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Modeling the Impact of Diversity Management

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ABSTRACT

Public management research on diversity suffers from a lack of coherence and little theory building. There have been few attempts to establish a comprehensive theoretical framework through which streams of research can unite and better inform public managers – rather, issues of recruitment, management, and the values are pursued as wholly separate areas of inquiry. This paper critically evaluates the current ways in which public management research addresses the diversity issue and proposes a new comprehensive model for research. The model is based in three functions of diversity management: recruitment and outreach, building cultural awareness, and promoting pragmatic management policy. These functions are linked to organizational performance through a series of intermediate steps, and the resulting model for quantitative analysis is specified.

INTRODUCTION

Beginning in the 1980s, academics and practitioners alike began to realize the effects of increased diversity on the U.S. workforce. Studies conducted since then have shown that the U.S. workforce is becoming older and more balanced with respect to gender and race, particularly in the public sector (Bond et al., 1998; Johnston & Packer, 1990). Despite these trends, employers often are not able to adopt cultural norms and management practices that integrate these “new” employees into the organization, resulting in problems and cynicism toward any programs aimed at increasing diversity management (Ricucci, 1997; Thomas, 1990; Von Bergen et al., 2002). These issues have resulted in a growing number of scholars in the public management field paying particular attention to diversity-oriented research (see, e.g., Dobbs 1996, 1998; Kellough, 1990; Kellough & Elliott, 1992; Lewis, 1996; Lewis & Smithey, 1998; Pitts & Wise, 2004; Ricucci, 1997, 2002; Selden & Selden, 2001; Wise & Tschirhart, 2000). A number of public organizations, particularly in the U.S. federal government, have instituted formal diversity management programs (Kellough & Naff, 2004; Naff & Kellough, 2003).

Despite increased research, scholars have been slow in developing knowledge that can be utilized by the public sector manager. The literature on diversity in the United States context exhibits a serious lack of connectedness in approaches taken, leading to fragmented findings that have not produced a coherent body of knowledge (Wise & Tschirhart, 2000). Relationships between types of diversity (race, gender, function, and others), types of diversity management initiatives (recruitment programs, management policies, sensitivity training, and others), and work-related outcomes are key to the formulation of effective management strategies on diversity, yet none of these relationships has been developed in a meaningful way. Disagreement over what diversity management *means* has impeded development of coherent research.

A second reason for a lack of progress is the atheoretical nature of diversity research to date. Very few scholars have attempted to establish theoretical frameworks through which to understand the impact of diversity in public-sector organizations (Selden & Selden, 2001; Soni, 2000; Thomas & Ely, 1996). In addition, much of the work on diversity stems from a normative view that any diversity leads to positive consequences (Wise & Tschirhart, 2002). With few exceptions (Wise & Tschirhart, 2000), research has not attempted to assess the real value of diversity and its management. This likely reflects, at least in part, the recent flourish of diversity consulting services. These services operate in the same manner as other business consultants, but the specialty is diversity, with consultants diagnosing organizations and formulating strategic diversity management plans. Diversity consultants have pushed diversity management as a remedy for a number of problems, from failed business plans to low employee morale, and the “diversity as panacea” view has crept into the scholarly literature. Many, if not most, articles on diversity that appear in the core public management journals are case studies of diversity programs, statistical analyses of workforce trends, or “best practices”-type studies. Although case studies can be valuable tools through which to build theory, they should be supplemented by quantitative research. In order to execute quantitative research, it is necessary to model what diversity management is and how it operates.

This paper seeks to contribute to the stream of research on diversity by offering a model through which to understand how diversity management programs affect organizational performance. Implicit in efforts to manage diversity is the idea that such a management mechanism can increase performance. If organizations are to understand how managing diversity impacts performance, then they must consider the different ways in which diversity management operates. Do diversity management programs *matter* when it comes to organizational outcomes?

If so, are there positive or negative impacts? If not, then why not? These are very practical questions that have not been addressed in the literature, and rigorous social science research is needed to answer them fully and well.

I will begin by outlining the public management literature on diversity, followed by formulation of a comprehensive definition of diversity management. I will then describe a model for research, specify the variables necessary for analysis, and suggest means by which to utilize the model in the future.

REVIEW OF THE LITERATURE

Research on what might be called “managing for diversity” did not appear in public management until the late 1980s and early 1990s (Wise & Tschirhart, 2000).¹ While attention prior to that had focused in some detail on affirmative action, recruitment, and integration in public organizations (Grabosky & Rosenbloom, 1976; Riccucci, 1986; Saltzstein, 1986), there had not been much focus on other management practices and policies that worked to ameliorate working conditions for underrepresented groups. Some public management scholars in the area of diversity attribute the shift in attention away from recruitment and toward post-hiring stage management to Thomas’ (1990) continuum (Kellough & Naff, 2004). Gradually, since 1990, public management scholars have been moving more and more toward this model of approach to diversity, whether they reflect the continuum directly or rather some version of it (Loden & Rosener, 1991; Riccucci, 2002; Selden & Selden, 2001). Work in the diversity area has taken on multiple personalities, loosely forming three areas of work: inclusion and integration, diversity policies and programs, and diversity effects.² All three of these streams of research theoretically inform diversity management practices developed in organizations.

Inclusion & Integration

Research on inclusion and integration of women and people of color into the public sector has focused primarily on the U.S. federal government. This line of work has sought to understand how well different groups have been able to move up the ranks and link that knowledge with organizational attributes. Research has shown that some groups, particularly Hispanics, African-Americans, and Native Americans, are increasing overall representation but still lag behind majority employees in average GS grade, pay, and representation in senior pay levels (Aufrecht, 1999; Page, 1994; Sisneros, 1993). Research focusing on women in the civil service has produced similar findings, including lower overall representation in the federal workforce than the civilian labor force (Bays, 1991; Guy, 1993; Mani, 2001; Naff, 1994; Saltzstein, 1986). Studies tend to note uneven levels of pay between men and women, even in the presence of controls for years of experience and type of job. Other work has sought to understand the role of sexual orientation and disabilities (Lewis, 1997a; Lewis & Allee, 1992).

Despite the fact that doors are opening slowly to underrepresented groups, there have been few attempts to develop causal models that prove the significance of a given set of explanatory variables. Exceptions to this include Cornwell and Kellough (1994), who used fixed-effects regression to analyze a model of employment share for women and minorities, but few of the variables included were significantly related to integration. Evidence has slowly accumulated as to the role of unions (Ricucci, 1986), agency size (Grabosky & Rosenbloom, 1975; Kellough, 1990), performance ratings (Lewis, 1997b), and hiring practices (Saltzstein, 1986) as contributors to integration. The only conclusions that can be drawn from this line of empirical research is that women and minorities tend to be overrepresented in clerical positions and underrepresented in professional positions (Cornwell & Kellough, 1994; Kellough, 1990; Kellough & Elliott, 1992), although disparities are typically less pronounced in the public sector

than in the private sector (Lewis, 1996; Wharton, 1989). Other more conceptual research has drawn links between attitudes and integration (Soni, 2000), finding that attitudes toward integration and diversity vary along racial and gender lines.

Inclusion and integration of underrepresented individuals result at least in large part from affirmative action practices that level the playing field for these groups. However, many do not consider affirmative action programs to be a part of diversity management and draw a clear distinction between the two as opposing paradigms (Kellough & Naff, 1994; Riccucci, 2002; Selden & Selden, 2001; Wise & Tschirhart, 2000). The move from affirmative action to what some define as managing for diversity is controversial. Some research denigrates affirmative action as outmoded and no longer relevant (Thomas, 1990), while others argue that moving attention away from affirmative action results in increased likelihood of systematic discrimination in hiring and promotion (Caudron & Hayes, 1997; Cox et al., 1991; Morrison, 1992).

Diversity Effects

Research on diversity effects is a logical next step from research on inclusion and integration. If underrepresented employees become more and more integrated into the organization, what would be the impact of increased diversity? Very little research in public administration has sought to understand the impact of personnel diversity on organizational outcomes (Pitts, in press). However, research in business management, psychology, and social psychology has considered the impact of different types of heterogeneity on performance outcomes (Willoughby & O'Reilly, 1998; Wise et al., 1997; Wise & Tschirhart, 2000, 2002). This line of work relies more on positivist methods and hypothesis testing, using quantifiers of heterogeneity in order to explore the effects of the diversity present.

Research on diversity effects is a sprawling literature that considers the impact of a number of types of diversity on outcomes, including disability, education, race, gender, functional background, and others. Perhaps the most prominent type of diversity studied – race and ethnicity – has actually been declining in recent years (Milliken & Martins, 1996; Williams & O'Reilly, 1998). A large number of studies were conducted in the 1950s and 1960s, but these are now out of date and irrelevant, to a large extent, due to changing social values (Hoffman & Maier, 1961; Katz et al., 1958; Levy, 1964). The research that has been conducted more recently is mixed as to whether racial and ethnic diversity results in benefits or drawbacks to organizational performance. While some studies show a positive relationship between racial diversity and outcomes (McLeod & Lobel, 1992; O'Reilly et al., 1997; Richard, 2000; Watson et al., 1993), other studies temper the enthusiasm shown by the above research connecting diversity and performance. A series of studies found that ethnic diversity was unrelated to performance (Early, 1993; Fiedler, 1966; Kilduff et al., 2000; Pate et al., 1988; Watson et al., 1998), or related to performance in a negative direction (Pelled, 1997; Pelled et al., 1999; Thomas, 1999; Timmerman, 2000). Some research indicates that in heterogeneous work settings, members of one of the minorities are more likely to leave the organization and suffer from higher rates of absenteeism (Tsui et al., 1992). In a study linking manager and street-level bureaucrat diversity to three different performance indicators, Pitts (in press) found no consistent link between ethnic heterogeneity and work-related outcomes.

Other types of diversity produce stronger relationships. For example, age diversity has been consistently found to lead to lower levels of social integration, bad communication, and turnover (for a review, see Williams & O'Reilly, 1998). However, gender diversity is frequently related to performance in a positive manner (Allmendinger & Hackman, 1995; Hoffman &

Maier, 1961; Knouse & Dansby, 1999; Kolpin & Singell, 1996; Rogelberg & Rumery, 1996), as is diversity in education (Hambrick et al., 1996; Jehn et al., 1999; Wiersema & Bantel, 1992). Results for diversity of functional background are split between positive (Andrews, 1979; Hambrick et al., 1996; Jehn et al., 1999) and negative (Alexander et al., 1996; Ancona & Caldwell, 1992). Some research shows no consistent relationship between diversity and outcomes (see, generally, Williams & O'Reilly, 1998).

The applicability of much of this research to public organizations is questionable. A number of these studies were experiments in simulated environments involving students. Whether results from such experiments can be generalized to managers and employees in public agencies is for the reader to decide, but evidence from well-executed field research would clearly provide a better case for utilizable knowledge. Moreover, there could be sectoral differences that make diversity effects different in public agencies than in private organizations. The extent to which these problems hinder our understanding of diversity effects in public organizations may be small, but they do create a need to better test diversity effects using public organizational data.

Understanding the impact of diversity on performance is important for organizations formulating a strategy to manage diversity. If diversity results in increased organizational performance, then an organization may wish to enact policies that encourage continued diversity and make it desirable for women and people of color to remain in the organization. If diversity results in decreased performance, then an organization will wish to understand how policies and practices might be put into place to *manage* the diversity present and make it productive. In either case, an organization needs to understand how its diversity is affecting performance. The logical next step, then, is to develop practices and policies that retain the positive impact of the diversity or attempt to mitigate the negative impact.

Policies & Programs

The research on public sector policies and programs to promote workplace diversity has been less prolific than work on inclusion and integration. Ironically, it is arguably more important to practice, since it most directly impacts the decisions and policies chosen by the public manager. It is mostly descriptive, seemingly based on casual observation, with little to no analysis of the quality or impact of the program (Dobbs, 1998; Perkins, 1992). Some research on diversity policies has analyzed reasons for their failure (Ricucci, 1997), whether they benefit certain racial or minority groups (Caudron & Hayes, 1997), or whether components of diversity management benefit certain groups (Fox & Schuhmann, 2001; Saltzstein et al., 2001), but practically no empirical research has been conducted on the effectiveness of diversity management policies in the public sector (but see Naff & Kellough, 2003). A number of handbooks and desk references on diversity policies and programs are currently in print, but these are directed more at practicing managers than the field of research and often do not address the public sector specifically (Fine, 1995; Gardenschwartz & Rowe, 1993; Loden & Rosener, 1991; Moskos & Butler, 1996; Thomas, 1991; Wilson, 1997).

Diversity management has been characterized as a function of human resource management (Mathews, 1998), and the policies and programs that constitute the diversity management function vary substantially between organizations, including mentoring opportunities, training programs, family-friendly policies, and advocacy groups (Kellough & Naff, 2004). The looseness with which one might define diversity management leads to difficulty in operationalizing it for empirical research, and little published research has considered the link between diversity management processes and performance in public sector organizations (Naff & Kellough, 2003).

There are several potential reasons for this lack of research. First, there are no comprehensive theoretical models for understanding organizational diversity, leading to confusion over causal influences and general confusion of where one should begin. A lack of theory makes any work on this issue exploratory, and the generalizability of any findings would be suspect. Second, there are normative and political aspects to diversity management that prevent its evaluation. The normative component lies in the fact that many people assume that anything toward more harmonious relations among diverse employees is a step in a positive direction, and no one wants to critically evaluate a program with such good intentions. Moreover, some managers might think it inappropriate to manage something as important as diversity. The political component lies in the fact that organizations do not want to let researchers “in” to discover that the diversity program is going nowhere, certainly if the organization is under strong pressure from upper management to “take care of” the diversity problem. Finally, if a program is to be evaluated, then such an evaluation should include attitudinal information from employees to determine if the program is actually running as claimed, and such data are not readily available.

WHAT CONSTITUTES DIVERSITY MANAGEMENT?

Most definitions of diversity management consider only processes that occur after the hiring stage, differentiating diversity management from affirmative action programs. For example, the National Institutes of Health pit Affirmative Action (AA) and Equal Employment Opportunity (EEO) programs against “managing diversity,” where AA/EEO is mandatory, legal-based, short-term and limited, while managing diversity is voluntary, productivity-based, long-term and ongoing.³ The sole textbook on diversity management in public organizations places EEO at one end of a continuum, with Affirmative Action in the middle and “managing diversity”

at the end (Ricucci, 2002). In her model, managing diversity is “behavioral” and “strategic” while EEO is “legalistic” and “quantitative.” Thomas’ (1990) model is a progression from AA/EEO programs, to “valuing diversity,” to “managing diversity.”

This intermediate step – valuing diversity – is an interesting one. Programs that encourage employees to value diversity may be the most prevalent in practice and tend to consist of things like diversity bulletin boards in the office, a diversity newsletter, diversity workshops and team-building, or diversity family days. The idea is that employees will learn more about each other and value their differences, such that the differences can be used to the organization’s advantage. Theory suggests that a cultural synergy can develop when different cultural backgrounds come together at work, such that the final product produced by a heterogeneous work group will be better than the sum of the talents of the individual members (Adler, 1980, 1983, 2002; Moran et al., 1981). The idea is that diversity gets a group away from the perils of groupthink and toward more creative and effective solutions. Many employees may view “valuing diversity” programs as “fluffy” and without merit, but if employee interaction is appropriately managed and diversity is permitted to flourish, high levels of heterogeneity can lead to synergistic outcomes.

Kellough & Naff (2004) examine what is commonly included in diversity management programs, identifying seven core components: ensuring management accountability; examining organizational structure, culture, and management systems; paying attention to representation; providing training; developing mentoring programs; promoting internal advocacy groups; and emphasizing shared values among stakeholders. As they point out, some of these components – paying attention to representation, for example – are more correctly identified as “affirmative

action” or “EEO” programs than “managing diversity” programs, according to the limited definitions offered by some.

I argue that diversity management is a multifaceted concept and should be defined in such a manner. As such, this paper reformulates the definition of “diversity management” to include three components: recruitment programs, programs aimed to increase cultural awareness, and pragmatic management policies. If an organization is attempting to manage its diversity as an *overarching process*, recruitment must be included if a comprehensive, correct picture is to be painted. Not only is the need for recruitment reinforced by a lack of appropriate representation in government by some minority groups, but several scholars have also criticized research that has focused solely on broadening the scope of diversity and ignored the problematic underrepresentation of minority groups (Caudron & Hayes, 1997; Cox et al., 1991; Morrison, 1992). Moreover, some theory suggests that high levels of heterogeneity can lead to increased organizational performance (Adler, 1980, 1983, 2002; Moran et al., 1981), and while overall results are mixed as to the relationship between different types of diversity and performance, research has shown that some types of diversity can positively affect work-related outcomes (Wise & Tschirhart, 2000). If there is at least the potential for diversity to positively affect performance, then organizations should actively seek it, and recruitment is the only means by which to achieve this.

Similarly, a comprehensive approach to diversity should also involve the building of cultural awareness. It could be the case that organizations with a positive relationship between diversity and performance have simply done a better job fostering cultural awareness than those with a negative relationship between diversity and performance (Gest & Maranto, 2000; Moskos & Butler, 1996). For example, those employees who value differences can tap into such

differences more effectively, produce cultural synergy, and use diversity to their advantage in producing better work outcomes. Employees who do not value diversity will not find it worthwhile to explore cultural differences, leading to conflict, segmentation within work groups, and little chance of producing cultural synergy. Understanding how the cultural awareness aspect of diversity plays out in an organization is a relevant area of research for those interested in the impact of diversity management.

Finally, a complete diversity initiative should involve pragmatic management policies that seek to enhance employee job satisfaction and retention. Such policies could include part-time work, flexible time, generous family leave, or other arrangements that accommodate employees who are not able to conform to a rigid 9-to-5 schedule (Kellough & Naff, 2004; Saltzstein et al., 2001). Maintaining such policies permits the organization to recruit from a larger pool of potential employees and to some degree, perhaps, have more or better options. Moreover, providing an environment in which one's needs are valued could lead to increased retention and preservation of organizational knowledge. Of course, these programs are more feasible for some organizations than for others, and getting started with a comprehensive plan for managing diversity pragmatically could require significant outlay of resources.

These three functions form the core of the Comprehensive Model of Diversity Management (Figure One). As noted in the diagram, all diversity management initiatives should find their root in the organizational mission, leading to the above-mentioned three functions, a related set of three outputs, and the eventual outcome, organizational performance. I will outline the components of the model in the sections below.

[Insert Figure One here]

One caveat is in order in explaining this model. Although it is a causal model, it does not take into account the indirect influences that some forces may have on one another. For example, recruitment may be linked indirectly to the presence of cultural synergy, but it is not the primary force that the literature suggests will create it. Sorting out the potential confounding impacts would be a positive first step in testing this model empirically.

ORGANIZATIONAL PERFORMANCE AND MISSION

The importance of linking diversity programs with the organizational mission is rooted in the idea that effectiveness stems from the clear articulation of agency goals. According to Lorange (1980), the first fundamental question for strategic planning systems is “Where are we going?”, and research indicates that diversity must be linked to strategic management in order to be effective (Miller, 1998). The importance of mission statements and organizational goals has been highlighted by recent pushes for government reforms (Gore, 1993; Kettl, 1993; Osborne & Gaebler, 1992). This, coupled with emphasis on measuring outcomes instead of outputs, marks a substantial departure from earlier emphases on procedural issues. For example, Behn (1999) argues that goals are an important means through which to achieve desired outcomes, and the link between goals and organizational effectiveness has been noted extensively in the public management literature (Behn, 1991; Denhardt, 1993; Hargrove & Glidewell, 1990; Rainey, 2003; Simon, 1973). As such, organizational goals, or mission, are inherently tied to any diversity initiative and should appear in any model attempting to link diversity practices to outcomes.

While research suggests that goals are a logical component of a model that links diversity management to performance, it is a complex phenomenon that might be difficult to operationalize. Goals frequently come in groups, and occasionally goals with conflict with one

another, such that satisfying one goal might result in another being impossible to attain (Rainey, 1993, 2003). For example, increased organizational diversity might be one organizational goal in and of itself. However, research has shown that diversity sometimes leads to negative impacts on other performance dimensions, such as efficiency and creativity. Understanding the path from mission to management requires conceptualization of goals as multiple. Questions an organization might ask is whether diversity itself appears in the mission of the organization, whether its management appears, or whether there is even any mention of diversity in the mission at all.

The use of performance-based outcomes is similarly valuable, for both research-oriented and practical reasons. At present, there has been little research that empirically studied the effects of diversity management processes on organizational outcomes in the public sector (Naff & Kellough, 2003). This is clearly an area that warrants further study, certainly in light of the increasing levels of diversity and types of diversity management initiatives in the U.S. public sector. There are, certainly, a number of measures of performance that may be salient in a given organization, including efficiency, some broader measure of effectiveness (Rainey & Steinbauer, 1999), client/citizen satisfaction, and others. Diversity may affect different types of performance in different ways (Wise & Tschirhart, 2000). As with goals, performance must be measured using multiple indicators, and this is a problem when comparing organizations with disparate performance outcomes. Unfortunately, very little evidence has been produced linking diversity to performance using public sector data. Pitts (in press) used multiple performance outcomes but relied on data from only one policy area. Selection of performance variables to use in testing the model will likely depend on data available for empirical inquiry.

It is also important to understand the impact of diversity management programs on performance in order to suggest improvements and changes that benefit diverse groups. For example, if research shows that a given diversity management program has no effect or a negative effect on performance, then changes can be made to improve the program. There has been no published research that has critically evaluated public-sector diversity management programs, and anecdotal evidence suggests that many initiatives have been implemented based on what “sounds right” or on the advice of external consultants. If research in public administration is to inform practice, then this is one area in which further empirical study is warranted.

Finally, the perceived reverse discrimination associated with affirmative action programs in the 1980s has given diversity a bad name. Many diversity programs are viewed with disdain by majority employees who feel threatened by them or feel that they are unfair. As Riccucci (1997) points out, many white male employees believe anything associated with diversity is reverse discrimination at the core. Preventing backlash and promoting effective buy-in of agency programs, as a result, will require more than “lofty” goals like social equity. Instead, agencies must show employees that diversity programs can have a bottom-line impact on the organization, tying the individual success of employees, majority or minority, directly to the diversity program and giving them a true stake in the issue. Soni (2000) found that the receptivity of employees to diversity initiatives was an important factor to its success – concentrating on improving receptivity through a focus on organizational performance could perhaps lead to a more successful diversity management agenda.

THE RECRUITMENT FUNCTION

One of the primary developments in the public management research on diversity in the past ten years has been to move away from an emphasis on recruitment. Some scholars draw the definitional line of management above the recruitment function, focusing only on processes that take place after the hiring stage (Henderson, 1994; Thomas, 1990; Wise & Tschirhart, 2000). However, if there are potential benefits to heterogeneity in the workplace, then logic suggests that something valuable can be gained by understanding the nature of recruitment programs. After all, recruitment is undoubtedly tied to the level of heterogeneity in an organization, making it a function that must be considered in the context of any exploration of organizational diversity. In addition, there is an argument to be made that recruitment constitutes management as much as anything else. Viewing management narrowly as a process that occurs only after one is hired ignores the planning and execution of the numerous recruitment and outreach programs undertaken by public organizations, in addition to the managerial networking that frequently results in attracting new employees.

In the model proposed in this paper, the recruitment function is linked directly to heterogeneity. This is a logical link, since recruitment, whether internal or external, is what guides the arrival of employees into the organization. It is necessary, then, to consider how research might work to link recruitment programs with measures of heterogeneity. One means for accomplishing this would be to consider the different ways through which organizations recruit. The U.S. Office of Personnel Management has issued a guide to diversity management for federal agencies that outlines different methods for recruiting from underrepresented groups (U.S. OPM, 2000). The OPM discusses outreach programs, minority job fairs, resume banks, and large-scale recruitment events as possibilities. Other potentially interesting variables might include number of full-time employees assigned to recruitment, financial resources dedicated to

recruitment, availability or quality of the literature on the organization that is given to potential employees, or incentives to current employees to bring new employees into the organization. This initial list of possible testing items suggests that a wealth of information is yet to be understood on the recruitment function as it relates to heterogeneity, and research would benefit from exploring this line of inquiry in more detail.

Not only must research in this area consider overall organizational heterogeneity, but it must also explore the heterogeneity in the middle and upper ranks. It should examine the percentages of lateral hires that are women and minorities, as well as the rate at which women and people of color are promoted within the organization. Issues of internal recruitment are just as important as external recruitment.

BUILDING CULTURAL AWARENESS

Programs aimed at building tolerance and cultural awareness may be the most popular type of diversity initiative in organizations. These programs can take the form of diversity newsletters or communication venues, diversity “months” where a culture’s customs are emphasized, or full-scale diversity training. While it has been shown that receptivity to diversity can be a powerful force in employee relationships (Soni, 2000), it has not been shown how well programs designed to increase such receptivity have worked. Moreover, research has not shown whether programs aimed to increase cultural awareness have actually resulted in such an increase.

Theory does suggest, however, that the cultural aspect of diversity can have a strong impact. Adler (2002) argues that organizations with multicultural personnel can be more competitive than homogeneous agencies because of cultural synergies, the combination of the most effective practices in each culture. The creation of cultural synergies stems from two

forces: the presence of some level of heterogeneity in the work group, and the awareness of the employees of different cultural approaches. In this respect, the recruitment function is an indirect influence over whether cultural synergy exists, though a second step – awareness – is a more direct influence.

Although important to understand, this function – cultural awareness – is a particularly problematic one for research. While cultural synergy is an interesting concept in theory, it is very difficult to operationalize and measure. Effective research in this area would be contingent upon survey data, or, ideally, panel data from employees who were aware enough to understand that the synergy was actually happening, a level of self-awareness that may be beyond reasonable expectation. Cooperation between cultures is an elusive thing that can go unrecognized even by those directly involved. Testing cultural synergy would involve surveying employees about their interactions with others and the cultural differences they perceived to be at play in the workplace. Appreciation and acceptance of those differences would constitute cultural synergy, insofar as employees would link that to how well they worked with one another.

Another difficulty is the wide-ranging disparity in effectiveness between programs. If diversity training is handled poorly, then it can result in substantial backlash, particularly from white men (Ricucci, 1997; Von Bergen et al., 2002). The types of training programs and initiatives that will lead to cultural synergy are those that are sufficiently unthreatening to employees, but also for which employees can see a benefit. That combination is a delicate one. A second problem with diversity training is that some organizations institute it in the wake of discrimination or sexual harassment suits in order to prove that they are doing all they can to counter discriminatory behavior. These organizations may not be as concerned with the overall

benefit of the training as with the insurance policy against liability that they will have in effect purchased (Von Bergen et al., 2002).

The bottom line with cultural awareness building is that the differences in type and effectiveness between programs muddy the causal waters. It becomes difficult to understand the causal influences at work across organizations, since the programs are anything but standard. It is hard to connect these types of programs with the presence of cultural synergy, since both areas are difficult to understand in the systematic, rational way necessary for effective empirical research. However, the prevalence of this type of diversity program nevertheless warrants more and better efforts at this line of research. In any case, variables exploring these issues must include at least some attitudinal items seeking employee feedback.

THE PRAGMATIC MANAGEMENT FUNCTION

The pragmatic management function, or what Thomas (1990) and others have called managing for diversity, is arguably the broadest of the three functions that affect organizational diversity. This function is different from recruitment in that it consists of management practices after the hiring stage, and it is different from cultural tolerance building in that it is concerned with practices, not mindsets. The purpose of pragmatic management policy is to make it easier for employees to do their work and perform well by removing logistical barriers. Although these policies are often not formulated as a part of the overall diversity program, they substantially impact the diversity of the organization, since “majority” employees likely are not those who have trouble with the mainstream, 9-to-5, hierarchical approach to work.

Pragmatic management policies that affect organizational diversity include flexible scheduling, part-time or seasonal work, and child-care centers on site. Organizations that seek to retain older workers might offer part-time work or phased retirement. Agencies trying to create a

better work-life balance for employees with children might offer flexible scheduling, on-site or subsidized childcare, and educational programs. Studies have shown that minority racial groups in the United States exhibit cultural preferences for collective behavior (Azevedo et al., 2002; Falicov, 2001; Ho, 1987), so organizations seeking to retain people of color might eliminate hierarchical layers, assign work in teams, and increase interaction between employees.⁴ Although none of these types of policies is specifically rooted in a diversity program as it has typically been defined, they all affect diversity in ways that should be better understood through research. Providing better working conditions will in turn create more potential for job satisfaction, which is related to better work outcomes.

MODEL SPECIFICATION

Based on this framework, the appropriate model for quantitative analysis would begin as a basic one with performance, heterogeneity, cultural synergy, retention, and job satisfaction.

$$\mathbf{P}_t = \alpha + \beta_1 \mathbf{P}_{t-1} + \beta_2 \mathbf{H}_t + \beta_3 \mathbf{C}_t + \beta_4 \mathbf{R}_t + \beta_5 \mathbf{X}_t + \varepsilon_t \quad [1]$$

where \mathbf{P}_t = Performance outcome
 \mathbf{P}_{t-1} = Autoregressive term
 \mathbf{H}_t = Vector of heterogeneity variables
 \mathbf{C}_t = Vector of cultural synergy variables
 \mathbf{R}_t = Vector of job satisfaction variables
 \mathbf{X}_t = Vector of control variables
 ε_t = Error term

This model does not take into account the likelihood of interaction between any two variables, nor does it consider any other non-linear specification. These are concerns that should be addressed in future quantitative analysis using this model. There is so little theory on the issue that it is impossible to speculate where the non-linearity and interaction would arise, and data analysis would yield evidence on this point better than poorly cobbled-together ideas from extant research. The model is autoregressive, given the inertial nature of bureaucracy that has been

noted and used as a variable in other research (O'Toole & Meier, 1999; Pitts, in press), and this is represented by the P_{t-1} term. This assumes availability of time-series data, an assumption likely to be rejected in most instances, but the idea of the autoregressive term is nonetheless important to the model theoretically. The other independent variables of interest are characterized here as vectors, since they will undoubtedly each contain at least several applicable and necessary variables. I include a vector of control variables in the equation, since it is likely that organizational size, agency mission area, and other variables might have an impact on performance that would confound the impact of diversity management.

The possibilities for analysis beyond this simple model are many. For example, one might survey employees in order to generate attitudinal data for the cultural synergy variable (C_t). The specific questions might be analyzed using factor analysis, resulting in factor scores being used for the cultural synergy component of the model. Alternatively, one might construct scales or indices from survey questions, generating more than one variable to represent different aspects of cultural synergy. The basic conclusion is that the operationalization of the model can take a number of different forms, depending on the organization being studied and the types of data available. What is important is that research consider all of these variables, including some preliminary consideration of the causal relationships between the different components of the theoretical framework, in analyzing the effectiveness of any diversity initiative, or at least evaluate results within the framework of a comprehensive model.

IMPLICATIONS AND CONCLUSIONS

The contribution of this research is three-fold. First, it encourages an increase in methodological rigor by providing a comprehensive model of organizational diversity on which the research on diversity management programs in public organizations can build. Much of the

work on diversity is descriptive, and the work that is quantitative in nature frequently does not begin from a theoretical base. In this respect, it is difficult to engage in theory building or use systematic, scientific methods in order to test hypotheses and form new knowledge. My formulation of such a comprehensive model is aimed toward increasing the quality of research on diversity in the public management field. It would work toward uniting what is currently a set of three distinct areas of research – integration/inclusion, management programs, and diversity effects. This might help to move research on diversity more into mainstream management research.

Second, this research seeks to provide a means through which to view diversity through a management or program lens. Bare analyses of heterogeneity and integration are useful in their own right, but such phenomena are inherently tied to management processes that are frequently ignored in such studies. While it is occasionally difficult to tap into management as a variable in research, scholars should at least consider links between their work and diversity initiatives and management processes. If research on diversity is to inform practice, then it must consider the practical angle of diversity – the management strategies undertaken by those in the field.

Finally, my goal is in part to suggest a means through which research might begin to address diversity research in a more comprehensive manner. Diversity management should not be defined narrowly as only recruitment, only management policy, or only sensitivity training. My model is not necessarily the best one, and the field would benefit from others thinking about how their work might fit in with the work of others in some sort of comprehensive framework. The fragmentation of diversity research is arguably its biggest problem, and connecting the approaches to diversity where possible will benefit the body of research. As with any quantitative research, implementation of my model relies on the availability of data, and it is

doubtful that such data would exist for execution of such a comprehensive approach to diversity. This does not mean that research on individual components of the comprehensive model is not without merit. Rather, scholars should consider their work in the context of a larger theoretical model.

NOTES

1. While research on diversity and its management might be new to public administration circles, other fields have considered diversity management much longer (see, e.g., Aron, 1987; Moynihan & Glazer, 1970; Sowell, 1978).
2. There is also a wide and tangentially relevant literature on representative bureaucracy. I do not include it here, since it does not explicitly focus on management and work-related outcomes.
3. http://www1.od.nih.gov/OEO/WDI/managing_diversity.htm; presented in Kellough & Naff, 2004.
4. Some research also indicates that rule transparency, not cultural differences, leads to minority success in the workplace (Gest & Maranto, 2000; Moskos & Butler, 1996).

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FIGURE 1: COMPREHENSIVE MODEL OF DIVERSITY MANAGEMENT

