

# Diversity V Multiculturalism Advantages And Disadvantages Of Workplace Diversity

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**Abstract-** The concept of multiculturalism and diversity in organizations continues to draw management and public attentions due to the constantly changing global business atmosphere especially for multinational corporations (MNCs). Diversity and multiculturalism are most times interwoven terms that calls for an organizational culture that allows all members to pursue their objectives' without being hindered by factors such as age, gender, race, religion, nationality or other potentials that do not contribute to performance. Obviously, diversity and multiculturalism are two terms that are most times used interchangeably, thus, making it difficult for some scholars, managers, and corporate officers etc. to differentiate between the two terms. However, this research paper focuses on the basic differences between diversity and multiculturalism as well as the pros and cons of diversity in an organization.

**Index Terms-** administration, business, management, diversity, multiculturalism, workplace, culture.

## I. INTRODUCTION

Diversity and multiculturalism do not exist without organizational culture which is the fundamental beliefs, expectations, norms and values, and ways of interrelationship that contribute to the distinctive social and psychological organizational environment, however, culture is based on collective attitudes, beliefs, customs, and rules existing within the organization which are considered to be valid. Moreover, culture is considered primary values that direct people's behavior (Eriksen, 2018) within an organization. Globalization a phenomenon that allows the interaction and integration of people, firms and governments from various countries with one another are facilitated by diversity and multiculturalism, which enables them to take advantage of business opportunities enhanced via information technology.

A study of diversity and multiculturalism in multicultural corporations in Singapore shows that employees' perceptions of multiculturalism and a diverse workforce are directly proportional to individual and organizational productivity (DeLancey, 2013). The challenges faced by organizations especially of being in business and gaining competitive edge, have compelled them to search for new strategies of developing solutions to mitigate such challenges in order to boost their performances. Therefore, organizations currently concentrate on the inclusion of workforce

against monolithic structures that have customarily been in place, with the view of exploring the range of opportunities put in place by a mix of capabilities leading to a broad diversity (Ayega & Muathe, 2018).

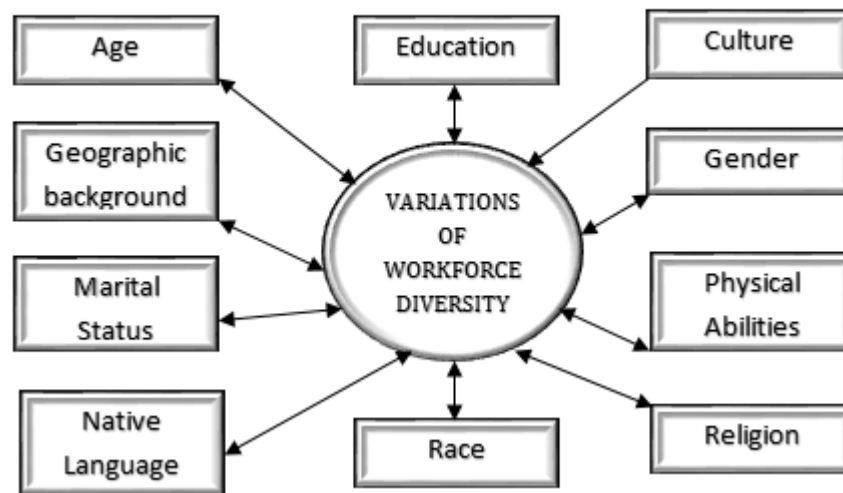
Diversity and multiculturalism remains an important issue for the management of organizations, but unfortunately some of them still run on issues due to the fact that they still find it difficult to differentiate between diversity and multiculturalism. Obviously, for managers and supervisors to effectively recognize the dynamic changes and evolution in the workplace, they must first comprehend the basic difference between diversity and multiculturalism to successfully ensure a multicultural and diverse workforce. Managing diversity remains an important organizational challenge, therefore, managerial skills must adjust to accommodate a multicultural work environment (Clark et al, 2016).

Certainly, for organizations to realize the needed potentials vital for productivity and profitability, they must strive to meet the standard of the modern workforce diversity, thus, for firms to reap the benefits of cultural diversity in the workplace they must communicate their obligations to dealing with the challenges of diverse workforce (Eriksen, 2018). However, employers must be able to differentiate between workplace diversity and multiculturalism, understand why a diverse workforce is important by knowing the advantages and disadvantages of diversity in the workplace. Besides, organizations must be appeased with their employees' diversity to prevent unwholesome workplace issues such as entrenchment, awkwardness, and hostility (Eriksen, 2018). This research paper is designed to assist managers, supervisors and organizational team leaders etc. to have more elaborate knowledge of the difference between workplace diversity and multiculturalism, understand the merits of diversity in the workplace to effectively manage diverse workforces.

## Diversity

Diversity in the workplace refers to the difference between employees such as race, gender, religion, sexual orientation, ethnicity, socioeconomic background, etc. (Nedha, 2016). Esty et al. 1995 defined diversity as acknowledging, comprehending, accepting and valuing variations among individuals with regard to age, gender, ethnicity, class, race, and disability, etc (Clark et al. 2016). More so, workplace diversity is the differences in race, language, nationality, religion, age, and sexual orientation (Martin, 2014) among individuals.

### Variants of workplace diversity.



Undoubtedly, in any organization that promotes workplace diversity, employees tend to acknowledge the disparities that prevail among themselves, that is, there is palpable sense of awareness that can help the prevention of workplace discrimination or prejudice etc. however, they acknowledge an individual for being who they are such as being a woman or belonging to a particular class etc. (Nedha, 2016). Clark et al. (2016) found that diversity is not about differences among individuals, thus, there is uniqueness of individual that do not represent or speak for a specific group.

Perceptibly, in future, organizations that knows the importance of and how to manage diversity in the workplace effectively will hold distinctive advantage as regards to the recruitment and hiring of talent (Dyson, 2017). However, for an organization to nurture a diverse and general workforce, it must understand what constitutes workplace diversity. A survey conducted by Glassdoor on workplace diversity found that sixty seven percent (67%) of job seekers said that workplace diversity is vital when considering job offers, while fifty seven percent (57%) of employees reason that their companies should embrace more diversity (Dyson, 2017). This implies that organizations that fails to hire from diverse talent pools could lack qualified candidates and might have trouble in filling key roles thereby incurring more recruitment costs (Dyson, 2017).

Workplace diversity continues to penetrate major organizations both nationally and internationally as they continue to adjust their organizational culture to accommodate and sustain workplace diversity. AT&T is one of the top companies for diversity, as it continues to embark on initiatives aimed at promoting workplace diversity. However, for example AT&T's *Peace Through Business* initiative which provides business education to women entrepreneurs in selected countries in Africa and Asia coupled with its collaboration with an employment agency for the provision of internships for adults with cognitive disabilities at their Dallas Headquarters (Eriksen, 2018), is an example of diversity in workplace at work. Another reputable company in workplace diversity is Kellogg Company due to its employment of more women in its management positions added

to its institution of a new parental leave policy in North America from one week to four weeks, and with paid maternity leave increased from 10 weeks to 14 weeks (Eriksen, 2018). Furthermore, Johnson & Johnson is another notable company in workplace diversity because it acknowledges diversity and inclusion in every part of its organization, thus, "starting with recruitment, Johnson & Johnson aims to stop gender bias with the use of technology" (Eriksen, 2018).

#### Multiculturalism

Multiculturalism is the practice of giving equal attention to many diverse backgrounds in a specific organizational setting. The Collins Dictionary defines multiculturalism as the policy of giving overt acknowledgement or representation to the cultural needs and contributions of all the relevant groups in a society, (Collins Dictionary [CD], 2019), thus inclusion of those minority groups viewed as been ignored in the past. Nedha (2016) asserts that multiculturalism is the acceptance and promotion of multiple cultural traditions in the society, while Jin (2016) views multiculturalism as the point at which different social customs are recognized in the public as well as advanced. Moreover, DeLancey (2013) stated that multiculturalism is inclusive of employees of differing nationalities, ethnicities, races, religions, education and genders, and Martin (2014) describes multiculturalism as the workforce representation of variations in race, ethnicity, language, nationality, religion and sexual orientation. In addition, it is the concomitance of various cultural and racial groups characterized by an attitude of tolerance, friendship, and acceptance (O'Donnel & Gracia, 2018).

A multicultural workforce is a workforce in which a wide variety of cultural variations exist among the employees within the organization (Kokemuller, 2019). Nonetheless, multiculturalism is an idea that grants equal opportunities to different cultural or racial groups in an organization (O'Donnel & Gracia, 2018) thus creating a situation whereby no member is marginalized or regarded as unimportant. In a multicultural organization, people from diverse cultures and ethnic backgrounds are brought together irrespective of their different socio-economic backgrounds, and

countries (Leonard, 2019). Multiculturalism entails demonstration of open-mindedness and vertical and horizontal communication, collaboration, comprehension and teamwork enhanced through team spirit, and overt dialogue in an organization (O'Donnel & Gracia, 2018). Accordingly, multiculturalism is granting equivalent attention and representation to the cultural desires and contributions of all employees, with special emphasis placed on marginal groups who are traditionally underrepresented (O'Donnel & Gracia, 2018). Multiculturalism seem to be a more complex concept than diversity, however, in multiculturalism, the multiple cultural differences are both accepted and promoted in an organization (Nedha, 2016).

### **Diversity v Multiculturalism**

Diversity refers to the acknowledgement of the variations existing among individuals in an organizational such as age, race, gender, religion, sexual orientation, socioeconomic background and ethnicity, whereas multiculturalism is the acceptance and promotion of multiple cultural traditions (Nedha, 2016) in an organization. In diversity people are not aware of differential power but in multiculturalism individuals have the knowledge about the differential power among different people and gatherings. Diversity has much concentration on ethnicity and gender while multiculturalism does not has much focus on gender and ethnicity.

Multiculturalism focuses more on inclusiveness, understanding, and respect, with attention on equal power in the society more than diversity. In a diverse workforce the idea of inequality and discrimination is typically illegal and there is provision of policies against discrimination, whereas in a multiculturalism the concept of inequality is also presented with proper understanding provided regarding the variations existing among people (Jin, 2016). Diversity assist with the policies geared towards the prevention of organizational discrimination while multiculturalism provides information that assist in gaining a deeper understanding of the differences between people. Thus, diversity focuses on the distinctiveness between individuals with the objective of ensuring through policies that everyone receives equal treatment while multiculturalism considers system advantages based on race, gender, and sexual orientation as privilege.

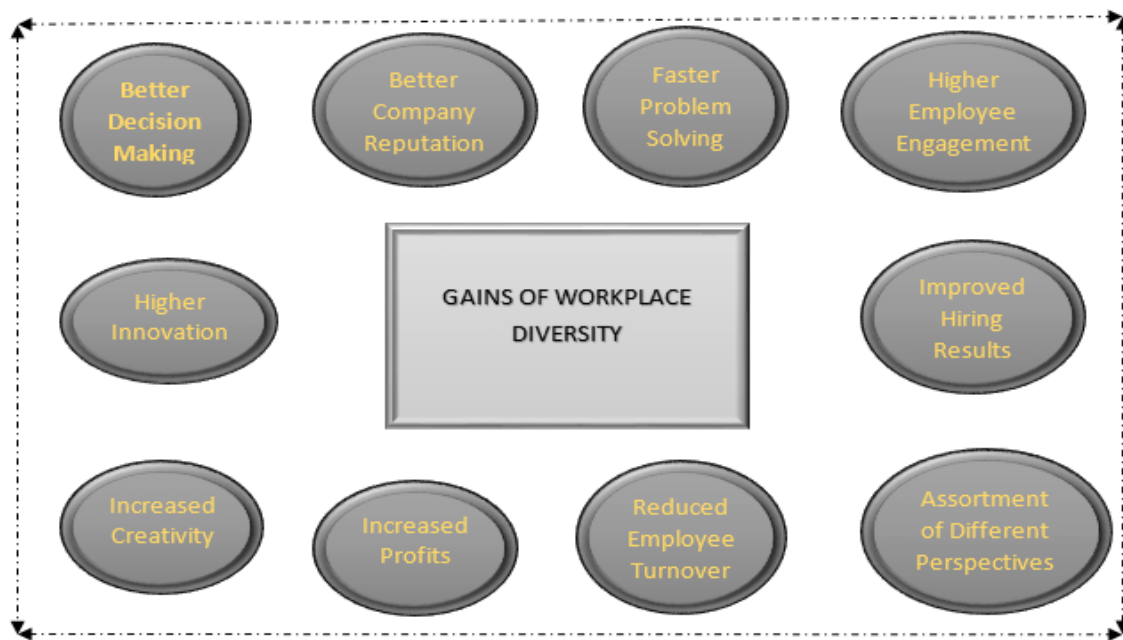
In diversity, most of the time, laws secure the rights of individuals who come from different backgrounds, however, individuals have a tendency to recognize the distinctions that exist among different people and groups, while in multiculturalism, integration normally takes place, thus, the general population are aware of dissimilarities that are present among people regarding sex, race, religion, ethnicity and financial foundation (Jin, 2016).

### **Advantages of Diversity**

A diverse workforce is becoming commonly an irrevocable phenomenon in organizations as they face challenges of outsourcing and globalization that became necessary in order to beat competitive edge, meet brand demand, and remain in business while being profitable as well. Obviously, diverse work teams bring high value to organizations (Clark, 2016), besides, workplace diversity effectively impact every organization (Gyebi, 2016). Diversity has some correlation with excellence, as it increases profitability. The more diverse an organization the better its chances of increasing profits. McKinsey's 2018 study on *Delivering Through Diversity* found that top-quartile companies with gender diversity or ethnic/cultural diversity in their executive teams are twenty one percent (21%) or thirty three percent (33%) respectively, more likely to have above-average profitability than their peers in the fourth quartile (Das, 2018).

Furthermore, a study by Cedric Herring (2016) on diversity shows that businesses with higher racial diversity reported more sales revenues, larger customers, more market shares and greater relative profits than those with more homogeneity in workforces. Besides, a study by Scott Page (2007) on diversity reveals that people from different backgrounds more effectively work together when compared to those from similar backgrounds, because those from different backgrounds offer various approaches and perspectives in finding and developing solutions. Moreover, another research study by Project Equality disclosed that organizations rated highest with more equal opportunities earned 18.3 percent profit than those rated low on equal opportunity issues who earned 7.9 percent profit (Lauber, 2011).

Diversity offers a host of other opportunities for organizations, it increases productivity and efficiency in a highly competitive environment, helps them maintain competitive advantage and gain market share etc. a study of labor diversity in European Union organizations conducted by Zizek in 2009 found that individual development contributes considerably to the success of employee diversity management "providing competitive advantages to organizations in the sphere of social responsibility, cost management, acquirement of funds, marketing, creativity, problem solving, innovations, and flexibility" (DeLancey, 2013). In a similar fashion, a case study of Consultative Group on International Agricultural Research (CGIAR) centers in Kenya on workplace diversity found that high performance is exhibited where teams shows diversity in age, ethnicity, nationality, gender and other differences, and that employee diversity enriches knowledge and skills of the organization and improves its creativity as well (Ayega & Muathe, 2018), besides, the study also indicated that workplace diversity improves employee career growth as well as the interpersonal skills in a working environment (Ayega & Muathe, 2018).



**Major advantages of workplace diversity.**

The *Forbes Global Diversity and Inclusion Fostering Innovation Through a Diverse Workforce* report indicates that seventy seven percent (77%) of companies used productivity as a measure to estimate the success of diversity programs (Eriksen, 2018). Diversity in the workplace brings about insight, talent, skill, multi-dimensional and general perceptions to the inclusive wisdom and expertise within an organization. Thus, diversity buttresses organizational performances by assisting them to gain more talented members/employees and improve the quality of decision making (Das, 2018). In a study of *Multiculturalism and Diversity in Multinational Corporations (MNCs)* in Singapore, 81.70% of the responders agreed that recruiting employees from diverse backgrounds increase moral, motivates, and boost job satisfaction leading to increased productivity (DeLancey, 2013). A weekly data from California garment manufacturing plant covering the years 1995 -1997 by Hamilton et al. 2004 revealed that teams with higher diversity in worker's abilities are more productive (DeLancey, 2013). Furthermore, diversity in a workplace can bring better results with more creative solutions, and ensures that teams have adequate mix of skills, knowledge, expertise and experience for more productivity than homogenous firms (DeLancey, 2013) do.

Diversity enhances communication, increases understanding of various cultures and environments, reduces discrimination and ensures fairness and equity in an organization. Workplace diversity helps organizations increase their general employee satisfaction and inspire their global image (Das, 2018). Moreover, workplace diversity increases the predisposition to overcome culture shock due to expansion in business especially into the international horizon. And it assist an organization to move its business from the brick-and-mortar office to the online marketplace, thus according Alder's 2002 report the growth of "organizations perspective, approach, strategic tactics, launch of new product, development of a market plan, creation of new idea, design of a new operation, and assessment of emerging trends (Martin, 2014) have diversity as key element. Nonetheless,

workplace diversity instills a sense of justice and fair treatment of all members, employees and customers (Das, 2018), and reduces expensive litigations.

#### **Disadvantages of Diversity**

Although there are many advantages associated with workplace diversity in organizations, indeed, diversity while being proactively pursued has hitches that occasionally hinders its effective implementation and sustenance in organizations. Workplace diversity can lead to interpersonal conflict, implicit discrimination, entrenchment, bias and stereotypes, overt conflict and retaliation. That is, diversity could make organizational members/employees engage in hemophilic behavior or only associate with individuals of their own very kind, thus, preferring segregation and resisting integration efforts (Wroblewski, 2019) resulting to miscommunication, unhealthy competition, drop in morale and productivity. Obviously, negative attitudes and conducts could harm working cordial relationships, damage morale and work productivity (Clark et al. 2016).

Accordingly, White's 2010 study discovered that the challenges of diversity lie in the continuous improvement of the integration and social acceptance of people from dissimilar backgrounds, thus, human traits variations certainly effect individual's mode of thought, action, interaction and choices, however, these differences impede their abilities to support, trust, and respect one another in a productive manner (DeLancey, 2013).

When workplace diversity policies are weak, parochial attitudes that can result to overt conflict due to discrimination, lack of respect, prejudice and racism (Eriksen, 2018) become manifest. Harrison, Price and Bell 1988 research study posit that the effect of deep-level similarity on group structure is positive, whereas that of deep-level difference on group cohesion is negative (Martin, 2014). Thus, employees have the tendency to reasonably indulge in conflict with one another for a work or non-work related issue (Martin, 2014). However, the "interpersonal personal conflict results in lost productivity and development of negative emotions among employees" (Martin, 2014).



Diversity increases the chances of litigation against the organization. Wroblewski (2019) asserts that many employees feel uneasy working with managers from different backgrounds, and that discriminating against a worker has direct impact on the worker's productivity.

## Conclusion

Obviously, there is marked difference between workplace diversity and multiculturalism, but most times the former does not occur without the later. DeLancey (2013) study on *Multiculturalism and Diversity in Multinational Corporations* in Singapore found that 77.44% of the respondents agreed that a multicultural and diverse workforce enriches them personally to work harder, and that multiculturalism and diversity in organizations are assets for planned survival and competitiveness in a universal economy. In addition, 78.63% agreed that multiculturalism and diversity are good and result to workforce coherence (DeLancey, 2013).

A diverse workforce has become imperative in today's market place, therefore, for organizations to achieve its desired aims of increasing stakeholders and shareholders wealth, they must embrace diversity and multiculturalism to be well positioned to proffer adequate solution to its business problems. Diversity management in organizations benefits associates through the creation of a fair and safe environment where all and sundry have access to opportunities and challenges (DeLancey, 2013).

Workplace diversity has a positive correlation with organizational culture, thus, organizational culture determines its level of diversity. DeLancey (2013) study found that 89.63% of the responders agreed that organizational culture that inspires diversity, employee involvement, and creates a sense of ownership and responsibility is essential for the management of a successful, diverse, and happy workforce. Certainly, Brief's 2008 report shows that diversity has important effect for the promotion of positive organizational change by enhancing both personal and organizational performance (DeLancey, 2013). More so, a diverse workforce ensures the safety of employees and encourage them to interact effectively.

Although workplace diversity has some demerits, certainly, its advantages far outweigh its disadvantages. Indeed, a diverse workforce reflects changing business world and marketplace. A study by Cameron and Caza in 2004 indicates that the benefits of diversity can translate in employees' satisfaction, higher levels of physical and psychological well-being, and financial strength (DeLancey, 2013). Moreover, Koonce's 2001 study asserts that to reap the benefits of diverse and multicultural workforce organizations should put in place and sustain ongoing training (DeLancey, 2013) in order to impact people's behavior. Besides, managers should understand the meaning, significance and implications of diversity, and there should be promotion of a safe place for associate communication through the implementation of policies that provides and allows associates access to information (DeLancey, 2013). Furthermore, there should be established rules and regulations promoting workplace diversity while prohibiting discrimination at all levels.

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