
Thomas Köllen

**Diversity Management – A Critical Review and Agenda for the Future**

**Abstract.** Although a widespread management approach, diversity management is far from being a well-defined and unambiguous one. This article outlines how this management practice emerged, and how it is enacted, and it identifies and critically discusses the two crucial areas of dissent or ambivalence within the diversity management discourse: firstly, the *dimensionality* of diversity management, and secondly, its *legitimacy*. The first issue addresses the prioritization of certain dimensions, the difficulty of clearly demarcating one dimension from another, and the unequal consideration of specific manifestations of each dimension. Taking into account the fact that everyone embodies at least one manifestation of every dimension of diversity, the aspect of intersectionality also belongs to the *dimensionality* of diversity. The *legitimacy* issue includes legitimate starting points, operating ranges, and desired outcomes of diversity management practices. The article concludes by looking towards possible future directions in diversity management research and diversity management practice.
Introduction: How Did Diversity Management Emerge?

Today, the concept of *diversity management* is a widespread management approach in most industrialized countries of the West (Syed & Özbilgin, 2009), as well as in many emerging economies (Nkomo, du Plessis, Haq, & du Plessis, 2015). Historically this concept emerged in the USA as a kind of replacement for, and reframing of, the earlier affirmative action programs (Kelly & Dobbin, 1998; Oppenheimer, 2016), which, until the 1980s, aimed primarily at promoting the employment and career development of black (and later, female) employees within the USA. Introduced as a way of combatting racial and gender discrimination within government agencies and, later on, in certain private companies, it started to lose political support in the 1980s (Beckwith & Jones, 1997; Clayton & Crosby, 1992; Garrison & Modigliani, 1994). This paved the way for diversity management to start taking its place, although with a change of perspective (Edelman, Riggs Fuller, & Mara-Drita, 2001; Kelly & Dobbin, 1998). Affirmative action aimed at remedying the tendency toward horizontal and vertical segregation within workplaces (and with it, in the US labour force as a whole). This segregation was largely based on the skin colour and sex of employees, and affirmative action identified the underlying mechanisms of inclusion and exclusion here as being discriminatory against female and black employees (Reskin, 1993, 1998). Combatting discrimination through fostering equal treatment or affording equal opportunities, and striving for equality, was seen as an end in itself, and a seemingly morally praiseworthy one at that (T. H. Anderson, 2004). Diversity management did not completely distance itself from the professed morality of striving for equality, but equality here had more the status of a desirable, unquestioned, and welcome side-effect of its anticipated economic impact (Agócs & Burr, 1996). The main focus of diversity management was, and continues to be, the economic benefit that is assumed to be inherent in a diverse workforce being ‘unharmed’ by the practice of segregating hierarchies within the different dimensions of workforce diversity (Gilbert, Stead, & Ivancevich, 1999).
Furthermore, diversity management, at least conceptually, does not restrict itself to the dimensions of sex (or gender) and race, but is open to any category or trait that people share with certain other individuals, which makes them, as a group, differ from other individuals (Gardenswartz & Rowe, 1998; Klarsfeld, Ng, Booysen, Christiansen, & Kuyaas, 2016). However, in diversity practice and research, the categories of gender and race are still predominant (the latter mainly in US American contexts) (e.g. Herring, 2009). That said, other dimensions have gained more and more visibility in the last decade, such as age, ethnicity, disability status, and religion. Furthermore, dimensions such as sexual orientation and gender identity are no longer treated as gingerly as they once were, although the latter, especially, is only barely visible within the diversity discourse (Barak, 1999; Qin, Muenjohn, & Chhetri, 2014; Sabharwal, Levine, & D’Agostino, 2016).

Diversity management can be seen as a kind – or a facet – of human resource management (Mathews, 1998; Shen, Chanda, D’Netto, & Monga, 2009); and its global diffusion has many things in common with the global diffusion of human resource management in general (Reichel, 2015, p. 2; Schuler & Jackson, 2005). Having emerged in the US, diversity management first spread to the industrialized countries of the Anglosphere. It then arrived in Continental Europe around the turn of the millennium (Klarsfeld, Ng, & Tatli, 2012; Süß, 2008) through subsidiaries of bigger American (or British) companies (such as Ford, BP and Shell) (e.g. Egan & Bendick, 2003; Ferner, Almond, & Colling, 2005), or through European companies with big subsidiaries in the US (such as Deutsche Bank) (Wolff, 2006). A mere couple of years later, the first Latin America companies began to implement diversity management approaches of some kind, with most of these companies being multinational ones (Chiappetta Jabbour, de Oliveira, Battistelle, Martinez, & Gordono, 2011; Raineri, 2018). The same holds true for many Asian countries (Mackie, Okano, & Rawstron, 2014; Thomson, Wei, & Swallow, 2019; Wang & McLean, 2016), and some African countries (Akobo & Damisah, 2018).
At the outset – especially in the Western industrialized countries – there were only a handful of sizeable and profit-oriented companies which implemented a diversity management approach (Point & Singh, 2003); today, however, the practice has been adopted by an increasing number of organizations, such as trade unions, public authorities (including territorial authorities), associations, etc. (e.g. Klarsfeld et al., 2016; Rice, 2010; Stringfellow, 2012). Varying macro-contextual determinants - such as legal framework, demography, socio-political factors, and specific history - shape the diversity-related issues of hierarchization and marginalization within given workforces in each country in different ways (Syed & Özbilgin, 2009). However, the designs of the diversity management practices enacted in various national settings, as well as their underlying legitimizing rationales, are often quite similar.

The Shape of Diversity Management Practices

Diversity management practices deal with two distinct but interrelated challenges or questions. On the one hand, where diversity is seen as a desirable state per se, diversity management has to implement measures that will make the workforce of an organization more diverse. On the other hand, if the diverse structure of the workforce is seen as a given point of departure (no matter whether this is a result of previously enacted initiatives or not), diversity management has to address the question of how to make the workplace as inclusive as possible for this already extant diversity. The issue of maintaining an organization’s diversity combines both questions. However, the perspectives of organisations on these issues can vary. A given organization might attach more importance to attracting more diversity over ameliorating its working conditions, or vice versa. Furthermore, specific diversity initiatives can have an impact on both issues.

Diversity management practices that are primarily related to the degree of diversity within the workforce are those related to the recruiting process. These practices can include targeted
diversity recruiting, initiatives to reach potential candidates from the desired recruitment pool (Avery & McKay, 2006; McKay & Avery, 2005), or the creation of incentives for the recruiter, to encourage the recruitment of diverse employees (Tipper, 2004). Diversity recruiting is of particular importance for organizations which operate in national contexts, where quotas are legally prescribed (see e.g. da Silva Martins, Medeiros, & Nascimento, 2004; Thomas, 2002). As the diversity image of a potential employer – or its reputation for inclusiveness – can be an important decision-making criterion for many minority candidates who consider applying for a given job (Avery & McKay, 2006; E. S. W. Ng & Burke, 2005), diversity-related employer branding is also part of those activities that seek to attract and retain a diverse workforce (Edwards & Kelan, 2011). If, however, this image is not merely the result of a communication strategy, but also a result of a positive and supportive diversity climate within the organization, employer-branding strategies are closely related to those practices that seek to make the organization inclusive for the diversity that already exists within it.

Another widespread practice of this second group of diversity management initiatives is diversity training. This training, which may take a number of forms, aims at raising the awareness of managers or employees in terms of what stereotype-based diversity-related biases might exist and, thus, at facilitating intergroup relations within the workforce (Alhejji, Garavan, Carbery, O'Brien, & McGuire, 2016; Pendry, Driscoll, & Field, 2007). Globally, many organizations have established mentoring programs for women, minority employees, or other potentially disadvantaged groups, as one pillar of their diversity management approaches. These programs aim at providing these groups with resources for their career progress; the same resources to which is it assumed that members of more privileged groups can more easily gain assess, such as specific internal knowledge and networks (Clutterbuck, Poulsen, & Kochan, 2012; Clutterbuck & Ragins, 2002). The same rationale is behind the diversity management practice of establishing employee network affinity groups. These voluntary networks are mostly
open to specific minority employees or women, such as LGBT networks, or networks for certain ethnic groups or religions. One goal of these networks is to provide their members with a “safe haven”, and with the same resources that mentoring programs do. However, these networks also help to make minorities and women visible within the organization, and to give them a voice. Sometimes, such networks may also help organizations in reaching a diverse customer base, or diverse job candidates, or they may take on other diversity-related responsibilities within the organizations. Indicative of this role and its assumed economic value for the organization, is the labelling of such networks as “employee resource groups” (Douglas, 2008; McFadden & Crowley-Henry, 2018; Welbourne, Rolf, & Schlachter, 2015). Although not necessarily related to diversity issues, organizations will frequently integrate initiatives into their diversity approaches that aim at supporting their employees in managing their work/life interface more effectively. These work/life balance-related initiatives often attempt to facilitate the reconciling of caring responsibilities with work. As these responsibilities are, in general, more often taken on by women than by men, this can become a gender issue, and therefore a diversity issue. The most common practices of this kind are flexible working hours, job-sharing, and childcare provisions (Chung & van der Lippe, 2019; Doherty, 2004).

Although most research on diversity management practices reflects the American context, or the context of other countries in the Anglosphere (Konrad, Yang, & Maurer, 2016), globally the shape of these practices does not diverge significantly (Klarsfeld, Booysen, Ng, Roper, & Tatli, 2014). Gitzi and Köllen (2006) classified seven categories of diversity management practices that are most important in the Austrian and German context, and which reflect this similarity. These are as follows: 1. Work/life balance measures; 2. Employee networks around certain diversity categories; 3. The empowerment of individual members of disadvantaged groups (e.g. through mentoring or training); 4. Corporate guidelines and behaviour policies (e.g. non-discrimination policies); 5. Awareness building (e.g. training or information campaigns);
6. Reintegration after (e.g. parental) leave or sabbaticals, 7. Sponsoring and target group marketing (e.g. for lesbians and gays, or for certain nationalities/ethnicities) (Gitzi & Köllen, 2006). Klarsfeld (2009) confirms the resemblance of the shape of organizations’ diversity programmes for the French context, and Jabbour (2011) does so for the Brazilian context. However, even though the practices may be of a similar type, there are differences in how diversity is dimensionalized in different national contexts. Different legal frameworks in different countries may result in specific dimensions of workforce diversity in organizational diversity management programmes being emphasized, and others being neglected.

Tatli (2011) demonstrates that most organizations in the UK have already implemented diversity practices, or intend to do so imminently, in order to ensure legal compliance. Every EU member state, including the UK, was obliged to enact laws in response to EU directives 2000/43 and 2000/78, which, with reference to article 13 of the Amsterdam Treaty, prohibited discrimination in employment and occupation on the grounds of race and ethnicity (2000/43), and religion or belief, disability, age, or sexual orientation (2000/78) (Bell, 2008). Gender had already been protected in this context by previous European legislation, and initiatives from the 1970s onwards (Rubery, 2002); adding this to the list of protected grounds of discrimination above, determines the dimensions of diversity that must be addressed by organizations, in order to ensure legal compliance in the European context.

In the USA, Executive Order 10925, from 1961, set, at least partially, the agenda for today’s diversity management programmes amongst US organizations. This directive required government contractors to:

“not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without
regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship” (EO_10925, 1961).

Only 3 years later, Title VII of the Civil Rights Act of 1964 broadened the dimensional focus by explicitly prohibiting employment discrimination based on race, color, religion, sex and national origin. As the legal pressure – and with it the pressure for compliance - decreased in the 1980s, most companies nevertheless continued to formally implement these procedures. Very simply, they merely added a business perspective to the anti-discriminatory one already in place, and began to refer to these practices as ‘diversity management’ (Kelly & Dobbin, 1998). Nevertheless, the dimensionality of most diversity initiatives was determined through anti-discrimination and equal opportunities legislation. This was not only the case in the EU or the US, but globally (Klarsfeld et al., 2014).

Legislation, however, only sets a minimum standard (Ross & Schneider, 1992, p. 3), although it undoubtedly plays an important part in determining which dimensions of diversity are considered in a given legal context. There remains ample scope for organizations to set priorities within this framework, and these priorities differ from country to country. In the US, although the diversity programs of many organizations cover a much broader range of dimensions, the dimensions most frequently considered are those of race/colour and gender/sex (e.g. Herring, 2009; Pitts, 2009). As a further example, German companies, too, perceive gender as being the most relevant category within their diversity programs, followed by language, disability status, and age. Here race is the second least important dimension, just before sexual orientation. In the future, it is supposed that ‘age’ will be the most relevant diversity category (Süß, 2008). This seems to be in line, more or less, with the status quo in other European
countries (Point & Singh, 2003). The focus of diversity management practices in Brazil, however, is primarily on race, followed by disability. Some organizations also consider gender (Chiappetta Jabbour et al., 2011, p. 72). Other Latin American countries seem to have similar foci (Raineri, 2018). Chinese diversity management practices put an emphasis on gender and residential status, followed by racial and ethnic differences (Thomson et al., 2019). Gender is also the focus of Japanese diversity management practices (Kemper, Bader, & Froese, 2016).

Diversity management is some way from being a well-defined and unambiguous management approach, and it is questionable as to whether this can change in the future (Risberg & Just, 2015). The next section identifies and discusses two crucial areas of dissent or ambivalence within the diversity discourse. Firstly, the **dimensionality** of diversity and related prioritization, as well as different assumptions as to what manifestations dimensions comprise in concrete terms, and how they are interrelated; Secondly, the **legitimacy** of diversity management, and within this, the identification of legitimate starting points, operating ranges, and desired outcomes.

**Crucial Areas of Dissent and Ambivalence in Diversity Management**

**The dimensionality of diversity management**

When talking about diversity it is important to mention that, at least conceptually, there are an infinite number of dimensions of diversity (e.g. Prasad & Mills, 1997). Diversity can include any dimension (or category) whereby people share a specific manifestation of that dimension with one another, or, conversely, whereby people differ from one another in terms of a specific manifestation of the dimension. This is important, as in different settings (or contexts) different dimensions might be crucial for processes of inclusion, exclusion, and related hierarchization (Shore et al., 2011). However, within both the academic and the practical discourse on diversity
and diversity management, the potentially infinite number of dimensions is usually reduced to a few. One reason for this narrowing of the focus can be found in the varying power and strengths of the various social movements that promoted and still do promote the inclusion of specific dimensions in specific national contexts. These movements are often also the driving force behind the change of legislation. Plummer (2003, pp. 25-29) coined the term “Big 8”, which means that, in a US American context, diversity management more or less exclusively focuses on eight dimensions: age, ethnicity/nationality, gender, mental/physical ability, organizational role/function, race, religion, and sexual orientation. However, out of these dimensions, gender and race are still the two which receive the most focus in the US. In terms of gender, the same holds true for most other parts of the world (Krell, 2014; Mahapatro, 2014). However, the understanding of the concept of ‘race’ differs between countries, as does the understanding of how this category is related to other concepts that reflect the origin, heritage, or ancestry of employees. With a focus on these two dimensions of gender and race, the ambiguities of diversity management in terms of its dimensionality will be critically discussed in the next section, through the aspects of selectivity & prioritization and intersectionality.

Selectivity and prioritization. The prioritization of the diversity dimension of gender in international diversity management practice and research points to a crucial facet of complexity that is related to the dimensionality of diversity management: the issue of prioritizing certain dimensions, and the difficulty of clearly demarcating one dimension from another. Related to the latter point are the definitions of those manifestations of each dimension that are accepted as being relevant or legitimate. Both issues combine in the dimension of ‘gender’.

Gender, sex, gender identity, and diversity management. Nowadays, it is common practice in social science to distinguish between gender and sex, when speaking about men and women.
This makes it possible to differentiate between the cultural, socially constructed aspect of being either a man or a woman (i.e. gender), and its bodily, biological aspect (i.e. sex) (Gatens, 1983; Oakley, 1972). Compared to other dimensions of workforce diversity, this terminological distinction is unique, and has enabled the weakening of biology-based explanatory models for male or female behavior, or sex-specific role expectations. Having eschewed this essentialist and biologist ‘ballast’, as it were, gender research can focus on processes that socially produce women and men, or masculinity and femininity (Lips, 2001; Lorber & Farrell, 1991). However, diversity research and diversity management practice tend to adhere to a binary model of both two genders, and two sexes. Although the concept of gender leaves open the possibility of questioning the dichotomy of male versus female, this very rarely happens in diversity management research (see e.g. Bendl, Fleischmann, & Hofmann, 2009), and even less frequently in diversity management practice. This dichotomy regarding gender is, in fact, often reinforced by the fact that the terms ‘gender’ and ‘sex’ are very often used interchangeably and, especially in management practice, gender initiatives often aim at supporting biological women, or redistributing resources between two biological sexes. The danger of weakening the starting point for these practices of redistribution, i.e. the clear distinction between men and women (or femininity and masculinity), can be seen as one reason for the still-prevalent marginalization of two phenomena within the discourse on diversity management: intersexuality and transgenderism (Köllen, 2016)

Trans-persons perceive a mismatch between their biological sex and their gender identity, and different ways and degrees exist of adjusting their gender presentation to their gender identity. Intersex persons possess sex characteristics that do not correspond with the ones of the dichotomous approach of clearly distinguishing between being male or female. Therefore, both phenomena belong to the diversity dimension of ‘gender/sex’. However, in practice, if, indeed, they are mentioned at all, they are usually shunted into a dimension where they are grouped
together with sexual orientation. This happens, for example, through utilizing the initialisms LGBT (lesbian, gay, bisexual, transgender) or LGBTI (I = intersex) (e.g. Chuang, Church, & Hu, 2016). As intersexuality and transgenderism are not sexual orientations, this mostly cements their marginalized and neglected status (Sawyer, Thoroughgood, & Webster, 2016). Nevertheless, many countries have a legal protection against sexual orientation and gender identity discrimination in the workplace (Lau, 2018), e.g., in the case of the US, through the nascent extension of the meaning of ‘sex’ protected by Title VII, towards these dimensions (Muñoz & Kalteux, 2016). Furthermore, there are some prominent examples of companies, which have integrated gender identity into their diversity programs, e.g. SAP (Martins et al., 2016). In the USA particularly – in the wake of what the CNN News editor Brandon Griggs called “America’s transgender moment” (Griggs, 2015) – many companies have openly taken action to support and protect their transgender employees (R. T. Anderson, 2018). However, globally the consideration of ‘gender identity’ in organizational diversity programs is still the exception rather than the rule (Köllen, 2016).

The discussion as to in which dimension of diversity transgenderism should be placed (given that it is one kind of gender identity, alongside cisgenderism), and in which dimension intersexuality should be placed (given that this is a broad spectrum of manifestations of the individual’s biological sex), is merely one approach to these phenomena. Conversely, another approach is to label both phenomena as dimensions in and of themselves, without perforce having to discuss with which other phenomena they should be grouped, and which priorities are set within these groups. Questioning why there are so few organizations that integrate these issues into their diversity approaches would then lead to the issues of priorities that are set. For example, not perceiving the dimension of ‘gender identity’ as being a relevant issue in the workplace might, for example, be rooted in the fact that there are ‘only’ a handful of employees who do not have a cisgender identity (as the privileged manifestation), whereas (as an example)
there are, in contrast, a large number of employees who have a migratory background (as one non-privileged manifestation, in terms of origin). This leads to another complex and ambiguous field within the diversity management discourse: the question of how to deal with, and how to conceptually address, the origin and heritage of employees.

**Origin, heritage, ancestry.** Within the discourse on diversity management the category of the origin, heritage, or ancestry of employees is addressed by the dimensions of race, ethnicity, national origin, and nationality. Moreover, it is often closely related to the dimension of religion, as a specific origin may often go hand in hand with a specific religion (see e.g. Baumann, 1999; Hastings, 1997). However, most research on origin-based marginalization or hierarchization in the workplace refers to the concept of racism, and its related terminology (e.g. Neville, Forrester, O'Toole, & Riding, online first; Trenerry & Paradies, 2012). The reason that race has an enormous significance in the US discourse on diversity management is the country’s colonial past, with the displacement of its remaining indigenous inhabitants, its colonization by settlers from Europe, and the Atlantic slave trade, which brought millions of enslaved Africans (mainly West Africans) to North America (Forbes, 2009; McCarthy, 2002). As a consequence, the US nowadays has a racially more diverse population than most European countries. Given the fact that US society is partially still hierarchically structured, in terms of the different races (Martin, 1991), the predominance of race amongst the origin-related dimensions of diversity becomes understandable here. The situation in Brazil, in terms of its colonial past and present racial diversity, is comparable with that in the US. However, unlike the US (or, indeed, South Africa), Brazil tends to apply more phenotypical distinctions between ‘races’, rather than ones related to heritage or ancestry. This includes regional and situational differences, and the rather fluid drawing of lines of demarcation between ‘races’, such as black [preto], brown [pardo] or white [branco] (Hanchard, 1999). This fluid demarcation thus
comprises many nuances of skin colour, and therefore gives rise to complex nuances of colour-related privileges (da Silva Martins et al., 2004).

The demarcation lines between the concepts of race and ethnicity are, however, somewhat blurred. In the US context this can be illustrated through the different classifications of being ‘Latino/Latina’ (or ‘Hispanic’), or of having certain Asian heritage. While being Latino/Latina or Hispanic is mostly classified in terms of race (Bonilla-Silva, 2004), Asian heritage is almost always classified in terms of ethnicity (Koshy, 2001). Criteria such as differences of phenotype or self-identification often fall short of clearly distinguishing between the concepts of ethnicity and race (Brubaker, 2009). Due to the way the concept of ‘race’ was utilized politically during the Second World War, and, indeed, in the years prior to it, it was largely supplanted as a concept in Europe by the term ‘ethnicity’ (or sometimes, ‘culture’). Globally this trend was supported by statements and recommendations made by UNESCO in the early 1950s (Lentin, 2008). In the negotiations about EC directive 2000/43, the controversy about the appropriate terminology to be used – with, e.g. Belgium and Sweden in favour of deleting this term in antidiscrimination legislation, and the UK being the advocate of its retention – reflects the resistance in many parts of Europe to the concept of race (Bell, 2008). As an attempt to respond to the constructivist concerns of many continental European countries, it was stated, in the non-binding preamble of the directive, that “The European Union rejects theories which attempt to determine the existence of separate human races. The use of the term "racial origin" in this Directive does not imply an acceptance of such theories” (EC, 2000).

The line of distinction between the concept of ethnicity and the political concept of nationality is also quite blurred (Woodwell, 2007). Ethnicities often also have a kin (or nation) state, or a ‘kin region’ within a nation state, where they represent the majority of the population (Brubaker, 2009). However, a counter-example to this would be the Roma people (Messing & Bereményi,
Globally, and especially in recent times, it is the emerging nationalism in many countries, which brings with it a return to national identities, that shapes in a large part the discourse on the origins and ‘belonging’ of individuals (Fossum, Kastoryano, & Siim, 2018; Kingston, 2016; López-Alves & Johnson, 2018). This contrasts with the fact that diversity research mostly ignores that for many people, national identities still “shape the predominant ways in which people make sense of themselves and others” (Antonsich, 2009: 281). As these processes of sense-making can establish nationalist mechanisms of hierarchization within workplaces, it is important to address the dimension of nationality in diversity research and practice more explicitly.

Although in many countries, anti-discrimination legislation covers all of these facets of an employee’s origin, heritage, or ancestry, this legislation does not force organizations to proactively integrate them into their diversity management programs in a differentiated way. Globally, of all these facets, ‘race’ receives by far the highest attention in organizational diversity initiatives (Klarsfeld et al., 2014). However, depending on where the lines of distinction are drawn between these facets, an individual always represents specific manifestations of each of these facets, e.g. as a black person with a Chinese passport. This points to another issue that is related to the dimensionality of diversity and its management.

**Intersectionality.** The concept of intersectionality takes into account the fact that everyone embodies at least one manifestation of every dimension of diversity, and that most of the time “they are simultaneously expressed” (Talwar, 2010, p. 15). Thus, a man is never only a man, and a woman is never only a woman; he/she also has a certain age, skin colour, origin, mother tongue, sexual orientation, gender identity, etc. Although there are differences between these dimensions in terms of their direct visibility or perceptibility, this does not change the prevalence of their manifestations, and with it their potential to have an impact on governing
the position of the individual in, for example, an organizational hierarchy (Tatli & Özbilgin, 2012). In terms of each specific dimension of diversity, an individual holds a specific position in the hierarchy, which is determined through the manifestation of that dimension he or she represents, and through the specific setting or context. Therefore, within specific organizations, employees often simultaneously hold positions of subordination or dominance at the same time (Talwar, 2010; Weber, 2001). Understanding an individual’s positioning within an organization’s hierarchy, at least the diversity-influenced part of it, is only possible by considering the interplay of all contextually relevant dimensions of diversity: their intersections. On the societal level, Yuval-Davis (2006) calls this “interlinking grids of differential positionings in terms of class, race and ethnicity, gender and sexuality, ability, stage in the life cycle and other social divisions, [that tend] to create, in specific historical situations, hierarchies of differential access to a variety of resources – economic, political and cultural” (Yuval-Davis, 2006, p. 199).

In both society as a whole and organizations, the individual’s hierarchical positioning in terms of certain dimensions of diversity, such as sexual orientation, gender identity, religion or nationality, is often related to their minority and majority status, with the minority status being stigmatized (Goffman, 1986) and positioned at the lower end of the hierarchy. However, the diversity-related processes of hierarchization are always context-sensitive, and in specific contexts it may be that a minority status is accorded to the privileged status. For example, in many African and Asian countries that have a post-colonial legacy, being white is mostly linked to a privileged position, despite being white being a minority status (Doane & Bonilla-Silva, 2003). In terms of gender, it is, more or less, a global tendency for being male to be accorded a higher status than being female (Ellemers, 2018). In terms of the well-being of employees, the experience of marginalization can cause different types of discomfort and stress in the workplace, and the coping strategies of individuals for dealing with this stress in terms of one
dimension, can only be understood and interpreted within the interplay of that dimension with the other dimensions (Kollen, 2014; Prasad, D’Abate, & Prasad, 2007). Representing several underprivileged statuses can limit coping resources in a way that narrows down the number of coping opportunities, which can have acutely negative consequences for the individual’s well-being, their career development, and their job performance (e.g. Dispenza et al., 2019). For organizational diversity management approaches, this indicates the necessity of addressing a broad spectrum of diversity dimensions.

An equal consideration of the different dimensions of diversity is the exception rather than the rule in both research and diversity management practice. Most research focuses on a single, or, at most, a few dimensions of diversity (intersectionally or not), and the same holds true for the design of most diversity management programs. This is closely related to the underlying reasons why organizations, (aside from compliance with the law), decide to implement diversity management practices, and, therefore, points to another crucial area of dissent or ambivalence of diversity management: its legitimacy.

The Legitimacy of Diversity Management

Without claiming that diversity management is a well-defined management concept, the queries over its legitimacy can be condensed into one question: why should anyone implement diversity management? As already outlined before, a crucial reason to do so is compliance with the relevant laws. However, the various anti-discrimination laws or equal opportunities legislations leave organizations wide scope, in terms of how to comply with them. The law usually defines which dimensions of diversity have to be addressed, but, in most cases, it does not define the nature of the organization’s commitment to this management approach, nor does it define the shape or the intensity of the organization’s diversity management programs. Organizations, therefore, have considerable leeway in terms of decision-making about the integration of more
dimensions of diversity, and, in general, about the breadth and scope of these programs. Essentially, there are two different ways to legitimize a broad and comprehensive approach to diversity management. The first perspective assumes that there is a certain economic value inherent in diversity management, and that diversity management will pay off in a monetary fashion for those who follow this management approach (e.g. Robinson & Dechant, 1997). The second perspective indirectly or directly claims that diversity management, or the goals of diversity management, are morally praiseworthy, which therefore makes it a legitimate management approach. This moral legitimacy is often closely related to the concept, or idea, of individuals or organizations having some kind of ‘responsibility’ towards society, humanity or other individuals (cf. Gilbert et al., 1999). Both ways of responding to the question of legitimacy of diversity management are in no way mutually exclusive (see e.g. Risberg & Söderberg, 2008). One can, therefore, act in a fashion that is simultaneously ‘good’, and profitable. However, the different voices within the discourse of diversity management mostly tend to give more weight to one response over the other, to argue either in favour of, or against, its legitimacy. Starting with the first response, this article addresses both ways of (de)legitimizing diversity management, the potential ‘business case’, and the moral perspective.

The economic value of diversity management. There are two main lines of argumentation about how diversity management can have a positive impact on organizations in economic terms. The first one addresses diversity itself, and argues that certain positive economic consequences can be derived from an organizational workforce that is diverse in its composition (e.g. Ellis & Keys, 2015; Myers & Dreachslin, 2007). Diversity management, then, would be seen as a tool to achieve a diverse, heterogeneous workforce, and to overcome homogeneity. One element of this is, for example, an employer striving to become the employer of choice for the largest possible number of applicants, including minority applicants and women (E. S. W.
The second line of argumentation builds on the diversity already in place within a workforce. Diversity management, then, has to assure that this diversity can be utilized in the way that is most profitable, in terms of the organization’s goals, and that this diversity, as a whole, can unfold and realize its full potential (Chrobot-Mason & Aramovich, 2013; E. S. Ng & Stephenson, 2015). Both approaches can go hand in hand, as the attraction and retention of a diverse workforce still raises the question of how to ‘use’ or manage it in the way that will yield the most profit.

Studies on work group diversity reveal that diversity can be a double-edged sword. While on the one hand, many studies show that group diversity can lead to an increased performance and innovation capacity, it can also make work groups more vulnerable to conflicts, and reduce their cohesion (Milliken & Martins, 1996). A literature review from Webber and Donahue (2001) confirms the double-edged nature of both job-related and non-job-related diversity (Webber & Donahue, 2001). Organizational diversity management practices almost exclusively focus on the less job-related diversity of demographic characteristics (in contrast to more job-related diversity, such as relevant experiences or knowledge for specific tasks). Hong and Page (2004) show that groups of problem solvers with diverse perspectives and diverse heuristics can outperform homogeneous groups in solving complex problems. They do not directly relate their findings to demographic diversity, but it can be assumed that, due to their potentially diverse backgrounds and experiences, demographically diverse people bring with them diverse perspectives. Woody and Malone’s (2011) study on gender diversity in teams points in a similar direction. Drawing on an overview from several studies on gender diversity, a review from Nielsen et al. (2017) confirms this assumption for the academic sector.

Although the positive impact may indeed outweigh the negative one, recent review articles show that group diversity or group heterogeneity has both negative and positive effects on team performance and organizational performance (Horwitz & Horwitz, 2007; Shemla, Meyer,
Greer, & Jehn, 2016). However, several studies show that diversity management programmes can directly contribute to raising the performance of organizations, partially by activating the positive impacts of diversity, and partially by over-compensating for its negative effects (Armstrong et al., 2010; Choi & Rainey, 2010). Furthermore, diversity mindsets (i.e. the belief in its positive impact), can contribute to unlocking the potential inherent in workforce diversity. However, it is also shown that diversity is more beneficial for creative type tasks, as opposed to process-outcome tasks (see reviews from Guillaume, Dawson, Otaye-Ebede, Woods, & West, 2017; E. S. Ng & Stephenson, 2015). While there is profound evidence that diversity management can have a positive impact on ‘softer’ categories, such as loyalty, turnover intention, job satisfaction, climate, etc., in terms of their monetizability (e.g. Sabharwal et al., 2016), it is still difficult to quantify its economic value on a monetary basis (Herring, 2017; Manoharan & Singal, 2017; Singal & Gerde, 2015).

In summation, it is not so much diversity per se that unambiguously contributes to higher organizational performance, but rather properly managed diversity. This alone would already constitute an economic motivation for organizations to follow some kind of diversity management approach. However, there is also an ethical motivation for doing so.

**The moral value of diversity management.** Most diversity scholars and practitioners share the view that diversity management is a “socially just and morally desirable” (Lorbiecki & Jack, 2000, p. 21) management approach. The moral value of this approach is based on the same considerations that formed the basis of the moral value of (former) affirmative action and equal opportunity approaches, i.e. its contribution to achieving a state of relative equality. The present state of inequality is primarily expressed in unequal representations of members of the specific manifestations of the various dimensions of diversity in the different organizational hierarchy levels. Top management positions in Western countries, for example, are still predominantly
staffed with heterosexual, male, white managers without disabilities. A crucial reason for this is that they can more easily obtain access to the resources and capabilities necessary for achieving more prestigious positions, and they often also benefit from stereotypical pre-assumptions about their aptitude for these jobs. Although “a major motive for investing in managing-diversity initiatives is that it is morally and ethically the right thing to do” (Cox, 1994, p. 10), there is still some dissent about the leverage point and the immediacy of these interventions. Although the centrality of fairness in the morality of individuals might differ (Graham, Haidt, & Nosek, 2009), implementing diversity management practice that aim at removing stereotype-based biases from recruitment, promotion-, and selection-decisions is less of a controversial issue. Providing members of under-privileged groups with the same capabilities and resources that, by and large, the members of the privileged groups already possess, is the focus and the core of ‘liberal’ approaches to diversity management (e.g. Gagnon & Cornelius, 2000). From this perspective, diversity practices aim at enabling members of (socially) disadvantaged groups to compete with the advantaged ones for higher positions. The basis of this competition is a merit-based comparison of the potential of the individual to contribute towards achieving organizational goals. Diversity management, then, focuses on the provision of equal opportunities, to do so for given organizational goals. ‘Radical’ approaches to diversity management often argue that these goals are already biased, and they allow practices that have a more immediate impact on ‘representativeness’ in terms of hierarchical and functional areas within organizations - in addition to the ‘liberal’ practices (Lorbiecki & Jack, 2000). These approaches may include quota systems. One justification for radical approaches, in ethical terms, is that they more rapidly provide other members of underprivileged groups with role models. This might enable them to see that their demographic per se does not exclude them from higher positions or specific working areas, and it could motivate them to follow these role models (Singh, Vinnicombe, & James, 2006). This might
work as an accelerator, in terms of achieving representativeness. Overcoming unrepresentativeness and segregation can also have a societal and political dimension as “integration of racial, ethnic, and other groups that mark significant lines of social inequality is a vital ideal for a democratic society, necessary for its basic institutions to function successfully” (E. Anderson, 2010, p. X).

Jarvis Thomson’s (2013) justification for affirmative action programs builds on the fact that they have granted black employees in the USA privileges that can be seen to be commensurate with the privileges reserved largely for white males in previous decades. In practice, in the actual job market, however, white persons continue to benefit from a higher level of confidence which they were able to develop through their higher status throughout these decades (Jarvis Thomson, 2013). Others share the view that reverse discrimination in terms of formerly privileged groups is justifiable as compensation for the disadvantaging that was experienced in the past (Boxill, 1972; Sher, 1975). Since the members of these groups, such as whites, men, or heterosexuals, did not choose their membership of these groups, such arguments can be labelled as “innocent beneficiary argument[s] for affirmative action” (Lippert-Rasmussen, 2017, p. 2). Advocates of this view derive the “putative obligations of the innocent beneficiaries of past injustice to benefit the involuntary victims of those past injustices” (Lippert-Rasmussen, 2017, p. 1). However, since not every individual is a beneficiary or victim of historic injustice, the justice in question is perforce merely a justice of group-averages. ‘Radical’ diversity management practices and the redistribution of resources and power from advantaged groups to disadvantaged ones are, therefore, rather justified on group levels, but this does not impose a moral duty on the level of the specific individual (Lippert-Rasmussen, 2017). However, career development always happens on the individual level, and this might therefore make dissatisfaction on the part of those individuals who do not benefit from diversity management practices somewhat understandable. The issue of ‘reverse discrimination’, therefore remains a
sore point in diversity management, and there remains, too, a degree of resistance against these practices, which cannot, and should not, simply be argued away.

**Future Challenges and Possible Future Developments of Diversity Management**

The striving of organizations towards raising their profitability, or maximizing value for shareholders, in combination with the estimated economic value of diversity management, already delivers sufficient legitimization for said diversity management. However, the moral value inherent in diversity management broadens and stabilizes the basis of this legitimacy. Organizations as such, and the advocates of diversity management within these organizations, can therefore rely on the stable narrative of doing something, which is simultaneously morally good, and profitable at the same time. This can be taken as one reason for the fact that there is no indication that the ongoing diffusion of diversity management in industrial Western countries, (and, increasingly, in the newly industrialized countries of Latin America and Asia), will slow down or stop in the medium term.

In fact, quite the opposite would appear to be the case. Practically every single one of the industrialized countries, including the emergent ones, has a fertility rate below the level that would be needed to maintain its number of inhabitants (with all the other influencing factors remaining constant) (WorldBank, 2019). Given the continuously rising level of mechanization, and, as a consequence, productivity, a declining and/or aging population and workforce might not be alarming *per se* (Coleman & Rowthorn, 2011). However, there are nevertheless many responses that seek to address, if not counteract, this phenomenon of the shrinking workforce, resulting from the declining birth rate, and the aging population. One of the responses, which many agents have found to be adequate, is diversity management. These agents, in this context, include companies, as well as cities, regions, or, indeed, any kind of organization. A shrinking pool of potential domestic manpower motivates many organizations to develop and exploit the
existing pool in the best possible way, and/or to open up new sources of qualified manpower. This perceived need already legitimizes diversity management economically. It motivates taking into consideration every potential dimension of workforce diversity, as within every dimension there might be manifestations, which are represented by certain groups of (potential) employees, whose utilization for organizational goals could be “improved”. The multi-layered nature of this diversity management will also, in future, keep its level of complexity high, a trend that is becoming ever more intensified through continuing developments on the societal level, such as ongoing migratory movements, and related needs of adequate inclusion – including the issues that arise from the influx of refugees.

Due to the aging societies of most industrialized countries, the diversity dimension of age can be expected to receive much more focus, in terms of organizational attention, than it does today. In terms of the dimensionality of diversity management, intersectional perspectives might gain in importance. Diversity management research that applies an intersectional framework would benefit from overcoming the hierarchization of diversity categories, and with it, the underlying implicit hierarchization of inequalities. Instead of reproducing a supposed centrality or crosscutting position of specific dimensions of diversity, any intersection should be appreciated as being worthy of being understood more deeply. For diversity management practice a more intersectional approach could encourage organizations to broaden their approaches by considering more dimensions of workforce diversity. Understanding the multiplicity of mechanisms of inclusion and exclusion that can simultaneously work within organizations, reveals the value of striving for an inclusive working climate, in terms of more dimensions of workforce diversity than just those defined by the law. However, in management practice and in applied diversity management research, a sound argument can be put forward that the dimensional focus should be maintained, as it makes it easier to conceptualize single practices, and to monitor their impact. This also makes it easier to take into account the fact that different
groups might respond more or less favourably to different organizational diversity models and messages (Apfelbaum, Stephens, & Reagans, 2016). That said, management could try to emphasise that inclusion, equality, and antidiscrimination are seen as values in and of themselves by setting examples of these attitudes.

In recent times, it would appear that, in many countries, the political atmosphere has shifted, in terms of softening the limits of what can be said, and what can be done. Political correctness, in the language of many populist politicians and their supporters, is increasingly presented as a weakness, and drawing lines between ‘us’ and ‘them’ is being done in a way that is more confrontational, and less respectful. From a diversity perspective, this is an alarming development, as these lines are almost always drawn between different manifestations of diversity categories. The most common target dimensions of these polarizations are those related to origin, heritage, and ancestry. However, polarizing rhetoric is also widespread in terms of religion, sexual orientation, gender identity, and other dimensions of diversity. When the political climate in a national context has changed in this way, it can be assumed that these changes also infiltrate the workplace, and the overall climate for inclusion. Future research should examine these very recent developments more closely, since organizations operating in such environments face the huge challenge of offering adequate diversity policies as a response to these starkly shifting attitudes.

Against this background, future research should focus more closely on the dimension of employees’ origin, heritage, and ancestry, and the related disentangling of the categories ‘ethnicity’, ‘race’, ‘national origin’, and ‘nationality’. The category of ‘nationality’, as well as the processes of negotiating national identities in the workplace, and the related stereotype-based nationalist mechanisms of inclusion, exclusion, and hierarchization have, until now, been especially neglected in diversity research.
Most research on the global diffusion of diversity management practices applies an institutional focus when explaining why specific initiatives so closely resemble each other. Against this background, it is important to note that the first diversity management approaches appeared in the USA, and have, therefore, been embedded in the macro-national context of the USA. Thus, the various national adaptations of diversity management that took those US approaches as some kind of template or paradigm, also adopted – at least to some degree – the American macro-national context, albeit that the histories, legal frameworks, and social contexts of those nations might differ substantially from those of the US. Taken together with the fact that, in the past, diversity research was largely inspired by US perspectives (Jonsen, Maznevski, & Schneider, 2011, p. 35), both future diversity management research and practice could benefit from a stronger focus on specific national conditions and backgrounds, in other national settings. Broadening our understanding of intergroup relations in given national contexts and deepening our knowledge about how to handle them can provide diversity management practitioners in these contexts with a more nuanced knowledge about local and national peculiarities, and with more nuanced management practices, to overcome segregation and inequality in the workplace.

References


