idea that he was more qualified to meet the admission requirements than minority students who were admitted to the school. This hotly contested case that ended in a divided court resulted in a landmark decision. As presented by Dr. Wood (2003), the court was split on
the issue 4 – 4. Justice Lewis Powell was responsible for rendering the tie breaking vote and majority opinion. Powell writes, “... As I am in agreement with the view that race may be taken into account as a factor in an admissions program, I agree with my Brothers BRENNAN, WHITE, MARSHALL, and BLACKMUN that the portion of the judgement that would proscribe all consider of race must be reversed…” (224). Twenty-five years later a similar case involving the University Of Michigan would present the US Supreme Court a new opportunity to visit this issue. Once again we see that the Federal Court System affirms the position that race can be taken into account in the admission decisions of the University.

The past 50 years have been witness to several specific social, political and judicial events and their political implications contributed to principle of diversity. One’s perspective has to include consideration of the issue of separate but equal and related court cases. Certainly an argument can be made that Little Rock Arkansas in the 1950’s provided early energy to modern day diversity. The Civil Rights Movement of the 60’s and 70’s were expansive in their social impact and in promoting workplace diversity. The Youth Movement and The Women’s Rights continue in a somewhat different form today, provides yet additional lineage for the contemporary workplace diversity movement. There can be no doubt that employment litigation regarding treatment of women and minorities have been fostered, promoted and argued by leadership in these various social movements.
One must think beyond this period to fully appreciate the historical significance of the diversity movement. American history is rich with diversity related conflict and we need to include some historical frame of reference beyond the past 40 years to be able to fully appreciate the emerging trends for workplace diversity. Given that the purpose of this project is not a history lesson, I will restrict further comments on a single general issue, the idea of the American melting pot that springs from the industrial revolution. In his novel *Out of This Furnace* (1941), Thomas Bell writes about one of his characters who recently immigrated to the United States in search of a new life and work “… He slept in fields, in haystacks, in barns. Sometimes the nights were bitterly cold; in the morning the fields would be hoary with frost… One week to the day after leaving New York, toward mid-afternoon, Kracha entered a small mountain village noisy with sawmills. There were a few people in the street: he chose one man who looked least American and exhibited his paper…” (7–8). Time and familiarity have healed most of the wounds that this nation gouged into the hands, backs, spirit and souls of many American immigrants and their families. Immigration to America was (and continues to be) hard. Acceptance in a new land was and is not automatic. At the turn of the 20th century, America welcomed its new citizens with bureaucracy, animosity and red tape. Toil and turmoil greeted the new Americans. This is not the traditional story of a country that embraces others. Rather it is a history of bias, hatred, bigotry and injustice. Bell’s novel does not reinforce the romantic notion that America was/is a great and easy place for people
seeking a new life. Immigration grew from opportunity caused by economic expansion and available land. They Industrial Revolution drew people into the nation but didn’t necessarily welcome or embrace them.

Diversity was achieved not by an America with open arms to welcome strangers. Rather, it was the willingness of the immigrants to prevail over adversity and their desire to fit in and belong to America. Bell presents an American melting pot in which like coke in the blast furnaces of the steel mills, the nation was very willing to consume its labor pool. Immigrant labor in America was viewed expendable along with the raw materials used in the business expansion. Rugged individuals with few alternatives driven to escape a life of oppression and hopelessness prevailed in a foreign and cold land. America was not a diversity sensitive republic with citizens eager to greet the new visitors from other lands. Diversity is a legacy of American indifference and insensitivity.

Another less romantic view of the treatment of early immigrants in the US can be found in the writings of members of the Anti-Immigration League of the 20th Century. Consider these words written by Henry Cabot Lodge (1909).

“While the people who for two hundred and fifty years have been migrating to America have continued to furnish large numbers of immigrants to the United States, other races of totally different race origin, with whom the English-speaking people have never hitherto been assimilated or brought in contact, have suddenly begun to immigrate to the United States in large numbers. Russians, Hungarians, Poles, Bohemians, Italians, Greeks and even Asiatics,
whose immigration to America was almost unknown twenty years ago, have
equal the immigration of those races kindred in blood or speech, of both, by
whom the United States has hitherto been built up and the American people
formed. This momentous fact is the one which confronts us today, and if
continued, it carries with it future consequences far deeper than any other
event of our times. It involves a world nothing less than the possibility of a
great and perilous change in the fabric of our race” (7).

The purpose here is to focus on the persistence of the people that
participated in the great migration to America and to link their efforts to their
contemporary counter-parts. One can certainly argue that contemporary
critics of immigration from the Southwest boarders of the US today voice
issues that are similar to those promoted by Lodge. Furthermore, one can
certainly argue that the environment and working conditions for those people
who brave the dangerous boarder crossings have a life with similar
characteristics and struggles of those encountered by immigrants in the
industrial revolution as presented by Bell. America as a melting pot and land
of opportunity presents a dichotomy of immigration history that lingers today.
Founding principles such as liberty and justice for all and our economic
opportunities beckon people from far away nations and all races. The idea of
a better life and opportunity ring strong in the ears of many hardy and idealistic
individuals. Still the reality of immigration is one of hardship and struggle.
Today’s issues regarding diversity and the acceptance of a variety of ideas,
religions, and cultural practices that are different from the “main stream
culture” has its roots in the persistence of people willing to fight for a better life. In this, is a critical transition to contemporary workforce diversity. Diversity in America is related to a formula of willing individuals, economic opportunity, legal protections and founding principles of freedom and liberty that are unique to the World. These factors transcend the decades and continue today in many forms including in the contemporary American workplace. Certainly, this is an important factor to consider when considering the emerging issues with workplace diversity.

Workplace diversity is a very personal and serious matter. Individual managers (and other employees) also have to consider the impact that a complaint about a violation of diversity principles may have on the career of any given individual. Given the capricious nature of workplace diversity, it is conceivable that any given individual could be subjected to a claim of harassment based on insensitivity to diversity issues. Consider this possible situation, an employee is denied time off work during a normal workday as defined by the company. The employee then files a charge with the State Department of Civil Rights claiming that he/she was denied an opportunity to participate in a religious ceremony. The individual manager is named in the litigation as the person responsible for making this denial. A manager who has a track record of sensitivity to diversity related issues will have a much better chance at escaping this kind of threat.

It is also possible that a manager or business could be subjected to a contrived claim of diversity insensitivity and resultant litigation. I know of a
situation in which a subordinate employee claimed that the manager was sexually harassing her because he questioned the employee about a medical condition. It turned out the medical condition was a female related problem and the employee was offended by the basic questions that any supervisor would ask to show concern and compassion. Fortunately, this manager had a good track record of being sensitive to employees. Additionally, the employee making the claims had had many other relationship problems at work thus making it easier to dismiss the investigation of harassment simply as a mis-understanding. None the less, the supervisor had to experience the pain and embarrassment of an inquiry on this matter and had to tolerate a letter in his official record explaining the charge and findings of no fault. Certainly, this example helps illustrate that workplace diversity has potential risks that could lead to limitations in one’s career.

Daily interactions that evolve into matters that are unpleasant often have overtones of race, gender, age, religious and other aspects of culture that are considered diversity charged. From a perspective, workplace diversity is a microscopic examination of a basic (oversimplification intended) fact of nature - not all things are alike. Workplace Diversity is all around us it is an inescapable fact of our work life. Like the air we breathe it is both transparent and vital to our existence. As presented by Dr. Wood (2003), “Few principles spread so widely and so deeply through a society. In America, the only principles of similar scope are those on which the nation was founded. Indeed, to find any ideas of comparable sweep in American society, we have to go
back to such antique concepts as the notion that all men are created equal, and that one of the fundamental human endowments is liberty” (217). From a perspective, we can present a case that diversity is an omnipresent force in the American workplace and culture. Like liberty and equality, diversity can be considered a fundamental principle for people to live by.

It is clear from research that the United States is very diverse from an ethnic, racial and religious perspective. It is also clear that other countries are also very rich in these aspects too. It is not clear that the United States is the most diverse country on the Planet. In fact, many countries have great diversity in the composition of their population. Based on limited research, (not really germane to my purpose), it is possible to conclude we are not uniquely diverse as a nation. However, we are very different in that we promote the ideas of liberty, equality and justice for all citizens. These basic principles upon which our nation was founded are all linked to the idea of diversity. While other countries have much the same diversity issues among their population, they do not have the same respect for individual rights and freedoms. Countless regional and national internal disputes that have surfaced throughout history regarding insensitive to diversity based matters. Consider contemporary Iraq and the various political and religious factions in that country. Consider other areas of the Middle East including Syria, Israel and Egypt. Consider the tribal nature of under developed countries in Africa and South America. Workplace diversity is unique in America because it has
become so widely accepted and linked to our basic principles of liberty, equality and freedom.
There is no doubt that the diversity movement has been entrenched in the American workplace. The risk factors for poor workplace diversity are clear. They include; lawsuits, government intervention, loss of productivity, destruction of individual careers, loss of customer base; negative community relations, higher costs and negative company image are all potential risks. These are compelling factors for business managers to consider regarding their careers and the future of the enterprise they support. Not for profit organizations frequently have altruistic reasons for their existence. Consider any public school, hospital, or public service agency. It is typical that their operations are linked to serving the good of the community and public they serve. All for profit business has a motivation to appeal to the public and to provide attractive goods or services that people will be eager to consume. Many private sector businesses also have integrated social and community service into their operational philosophy. We can safely predict that employers will have to deal with a growing segment of the population included in protected groups. One can also predict that workplace
diversity will continue to expand in its application in the United States. Various forms of workplace diversity will be examined in this Chapter.

It is very common for business enterprises to author and promote mission statements, core values and vision statements. Frequently, these are documents that establish the ethical, social and moral principles that guide the leadership of the enterprise. As a result, public and private employers have significantly contributed to the legitimacy of workplace diversity initiatives. Through altruistic efforts to promote the ideals of fairness and equal treatment to all employees, many employers have contributed to the general acceptance of workplace diversity.

Consider these words from Atsushj Niimi, President and CEO of Toyota Toyota North America (2004), “Our commitment to diversity at Toyota is an integral part of our success and we know that this commitment must continue to grow. In fact, we have highlighted diversity as one of our top ten business initiatives (1). Toyota presents diversity as a good business objective. It is an altruistic approach and follows the Thomas definition quite well. Toyota promotes diversity as one of its top ten strategic initiatives. Few would argue that this is a positive concept. It is impressive that a Japanese owned business has integrated the principle of workplace diversity into their philosophy. Thus providing even more evidence that diversity is a main stream business concern. Yet there is no substance to the Toyota statement. There are no specific and measurable goals attached to Toyota’s diversity mission statement. Therefore it is impossible to identify what diversity really means to Toyota.
A more uniquely American business is General Electric. The verbiage that follows is from General Electric's Diversity Statement (2003). “About 40% of the company's sales take place outside the U.S., and GE continues to grow its pipeline of diverse, global business leaders. In the area of diversity, the company is dedicated to developing the careers of women and minorities by providing the right level of training and development and basing promotions on performance. GE recognizes that the business model of a modern, high-performance company is a diverse one, and continues its strong effort to make sure everyone in the company has the opportunity to succeed and grow” (1). This Diversity statement has more substance than the Toyota statement. GE actually calls out two protected groups for special treatment regarding training, development and promotions. General Electric also includes a statement of their business case for promoting diversity by linking it to opportunity for growth and success for all employees. GE asks us to accept on faith that special treatment for females and minorities and personal growth for individuals is a good business goal.

These diversity statements are rather limited in scope but are clear in the incorporation of the concept of diversity as a reality in these two business operations. These are not isolated cases. Statements such as these are prevalent throughout large American employers. A review of marketing and recruiting material presented by organizations will provide further evidence of this paradox. A manager’s failure to regard workplace diversity as a significant factor is a professional error similar to disregarding workplace safety rules.
The quest to achieve a positive measure of workplace diversity is not limited to large for profit organizations. Small businesses as well as employers in the public sector have also embraced the idea of diversity. Many U.S. Universities have launched major diversity based initiatives to support their business objectives. Consider the Statement of Team Member Philosophy at Diamond Electric Mfg. (DEMCO). “In order for a company to operate effectively, the general work atmosphere should be one of mutual respect, trust, and confidence. In order to achieve such and environment, DEMCO has adopted the following principles which serve as guidelines for dealings with all Team Members” (sic) (2). This statement goes on to list specific and general commitments to employees that support the company’s ideals regarding fairness, opportunity for advancement, problem resolution, and teamwork. Clearly, mission statements, employee relation philosophy statements and vision statements are an important form of workplace diversity as they provide written evidence on the topic.

One emerging workplace diversity trend is the movement to adjust policy to not include consideration for domestic partners. Shirleen Holt of The Seattle Times Company reported in March (2004) that 7,000 American businesses are offering domestic partner benefits. This compares to none in 1981. The article also provides evidence that almost half of the large companies in the US currently offer Domestic Partner Benefits (1). Today most of the Nations largest employers have non-discrimination policies that have been expanded to include sexual orientation. A recent court case in California required a Catholic charity
organization to include coverage for abortion in their employee health care plan.

To overcome restrictions that traditional employment relationships place on people, some employers have modified the employment relationship.

This trend of adjusting company policy to reflect changing culture may be alarming to some but it is not a new concept. Consider the emergence of 401k Plans. Just 25 years ago these forms of benefit plans were not very common. Today, they are commonplace. The same argument applies to the development of health care benefits, vision benefits and dental benefits. Flexible spending accounts for medical and childcare expenses are yet other examples. These policy changes (many have become standards with employers today) emerged in response to the changing lifestyle needs of the workforce. It follows that employers will continue to respond to the needs of employees. One can predict that this tendency will eventually manifest itself in response to the needs of employees with non-traditional life styles and others emerging diversity matters.

Changes in the culture eventually result in changes in the workplace. Managers should be used to this process but are often resistant. At the risk of being redundant and to provide more support for this observation other examples include: job sharing, telecommuting, work place child care facilities, flexible work schedule and work at home programs. These are examples of the many different ways employers respond to the life style needs of employees. Certainly the evolving employment relationship is another form of work place diversity that we can label and agree upon as common place in America today. These
examples also provide evidence that emerging demographics (as cited earlier) will eventually impact workplace policy.

Marketing as a form of workforce diversity can be found in at least three applications. First, the recruiting of talented and capable employees. Secondly, the marketing of products to large segments of the population. Third is the development of positive employee relations. Consider the idea of marketing as it applies to the employment process. An employer has to have talented people to run its business. Regardless of how much we may try to rationalize that anyone can do a job, at some point special skills, experience, knowledge and capabilities are required. Market based demand for labor forces employers to compete for labor. Competition is especially keen for jobs in high demand. The marketing aspect is important in recruiting. Failure to properly promote the organization as sensitive to matters of diversity could potentially limit an employer from consideration as a place to work by some individuals. Consider a firm or educational institution in competition for a highly skilled person in a sparsely populated and highly specialized profession. The candidate pool could include people who are not native to the United States and others that might be included in a Protected Group. From this perspective, marketing the diversity activity of a business could become a very important form of workplace diversity.

Marketing diversity deals with the ability to draw upon the public image of a company as a technique to avoid high cost litigation. The claim to remedies resulting from an organization’s diversity insensitivity is open to a broad spectrum of the workforce. Several public agencies that have been given authority to
prosecute violations of generally accepted diversity practices and related laws. Remedies for these kind of claims (usually resulting in some allegation of illegal discrimination) include fines, forced parody (correction of a decision to make a person whole), and back pay. Frequently, this form of litigation results in agreements to settle the dispute out of court. These involve payments of some sort. The problem is complicated with the promise of negative publicity. The publicity has the consequence of negative employee relations, negative community and personal image consequences. The single most significant way to avoid this problem is with diversity marketing. It is common to find evidence of diversity programs displayed in business publications. A company that can clearly demonstrate that it has a track record of promoting diversity will have a much better chance to relieve itself of nuisance litigation along the lines of diversity.

Another aspect of the marketing from of workplace diversity can be seen in the response taken to comply with supplier diversity requirements. It has already been established that to do business with certain large enterprises, a company must actively promote diversity in its supply base. The promotion of these efforts to achieve supplier diversity is another form of marketing. One local employer, Diamond Electric Manufacturing, has incorporated statements its position on achieving diversity in their supply base. Diamond is very aware of the supplier diversity requirements and has elected to use this as a way to gain some advantage in the marketplace. Supplier diversity is the final form marketing workplace diversity that we will discuss. It is common for the large manufacturing
firms to require their suppliers to promote supplier diversity. This is true with Ford Motor Company, Honda, General Motors, DaimlerChrysler, and Toyota. Since all of these manufacturers are the potential customers of Tier One suppliers, we have no choice but to make an attempt to comply with the supplier diversity requirements. Each of these companies has unique requirements related to diversity. Most provide incentives and dis-incentives to their suppliers that comply with the diversity requirements. It is important to note that there are common elements among these supplier diversity activities including awards for suppliers that meet certain requirements, disclosure of minority vendors in the vendor selection process, promotion of minority suppliers and price penalties for suppliers who fail to meet the expectations.

In a public statement released by DaimlerChrysler (2003), the following was included. “Chrysler Group has made a steady commitment toward building and developing our minority supplier base… It is our belief that our supply base should be a direct reflection of our customer base” (1-2) These words are attributed to Mr. Tom Sidlik, Chrysler Group Executive VP. One might not think about the expectations of a customer when considering workplace diversity. Yet major manufacturers in the automobile industry customers have policies that their customers integrate diversity management into their selection of suppliers. Failure to do so is met with threats of loss of business and limited prospects regarding opportunity to bid on new business. It is possible that these large
companies will eventually require their suppliers to have similar diversity efforts with employment activity.

Diversity is an issue that permeates every business enterprise in America. Diversity attempts to incorporate the perceived differences among people and the way these differences interact with and impact the treatment of people in the workplace into some generally accepted social norms. Workplace Diversity has many forms as we can see. Supplier diversity programs, equal opportunity in employment, pay and promotion, and benefit program eligibility for same sex partners are growing business factors. It is probable that the definition of workplace diversity will expand rather than contract. The forms of workplace diversity will expand as a result. It is predictable that business managers will have to expand their skills and comprehension regarding this topic.
Chapter Five

Workplace Diversity Case Studies

Failure to properly manage workplace diversity has significant social, legal and economic consequences. The final chapter of this thesis is designed to provide concrete examples of the results of workplace diversity in business applications. A review of three rather notable cases regarding workplace is included because it is important to recognize that there is a practical side to this matter. Certainly, these case studies have points of fact that are similar to other examples that could have been used. The important point (surrounding the examination of these three specific workplace diversity examples) is that they provides us with a way to make the information presented in the earlier chapters come alive. It is one thing to address a topic in generic and academic terms. It is another to address a topic in practical and realistic terms.

The first case involves a class action suit brought against the Mitsubishi Motors Corporation regarding sexual harassment at its Normal Illinois manufacturing plant. The second case study deals with Prudential Financial, a
large international business that has integrated Diversity Management into all aspects of their business. This is intended to provide a glimpse into the positive side regarding application of workplace diversity. The third and final case study deals with Chrysler Financial Corporation and a recent class action lawsuit against them related to alleged discriminatory practices that deny minority groups. This case has two components. One is the potential consequence of ongoing illegal discrimination. The other is the manipulation of legal and social protection offered to Protected Groups under the workforce diversity movement.

These three cases support the basic argument presented in this Thesis as they are clear examples that American business and enterprise leaders have to have skills and aptitudes regarding diversity management in order to achieve success. It is important to remember that beyond the superficial aspects of these cases, one has to consider the practical issues involved. People have to work and live with the actions that take place. People may have to spend hours in agonizing sessions developing policies and procedures for dealing with diversity matters. Managers have to spend time in training programs. Forms and records have to be maintained. Beyond these administrative concerns are the legal ramifications. People within an organization may have to provide testimony and or written recollections of the events surrounding the cases that go to litigation. Depositions, hearings, meetings and preparation with attorneys are specific events that are likely to take place. These are expensive and normally stressful. They also consume
Precious time and money are basic investments in the defense and investigation of workforce diversity claims.

**Case Study 1 - Mitsubishi Motors**

Court TV (1998) indicates that “Mitsubishi Motor Company agreed to settle a claim June 10, 1998 that was brought against them by the Equal Employment Opportunity Commission. Mitsubishi agreed to pay $34 million in compensation for at least 350 women who were employed at a Normal, Ill. Plant since 1990. The women were allegedly subjected to a pattern of sexual harassment which led to the filing of a civil class action prior to the EEOC suit (1).” The facts as described in this statement are very alarming. Yet this alone doesn’t give the full extent of this case. A review of the actual Equal Employment Opportunity Commission press releases (1998) provides much more detail. The award of $34 million was at the time the largest amount ever paid in a sex harassment case up to that point in time. Alleged sexual harassment began before 1990 but was limited to 1990 in the suit. The suit was filed in 1996, indicating that these insensitive practices were ongoing for at least 6 years. The settlement took place in 1998, thus two years of litigation like investigation took place involving, many individuals, the EEOC, the International Union, the Local Union, and the Company.

In addition to the monetary penalty, the company agreed to the following administrative steps:

- Investigate all future complaints in 3 weeks time and prepare a written finding of each within 7 days of the conclusion of the investigation
- Adopt a Zero- Tolerance Policy
• Appoint a 3-person panel of outside monitors to oversee the agreement
• Appoint a monitor to review the company’s complaint investigation process
• Provide training on sex harassment to all employees (EEOC).

As indicated by an EEOC press release (1996), Mitsubishi Motors answered the initial EEOC complaint by denying all allegations. However, the Company eventually acknowledged that it was guilty of engaging in an ongoing pattern of sexual harassment, and retaliation against current and former female employees. The 1998 Proposed EEOC settlement agreement requires Mitsubishi to bear all costs associated with the management of the settlement fund, the mailing and issuing of checks, location of claimants and distribution of funds (2 – 24).

Another aspect to this case revolves around the victims and the perpetrators of the harassment. Mitsubishi is guilty of taking action against the individuals who complained of being harassed. The company agreed that it constructively discharged employees who were harassed. Constructive discharge is the legal term that applies to situations in which an employer creates a work environment that makes it impossible for a person or group of people to continue to work. Hidden in these discussions are the people. Managers and supervisors looked the other way when their people came forward with concerns. Managers, supervisors and employees tried to get the attention of their company and union representatives but failed. Members of the upper management team did not take the risk seriously. Employees that used a group of female co-employees as targets for their jokes and sexual advances. This case represents an extreme example of poor management.
Victims had to endure disrespectful, condescending and immoral treatment. A review of their and government investigators comments is telling. On victim tells us in an interview with Elizabeth Brakckett of Online Newshour, “Not only did they touch me. They used their wrenches, you know, umm and their air guns and that was just, in the front of my mind, I knew that they were going to be doing something when I got there and will I make it through this day or how am I going to make it.” She went on to provide vivid details on what her co-workers did with the wrenches and air guns. Another interviewee with the same source tells us, “I was slapped on the butt. The person used, got a banana and put it in his mouth and things like that, you know, right in front of a group, a group that I worked with.” A final comment from a member of the EEOC is telling. “There were hundreds of instances of sexual harassment, that is, harassing conduct. But that covers a whole wide spectrum of activities from graffiti on walls and on parts of cars to physical contact of an unwelcome kind. In one way or another, we do believe that the, that the individuals harmed by this conduct number in the hundreds” (1 – 5).

Case Study 2 – Prudential Financial

According to Prudential’s Emillio Egea (2003), “The best golfer in the Country is Black. The best rap singer is white. The tallest player in the NBA is Chinese. The America’s cup is held by the Swiss and the French think we’re arrogant…” Certainly, this observation is offered as evidence that diversity is abundant in contemporary American culture. Egea goes on to explain that Prudential Financial’s mission is to help customers achieve prosperity and piece
of mind by helping them protect and grow their assets. Prudential has over
15,000,000 customers in 30 countries. We have 52,000 employees only 30,000
domestic in the US.…” (speech). These facts are important in setting the context
from which Prudential adopted its workplace diversity management program.
Three key drivers comprise the Prudential diversity management program. First
is the marketplace. The future of their business is dependent upon those who will
be purchasing company goods and services. The company has to be able to
appeal to them. Second is competition for talent. They have to be able to attract
and retain the talent needed to meet the customer demands. The final driver is
organizational effectiveness. The goal is to maximize the contributions of all
employees and their contributions to the company.

Prudential’s aggressive posture and enlightened philosophy is impressive
and likely an example of an emerging trend among businesses. One critical fact
in this approach is the recognition that women and other minority groups are
responsible for the majority of consumer buying decisions. At Prudential,
diversity management is built into every aspect of the business and specific
measures are established for each area. Beginning in the early 1990’s, the
company launched its diversity programs. Recently, however they transition their
program from an activity based approach to an outcomes based approach. To be
successful, Prudential included the following in their management system.
Diversity is included in the bonus payments of the management staff. Diversity
“scorecard” was created to measure each area of the business. Measurements
included in the general categories of representation, environment and leadership.

A Zero Tolerance Policy for unethical behavior and diversity was adopted.

These facts are critical because they transform diversity management from an administrative function that is administered by the Human Resource Group to a practical operational function that applies to each area of the business. Consider the implications. Each manager is measured regarding specific diversity goals in his area of responsibility. The manager's pay is impacted by his or her own results. This is a powerful statement and certainly represents a position that captures the attention of the management team. A review of the internal publication Diversity at Prudential reveals the following statement. “Every individual at Prudential offers a perspective the is unique. A point of view shaped by a singular combination of backgrounds, skills, ideas, and ambitions. By fusing, these distinct visions and voices together in a single cohesive team, we lay the groundwork for the flexibility and strength that define our business and our careers (1).” As a result of their enlightened position and diversity work, Prudential has received many awards including; Hispanic Magazine’s Top 100 Employer, The Black Collegian Magazine’s Top 100 Employers of Entry, WE Magazine’s Top 10 Companies to Work For, and Working Mother’s Magazine’s Top 10 Companies for Working Mothers. Clearly, this Prudential Case study offers a new and different perspective of the issue of workplace diversity and shows how business is addressing workplace diversity pro-actively.

Case Study 3 – DaimlerChrysler Financial (DCF).
In 2002, several Chicago area customers of DaimlerChrysler filed suit against DCF for illegally denying them credit. The company’s practice of racial profiling is the basis for their suit. According to Al Swanson of United Press International (2003), Attorneys representing African-Americans who accuse Chrysler of discriminatory lending practices in black neighborhoods have added Hispanics to a proposed lawsuit...’Since we filed the original complaint against Chrysler earlier this month (2003), we’ve learned of other areas in which we believe that Chrysler has thrown the switch on what Chrysler claims is a color-blind credit-rating system’...(1-2).” The suit (which is ongoing) has an interesting set of facts and circumstances and offers yet another perspective on the virtue and risks related to workplace diversity. Initially 5 blacks from the Chicago area accused the company of denying credit or repossession of vehicles in black neighborhoods within the city. They charge that the company has a computer program that routes select applications for credit to a regional headquarters where they are unfairly scrutinized. Company officials are accused of using racial slurs with and about customers in minority neighborhoods. Mary Wisniewski’s article in Industry News Magazine, (2003), writes, “A Chrysler (DCF) spokesperson publicly denied the charges. He was quoted to say ‘DaimlerChrysler is outraged by the allegations, and we deny each of them’ (1).”

Since the initial filing another very interesting development has occurred. According to an article written by Rick Popely of the Chicago Tribune (2003), “five of the eight claimants have come forward with indications that they wish to withdraw from the suit. At least two of these people have admitted under sworn
testimony that they actually lied on the loan application (1).” Certainly, Chrysler has completed an internal investigation on the facts and circumstances. A team of lawyers was likely dispatched to the Chicago area to investigate and ask questions. In a March 2003 article written by Al Swanson of UPI, Recent depositions taken from Chrysler executives have supported allegations of insensitive racial comments by insiders. This article also claims that at least one CFA executive has been fired (1-2). This case is ongoing and it is impossible to tell what the real facts are from the information available to us. It is likely that there is some merit to the allegations of racial slurs by DCF employees. It is also likely that there is some storytelling and fabrication going on with the claimants. This case presents the capricious nature of diversity management. It shows that people can and will use the principles of diversity and the legal system to achieve personal, social and or political gains.

Here too we have to consider the deeper issues. Career’s are on the line. Other people may in fact have been treated illegally by the Company. An out of court settlement with certain financial inducements is possible. Clearly people within the Company and have had to endure the pressure and stress of interrogation under oath. Interrogatories have no doubt been filed and answered. In this case, there is a strong likely hood that some of the charges are false. Clearly, this case is useful as it represents the worst side of workplace diversity.
Conclusion

The Case studies require one to consider the real impact of workplace diversity violations and their related investigations. They are not business as usual. They are traumatic and have a tendency to leave lasting impressions regarding one’s personal and professional capacities. Clearly they provide ample evidence that workplace diversity is an important business matter. Enterprise leaders are required to have knowledge and aptitude related to diversity management. People in all settings seek to associate themselves with others that believe, worship, speak and think alike. The business environment with United States of America is not unique in this fact of human nature. A review of demographic statistics from other nations provides ample evidence that we are not significantly different that other countries regarding differences among our population. However, our rich history based on the principles of equality, liberty, and freedom have in diversity a modern day equivalent.

It is certain that differences among people will continue as a workplace issue. Business managers will face new diversity management challenges. They must be equipped with sensitivity to the diversity challenges and the tools to respond appropriately to them. While diversity may be hard to define clearly it is not hard to understand. In fact, we have come to accept diversity as a business reality and have for some time. A manager is expected to have a grasp
on the basic parameters of workplace diversity. A manager is expected to have a basic understanding of the diversity risk factors. A manager is expected to understand the basic forms of workplace diversity. A manager is expected to have a grasp on the emerging demographic trends.

People armed with a basic historical framework regarding the evolution of workplace diversity in the United States, the knowledge of demographic and social trends and an awareness of current thinking on the topic, will be better prepared to manage. Diversity management skills and aptitudes are required in today’s work environment. All employers in the Country are subject to potential claims of workplace diversity violations. In the best of cases, these claims will lead to internal investigations and review. In the worst case, they will lead to multi-million dollar awards. Clearly, today’s managers have to have a keen awareness of current and emerging work place diversity matters.
Works Cited


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Appendices for

A Thesis entitled

Emerging Trends in Workforce Diversity

By

Eugene J. Bialy

Submitted as partial fulfillment of the requirements for

The Masters of Liberal Arts
Appendix “A”

A Thesis entitled
Emerging Trends in Workforce Diversity

By
Eugene J. Bialy
The ASSURE MODEL

Application Overview
for Thesis Project
A. Project outline

The goal of this project is to create an educational experience that increases both the knowledge base and appropriate behavior of the intended audience (the management employees of Diamond Electric Mfg., Inc.) regarding workplace diversity.

Following is a general outline of the instructional method used in the creation of the project.
A. Project outline

- The ASSURE Model
  - Method presented in several University of Toledo CIET classes
  - An instructional design methodology focused on learner participation and the proper application of media and advanced technology

Background on the Model

- ASSURE is an acronym (based on the steps of this design methodology.)
- Developed to incorporate Gagne's "events of instruction" concept
- Applies a systematic approach to instructional design
- Primary reference
Overview of the Model

- Analyze Learners
- State Objectives
- Select Media
- Utilize Media and Materials
- Require Learner Participation
- Evaluate and Revise

The ASSURE MODEL - step one

Analyze Learners (Assure)

- Understand the audience
- Ensure there is a match between the training content and learner interest/needs
- Lesson application to the learner

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Analyze Learners - Application

General Characteristics - “A”

- Management employees of Diamond Electric Manufacturing Co.
- 80% have college degrees
- 50% employed in Michigan
- 30% are engineers
- 50% employed in West Virginia
- 30% female
- Average age = 36
- 10% minority representation
- Prior complaints (minor)
  - females
  - disabled

Gene Bialy: List of attendees available

The ASSURE MODEL - step one

Analyze Learners - Specific entry competencies - “A”

- Received training in employment law
- Annual training in harassment and sexual harassment
- Annual evaluation and accountability for team member morale and productivity
- Training in policy administration
- No available objective measure of current level of understanding regarding diversity and related management responsibilities
Analyze Learners - Learning Styles - “A”

- Adult learners
- Short time availability
- Action not concept driven
- Training will conflict with production priorities
- Prefer short bursts of information followed by opportunity to apply
- Require connection to current job
- Need reason/motivation to apply learning

State Learning Objectives (aSSure)

- A clear and precise expression of the expected outcomes following the ABCD method.
  - A - Audience focused
  - B - Behavior based
  - C - Conditions
  - D - Degree
State Objectives - “S”

- Audience - Always specify who the objective is intended to apply to
  - In this project the audience will always be the Managers and supervisors working at Diamond Electric
  - The audience is located in two distinct locations. Geographic differences may need to be considered in conducting the actual training

- Learner behavior is stated in terms of tangible/measurable action items

Learning Objective #1 - “S”

- Given a list of four diversity risk factors, learners will provide (verbally or in writing) a practical example from contemporary workplace for any two of these and substantiate their examples with appropriate analysis given the material presented in this educational activity.
Learning Objective #2 - “S”

- Learners will review one of three different diversity management case studies and demonstrate the ability to link the case’s critical issues to at least four past events, US History, current US domestic business affairs, and contemporary social/political correlates as presented in this educational activity. Additionally, the learners will have to accurately identify and discuss at least one business risk factor and clearly identify the primary protected group involved as presented in this educational activity.

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The ASSURE MODEL - step two

Learning Objective # 3- “S”

- Learners will identify and describe (verbally or in writing) 5 traditional and 3 non-traditional protected groups as they relate to contemporary diversity management challenges as presented in this educational activity.

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Learning Objective #4 - “S”

Using the material presented learners will be able to create an essay that provides a clear analysis of the general workplace diversity parameters as presented in this educational activity.

Learning Objective #5 - “S”

Learners will relate in (verbal or written form) an ability to correctly identify and analyze two of the various forms of workplace diversity as presented in this educational activity.
Learning lesson # 6 - “S”

Using the material presented in this educational activity and any other personal or professional knowledge base, learners will provide an analysis of his her immediate work group and identify the basic diversity issues, including the following:

- list of protected groups represented by subordinates
- number one risk factor among the work group
- identification of possible emerging issues in the work group.
- potential consequences of this to the business

Select Media and Materials (assure)

I will ensure application of the 5-P model -

- Preview all media and references
- Prepare materials to provide to learners
- Prepare environment and “presentation room”
- Prepare learners
- Provide the learning experience
Materials List - “U”

Media to be applied in this educational activity are as follows:

- Company share drive address (intranet)
- Text material (handouts)
- External electronic references (links to web-pages)
- Various hardware - PC, Printer, LCD projector, projection screen
- Overhead projector
- Easel pads, markers, paper and pencil
- Audio cassette player for sound clips

Utilize Media and Materials (assUre)

Application of the 5-P model
- Preview
- Prepare materials
- Prepare environment
- Prepare learners
- Provide the learning experience

All action items are considerations required in the design and presentation of this educational experience.
The ASSURE MODEL - step four

Environment - “U”

- Expert facilitator required (train the trainer method)
- Facilitator will control the location and environment
- Hand distribution of written materials
- U shaped configuration tables to support interaction
- Break-out areas for group activity
- Facilitator will promote participation of all learners
- Presentation is designed to be dynamic with occasional changes in learning methods

The ASSURE MODEL - step five

Require learner participation

Participation technique # 1

- General discussion questions will used throughout this program to obtain learner participation and evaluate effectiveness of training.
The ASSURE MODEL - step five

Require learner participation

Participation technique # 2

- Game, “The Loaded Dice,” designed to surface issues of fairness in creating work rules.
  - 3 - 5 groups randomly selected
  - each group given a different number of die to use (4, 5 or 6)
  - object of the game is to achieve a match of the number 6 on all die’s provided
  - each person participates in order starting with team captain.
  - point is scored with a complete match on all die’s
  - game will last 3 - 5 minutes
  - team with most points will declared the winner and awarded a prize

The ASSURE MODEL - step five

Require learner participation

Participation technique # 3

- Small group discussion and analysis designed to get the learners to agree on a group definition of workplace diversity.
  - Divide into 3 groups and place each in a break out room
  - Group to elect spokesperson and recorder
  - 15 minutes to agree upon a 1 paragraph definition of workplace diversity
  - Re-configure full group and presentation various definitions
  - Full group discussion and voting on best definition (group members responsible are awarded prize)
Participation technique # 4

- Small group analysis of a contemporary workplace diversity issue as presented by the facilitator. Any 3 or more of the following could be assigned:
  - Review of the workplace diversity parameters and how they help us understand the topic.
  - Review of the workplace diversity risk factors and a discussion of how they might apply in their jobs.
  - Review of any one of the case studies provided with suitable analysis of protected groups and risk factors.
  - Review of any one historical event that contributes to contemporary workplace diversity.
  - Name and discuss 3 emerging trends in workplace diversity that are supported by changing US demographics.

The ASSURE MODEL - step five

Evaluate and revise (assurE)

Areas of evaluation:
- Presentation design and effectiveness
- Learner outcomes (related to objectives)
- Review of materials used
- Review of media used
- Review of content and e-based approach

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Evaluation of Learner - “E”

#1
From the following list of workplace diversity risk factors - litigation, career, employee moral and community relations, select two and provide your own analysis of each that correctly identifies one specific business concern as presented in the material covered in this program.

The ASSURE MODEL - step six

#2
Given the three case studies as covered in the presentation, learners will select one and provide an analysis of the case that includes to 100% accuracy
- identification of the primary protected group involved
- identification of the most critical business risk factor
- 3 key facts in the case study (company, primary issue, and outcome)
Evaluation of learner - "E"

■ # 3

Given the discussions of various traditional protected groups and emerging demographic trends as contained in this learning activity, learners will to 100% accuracy list/recite and describe five (3) traditional protected groups and three (2) emerging groups that would be entitled to protection under workplace diversity related laws or expected practices. It is required that each group be properly labeled as traditional or emerging.

The ASSURE MODEL - step six

Evaluation of learner - "E"

■ # 4

- Learners will (to 100% accuracy) list 5 of the workplace diversity factors listed in this program and provide a brief review of each.
Evaluation of learner - “E”

# 5
Learners will correctly identify two forms of workplace diversity as discussed in this educational program and provide a brief (50 words) overview of each.

# 6
Learners will identify their own work group and analyze this from a diversity perspective correctly identifying:
- the work group being evaluated
- the protected groups represented
- the number one workplace diversity risk factor present
- identification of two possible emerging diversity risk factors
- 1 positive and 1 negative potential business consequence
The ASSURE MODEL - step six

Evaluation of Learner Evaluation

“E”

■ Learner assessment of this educational experience
  • Distribute evaluation form to all participants
  • Achieve 80% satisfactory responses on post course content, presentation effectiveness, media and audience participation
  • Review and incorporate changes as required

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The ASSURE MODEL - step six

Evaluation of Learner Evaluation

“E”

■ Trainer/facilitator assessment of the educational experience
  • Did all learners participate in the activities and or discussion
  • Did the media used achieve the desired purpose
  • Did 100% of the learners provide satisfactory responses on post course evaluation
  • Did 100% of learners achieve satisfactory results on learner assessment activities.
  • Did the presentation effectiveness evaluation by learners provide improvement ideas
  • Review and incorporate program changes as required

4/23/2004 by g. bialy
Why the Assure Method?

- Ensure there is a match between the content and learner interest/needs
- Focus on the active participation of the learner
- Maximize the benefit of the training activity
- Proper application of media and technology
- Provides benefits in the business setting
Appendix “B”

A Thesis entitled

Emerging Trends in Workforce Diversity

By

Eugene J. Bialy
Emerging Trends in Workplace Diversity

A training and education program for management employees of Diamond Electric Manufacturing
Ice Breaker

- Would you be willing to bet $1,000,000 of your own money on an opportunity that has no gain against the risk that it is all lost to some person you don’t even know?

- As a manager we do a similar thing each day.

A high price to pay

- Missing a promotion
- Named in a law-suit
- Termination
- Professional embarrassment
- Public embarrassment
- Personal liability
The reality of a role in management is that a mistake in the area of workplace diversity management, harassment, abuse, unfair treatment or illegal discrimination could result in a threat to one’s career and earning power.

- Lose a promotion -
  - 20 YEARS * 5,000 = $100,000

- Lose your job
  - 20 years * 50,000 = $1,000,000
Learning Objectives

- Understanding of the critical workplace diversity business risks
- Review actual diversity management case studies
- Understand how US historical and contemporary social/political contribute to the current diversity debate
- Identify traditional and emerging protected groups regarding diversity
- Identify general parameters present in workplace diversity offenses
- Review and discuss various forms of workplace diversity
- Identify the protected groups encountered in our own workplace

The Learning Experience

- Frequent opportunity to have interchange and discussion
- Small group discussion and presentations
- Activities
- Common sense approach
- Focus on emerging diversity management trends
- Thought provoking contemporary topic

Even if it's not a picnic, we still should have fun.
Segment One

- A basic overview of workplace diversity

About Workplace Diversity

- An important management activity
- Widely misunderstood
- Ever expanding
- Linked to AAP/EEO
- Linked to inclusive/participate management
- May be on the verge of becoming the new Management craze
Workplace diversity

- A well established concept in business and among employers.
- It is not clear
- It is not easy to define
- It is constantly evolving

Segment One - Understanding Workplace Diversity

Traditional Protected Groups

A critical concept in diversity management

Traditional groups
- Race
- Gender
- Religious affiliation
- Handicapped
- National Origin
- Marital Status
- Pregnancy
- Age

Rule of thumb
- Not Caucasian
- Female
- Not Christian
- Impacts major life activity
- Outside USA
- Not married
- Pregnant / ready to adopt
- Over 40
Emerging Protected Groups
new ground in diversity management

Emerging groups
– Not English speaking
– Sexual orientation
– Single moms / parents
– Singles living at home
– Boomers, X’s and Y’s
– Aging Americans

Thought starters
– Growing Hispanic and Asian population
– Rights & benefits for same sex partners
– 25 - 30 % of new births in US
– Lifestyle choice issue
– Value centric differences
– Longer life expect. & under insurance

The Protected Group concept

Quasi legal
Linked to Equal Rights movements
Minority status based
Open to claims from all
Protected Groups at your workplace

- Open discussion - no naming of individuals
- Can you identify the protected groups in represented in your workplace?
  - Facilitator to record ideas
  - Can you accurately label each as traditional, protected or both?
  - Participants to agree how to classify

One way to look at Workplace Diversity

“Diversity includes everyone; it is not something that is defined by race or gender. It extends to age, persona and corporate background, education, function and personality. It includes lifestyle, sexual preference, geographic origin, tenure with the organization, exempt or non-exempt status, and management or non-management…. A commitment to diversity is a commitment to all employees, not an attempt at preferential treatment.”

Dr. R. Roosevelt Thomas Jr. - Beyond Race and Gender Handout.
Keys to the Thomas definition

- Applies beyond traditional groups
- Focus on inclusion
- Does not require preferential treatment
- Diversity as an idea
- Does not differentiate between general population and the workplace
- Not risk aversion focused
- Requires protected group identity

Idealistic approach -

- Typified in the Thomas definition
- General approach to the topic
- Diversity is an ideal to be achieved
- Diversity will bring organizational improvements in itself
- Summary
  - A workforce that is diverse in nature will represent the makeup of the community/customer base and this will translate into positive business results.
A different way to look at Workplace Diversity

Diversity bids us to think of America not as a single garment, but as divided up into separate groups — on the basis of race, ethnicity or sex for starters — some of which have historically enjoyed privileges that have been denied the others. Diversity, though, is more than a propensity to dwell on the separate threads that make up the social fabric. It is above all a political doctrine asserting that some social categories deserve compensatory privileges in light of the prejudicial ways in which members of these categories have been treated in the past and the disadvantages they continue to face. Diversity sees itself as a tool for knocking down the door to exclusive enclaves — colleges, workplaces, churches, organizations of all sorts — of the favored groups.

Dr. Peter Wood - Diversity the Invention of a Principle

Keys to Dr. Wood’s definition

- Applies beyond traditional groups
- Focus on identity by threads
- Require preferential treatment
- Diversity requires corrective action
- Do differentiate between the general population and the workplace
- Risk aversion focused
- Requires exclusive treatment
Practical / cynical approach -

- Typified in the Wood definition
- Specific remedial approach
- Diversity is a risk to be managed
- Diversity efforts will not necessarily achieve organizational improvements

**Summary**

- Workplace diversity requires an employer to divide and separate the employees into sub-groups that are linked by some minority status issue and to take specific action to ensure these groups are incorporated into the mainstream / correct past problems

The payoff -

**Wood and Thomas generally agree**

- Avoid litigation
- Maintain positive employee relations
- Good corporate citizenship
- Meet legal obligations
- Demonstrate personal leadership
- Comply with laws
- Workforce is representative of customers and community.
More about workplace diversity

- Two basic approaches to the topic reviewed
  - Ideal concept of workforce diversity
  - Practical application workforce diversity

- No clear standard except in the results achieved

Application exercise

- We are going to split the group into 3 small groups
  - Spokes person
  - Recorder
  - Develop your own definition of workplace diversity to present to the full group
  - 20 minutes discussion
  - 3 minutes to present

- Diversity management competence - Understand diversity
  - Learn from one another
  - Experts can provide guidance
End of Segment one-

Segment Two -

Diversity a workplace perspective
Overview of Segment Two

- Ideological foundations
- The business justification
- General parameters
- Emerging trends / demographics
- General parameters

Dr. Peter Wood writes

- “Perhaps, diversity is a principle, in the same manner that Americans commonly understand freedom and equality as principles”

Diversity, The Invention of a Concept

The ideology of diversity

- Dr. Peter Wood writes
- General discussion

- Do you agree or disagree with what Dr. Wood has written?
- How is diversity similar to freedom and equality?
- How is diversity different than freedom and equality?
- What application does the two exercises have to the workplace?
Dr. Thomas ideology

- Achieve full participation of the workforce
- Inclusion is a good thing in the workplace
- Participation = business results

Would you allow an employee to
- harass another who was disabled?
- call another by unpleasant names?
- escape doing a job based on a lifestyle choice?

- The answer is no to all above questions
- Workplace diversity concerns are common

Common in the workplace
A realistic fear of diversity?

- Illusive principle
- Evolving idea
- Subjective
- No clear definitions
- Variable application
- Can be used to harm management
- Subject to litigation

Unclear rules for diversity

- Can be considered a national principle but……
  - Very individualized
  - No clear standard of acceptability
  - Variable application
    - workplace
    - church
    - social setting
    - family dinner
    - school
Recognizing workplace diversity

General Parameters
- Normally occurs at work
- Illusive principle
- Evolving idea
- Subjective application
- No clear definitions / standards
- Variable application
- Supported by ideological arguments
- Subject to litigation
- Applies to a member(s) of protected group
- Someone is offended

Expansion of the concept

Technological expansion
- High skilled jobs to replace low skill jobs
- New products and advancements with old products
- Loss of unskilled jobs / pressure on labor costs
- High skilled jobs to highly educated countries
- Ability to learn will become a factors in hiring
- Technological advancements will increase productivity
Expanding coverage issues

• Immigration and political forces
  • Expanding minority composition of the workforce
    – Growing Asian population
    – Growing Hispanic population
    – Low birth rates among WASP segment
    – Sexual orientation as a protected group
    – Growing female workforce
    – Aging of the workforce
    – Shrinking white male dominance in numbers

Emerging economic and political forces

Where they are

• China
• Former Soviet Union
• South America
• Eastern Bloc
  Europe

• Impacts
  – Location decisions
  – Labor cost advantages
  – Markets to sell goods
  – Constraints from competition
Emerging demographics

- More women in the workforce
- Redefinition of racial minority
- Changing religious groups
- Lifestyle issues
- Generation identity
- Aging population
- Expansion of diversity related litigation
- Ongoing need to re-define diversity

Older workers emerge

Aging of the population and workforce

- Boomers continue to have political power
- Demands for goods and services by elderly
- Need to remain in the workforce
  - Benefits
  - Income
  - Socialization
Emerging demographic trends

Small group activity -
3 groups & 10 - 15 minutes
Review the information contained in the handout on changing demographics
What other changes can we predict in the workplace based on the information presented?
  • In small groups make a list of as many new workplace diversity issues as possible or consider where emerging business needs and emerging demographics and economic forces may generate new synergies?
  – Take 5 minutes to de-brief and answer questions

Emerging demographic trends

Ongoing need to re-define diversity - open discussion
  • When / will males will become a minority group?
  • What groups will emerge as majority / main stream?
  • Will the aging population impact age discrimination protections?
  • Do you agree that Workplace Diversity is an American principle?
End of segment 2

Emerging Trends in Workplace Diversity - 10 minute break

Segment Three -

Workplace Diversity Risk Factors
What we will cover -

- Litigation
- Operations
- Career considerations
- Employee morale
- Community Image
- Possibility of government intervention

Risk Factors

Litigation

- Individual law suit
- Class action law suit
- Complaint to State Civil Rights / Human Affairs
- Complaint to local government
- EEOC Hearing
Hmmm - Game

**Workplace Diversity**

- Fairness and employee morale - 5 minutes
  - divide into teams of 4 - 5 people
  - each team given a set of dice
  - object is to score a point by completing a full showing of 6 on each die
  - each person participates in sequence by throwing dice
    - not showing 6
  - once all dice show 6 a point is scored
  - next throw starts sequence over
  - keep track of points
  - winning team gets a prize

**Workplace Diversity**

- De-briefing
  - Record scores
  - Award prize
  - Obtain any comments about the game

Hmmm - Game

- Obtain any comments about the game
  - should hear complaints about
    - unfair rules
    - loaded dice
    - unfair objectives
  - Lessons learned

Segment Three - Risk Factors

Segment Three - Risk Factors
Risk factors - discussion

- Management of daily issues (such as fairness) is critical in mitigation of diversity risk
- Can you name other daily issues we encounter that impact risk?

Operations Risk

- By a show of hands do you agree with the following statements about unhappy employees. They are:
  - less productive
  - absent from work more often
  - more likely to complain
  - more likely to have quality
  - more likely to have accidents at work
  - more likely to have trouble getting along with others
Critical assumptions

- The Thomas definition assumes a link between diversity and employee moral.
- Another assumption is that happy employees are more productive.

Conclusion

- An enterprise's operational success is linked to the way its management approaches workplace diversity

Group Discussion

- Is it correct to make a correlation between diversity management and operations?
- Support your position with evidence?
Government intervention

- The various enforcement agencies have the power to require an employer to take action to correct current and past problems
  - reinstatement of a terminated employee
  - back pay
  - front pay
  - imposition of specific standards
  - fines
  - submission to ongoing audits and reviews

The risk of good relations

- With the community
  - perception of the company could be enhanced / negatively impacted
  - perception of the values and professionalism of the management team would be effected
The risk of good relations

With employees
- incorporation of diversity based ideas could work for or against the employer
- failure to treat one group of people fairly may result in the assumption that others could be treated unfairly
- recognition of certain lifestyle/value based issues could fuel workplace conflict
- failure to manage this could result in a union campaign

Historical and cultural Lineage

Mitigating risks
- Good community and employee relations requires that an employer/managers operate within prevailing accepted practices.
- We need to understand the origins of these practices to fully appreciate the emerging diversity issues.
Historical / cultural lineage

- A brief review of the following will help
  - The American Melting Pot and Industrial Revolution
  - Social Movements of 1960’s & 70’s
  - Lifestyle choice issues
  - Post 1960 Government involvement in diversity
    - legislation
    - court cases
    - enforcement agencies

American melting pot fact or myth?

*E Pluribus Unum* (One out of many)
- Contained on the Great Seal of the US
- A common expression of our nations stance on diversity

*The Statue of Liberty*
- “Give me your tired, your poor, Your huddled masses yearning to be free...”
American melting pot fact or myth?

• Between 1901 and 1910, 8,795,000 immigrants entered the U.S.
• There were 528,000 immigrants between 1931 and 1940,
• During the first 90 years of the 20th Century, the U.S. accepted almost 38 million immigrants.
• It is anticipated that in 2004 the USA will continue to receive new immigrants at a strong pace.

Source -The U.S. Immigration and Naturalization Service

Diversity composition of the USA?

– The population of the US includes
  » concentration of 5 racial groupings
  » 84% are Christians
  » members of Jewish, Shinto, Muslim and other non-Christian religion
  » High concentration of people with ancestral links to other nations.
– This constitutes a very diverse population
How do we compare?

- Canada, Brazil, Australia, Mexico have concentrations of several racial groupings
- Religious diversity is common to India, The Philippines, Thailand, England, Canada and Germany

- A deeper look into recent events show that Iraq and the Balkans have great diversity in their population
- Discussions with people in other nations (Honduras, Mexico, Philippians, Japan and South Africa) indicate that sub-racial groups also contribute to diversity concerns
- Many will tell you that the nature of humanity is diverse
American melting pot fact or myth?

• We are diverse
  – racial composition
  – religious groups
  – national heritage
  – in various age / generation groupings
  – lifestyle choices and values
• But so are other nations
• The melting pot is a fact
• A history of diversity as a core National value

Key social movements of the 1960’s and 70’s

• Civil Rights Movement
  – linked to Civil Rights act of 1964
  – leaders
  – early issues
  – current issues and membership
• Women’s Rights Movement
  – linked to WW2
  – leaders
  – early issues
  – current issues and membership
• The Youth Movement
  - The boomers
  - Non-standard lifestyles
Historical and cultural lineage

- Post 1960 Government involvement in diversity
  - Brown Vs Board of Education
  - Civil Rights act 1964
  - EEO/Affirmative action requirements
    - Age protection
    - Women’s rights / Pregnancy
    - American’s with disabilities

Emerging Issues

- Lifestyle choice issues
  - Gay rights movement
  - Same sex benefits
  - Single parenting
- Can you think of others?
Management Reality

- Past history provides evidence that workplace diversity is here to stay
  - as the definition of diversity expands so will the people seeking protection
  - the government will continue to support diversity protections
  - managers will be required to deal with diversity issues effectively
  - million dollar awards/fines will continue

The career risk

- Certainly on clear measure of a manager’s capability is his/her ability to get others to work productively.
  - Factors to consider
    - insensitivity will cause problems
    - a proven charge against a manager will limit career choices
    - a manager who gains the respect and support of the staff will perform above those who don’t
Forms of workplace diversity

• Supplier diversity
• Employment and placement
  – Pay and benefits
  – Employee development / promotion
  – Hostile work environment
• Diversity in advertising and marketing

Supplier Diversity -

• Many large and multi-national firms have adopted supplier diversity programs to encourage / force their suppliers to place business with minority owned companies
Supplier Diversity

- A look at two large businesses
- Neither company is US owned
- One program began under US ownership.

Supplier diversity at Toyota & Chrysler (DCA)

Requirements
- Serious effort last 18 months
- Minority suppliers should = a minimum of 7% of supplier sales
- Suppliers should encourage its suppliers to place business with minority owned firms

Promotion of
- Annual Supplier conferences
- Minority supplier forums
- Expectation presented to various support groups (HR, Purchasing and Executive)
- Incorporated into bid system for new products
Minority owned business

- Supplier diversity limitations
  - Black
  - Hispanic
  - Female
  - Disabled
- We can predict that this will change with emerging political and social events

Supplier diversity at DCA and Toyota

- Requirements
  - Relatively new programs
  - Minority suppliers should = a minimum of 6%-7% of sales
  - Suppliers should encourage its suppliers to place business with minority owned firms
Supplier diversity at DCA and Toyota

- Annual Supplier conferences
- Minority supplier forums
- Incorporated into bid system for new products
- Incorporated into supplier evaluation
- Minority supplier certification

How suppliers respond

- Qualify potential suppliers as minority owned
- Outsource business directly to minority suppliers
- Outsource business indirectly to minority suppliers
- Replace non-minority suppliers with minority suppliers
- Disregard the requirements
Diversity in employment

- Promotions
- Recruiting and selection
- Training and development
- Compensation

Promotions

- Proof that decisions are based on legal consideration
- Factual evidence of diversity sensitivity
- Avoid the buddy system
Recruiting and selection

- Proof that decisions are based on legal consideration
- Factual evidence of diversity sensitivity
- Advertising void of diversity bias
- EEO reporting
- Avoid the buddy system

Considerations

- Two people are competing for the same promotion. One a female is in the same classification but on a different shift. The other a male is the back-up on the same shift.
- What are the diversity considerations?
Training and development

- Proof that decisions are based on legal consideration
- Equal access to training and development opportunity
- Training material that is void of diversity bias

Considerations

- Two employees are competing to get into a management training program offered on the afternoon shift only. Furthermore, longer service employees are mostly men and on days while shorter service employees (higher in females and minority representation) are on the afternoon shift?
- What are the potential diversity management issues?
Compensation

• Proof that wage level decisions are based on legal consideration
• Equal access to benefits regardless of affiliation (certain legal restrictions excepted)
• Written documentation that is void of diversity bias
• Complaint driven / EEO reporting
• Pay equity issues

Considerations

• A male supervisory employee generates another job offer but will stay if his compensation is increased to match the offer.
  – Are potential diversity issues presented?
  – What are the other potential management issues?
End of segment 4

Forms of Workplace Diversity

Segment Five -

Application and Case Studies
Approach

- Each participant to be assigned to a group
- Groups assigned to review and analyze material
  - select a spokesperson
  - prepare a 5 minute summary of the situation
  - field questions

Group 1 - Activity

- Consider the following questions
  - how will the emerging trends impact pay for low skill manufacturing jobs?
  - how will the emerging trends impact managers in the future
- Limit your presentation to 5 - 8 ideas from discussions (easel pad)
- elect a spokesperson to report findings and answer questions from full group.
Remaining Groups

- Case Studies
  - 1. Chrysler Financial
  - 2. Mitsubishi
  - 3. Prudential Financial
  - Split into 3 groups for discussion
    - Select spokesperson
    - 5 minute presentations to the full group
      - What was the problem
      - What were the main issues
      - Lessons for management

Review of key points - briefing

- Prudential Financial
  - The company has taken a aggressive position regarding diversity management and integrated this into all aspects of its business.
  - Ongoing case
Review of key points - briefing

- Mitsubishi Motors
  - the company was found guilty of creating a hostile work environment that resulted in extensive harassment of female employees.
  - Class action lawsuit
  - Settled June 1998

- Chrysler Financial
  - the company allegedly denied credit to members of minority groups resulting in a racial discrimination lawsuit.
  - Ongoing case
Review of key points - debriefing

- Program review group
- Case study groups
- General discussion
- Questions

Summary of key points

- Diversity is difficult to define but generally well understood
- It is a reality of business life
- Demographic trends indicate significant workforce changes
Summary of key points

Emerging issues will make workplace diversity more complex.

Key risk factors:
- Career
- Employee relations
- Litigation
- Government interference
- Image

Forms of workplace diversity include:
- Supplier diversity
- Mission statements
- Employment considerations
  - Job assignments
  - Pay and benefit issues
  - Access to training opportunities
Questions or comments

• Take time to complete program evaluation form

End of Program

Emerging Trends in Workplace Diversity