Chapter 9

Diversity and Inclusion Management:
A Focus on Employee Engagement

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ABSTRACT

Diversity and inclusion have been increasingly recognized and are the most utilized organizational resources over the last three decades. However, research has demonstrated that many organizations may not have the requisite diversity in their midst. Research further highlights that employees might feel that few of their components of their social identities may be valued and included, leaving them feeling excluded. These attitudes may influence employee behaviors, leading to low morale, high absenteeism, low job satisfaction, negative word of mouth, and so on, which will eventually make the estranged employee leave the job/organization. Understanding the impact of diversity and inclusion on individual, group, and organizations performance is analyzed through employee engagement by developing a framework. To develop a framework that provides rigorous theoretical evidence for its ability to determine whether an organization has indeed engendered an inclusive and engaging environment for its employees is the goal of the chapter.

DOI: 10.4018/978-1-5225-4933-8.ch009
INTRODUCTION

Excellence through diversity-inclusiveness is one of the organization’s toughest goals, though the term often raises confusion, tension, and controversy. When people think about diversity, they may begin with ethnicity, race and then gender. However, diversity is a broader term which includes age, gender, ethnicity, physical qualities, ancestry, race, sexual orientation, education, geographical location, income, parental status, marital status and work experience, but not limited to these dimensions (Loden & Rosener, 1991). The term diversity has interpreted in many ways – “any differences in an individual that distinguishes from our internal and external groups or a broad range of overt and hidden qualities in a person from others or combination of personality, internal, external and organizational areas” (How, 2007; Johnson, 2003; Moore, 1999; Simmons-Welburn, 1999; Digh, 1998a). These differences are vital and evaluated as the prospects that help in advancing the innovation and technology at the workplace and also bring business and people closer to each other than ever before. Keeping this in view, organizations, business, educational systems and other bodies are exploring new ways to serve their stakeholders better and be successful in the markets.

Workforce diversity has become a potent tool which promotes new ways to accomplish individual as well as organizational goals. Global companies like Starbucks, Deloitte, HCL Technologies, Verizon and many other Fortune companies emphasized that companies must hire people with different skills, gender, race, ethnicity, and ages. Also suggested that managers need to learn how to distribute the diversified workforce evenly and equitably across the company’s divisions (Morais et al., 2014; Lundrigan et al., 2012; SHRM, 2009). Studies stated that productivity, financial performance, and predictions for growth and survival of the organization is mostly influenced by the diversified workgroups (April & Shockley, 2007; Kossek et al., 2004; Fredman & Davidson, 2002). However, a study by Gallup consultancy concluded that diversity might help organizations to accomplish the set goals, but in the long run, inclusiveness matters a lot in the overall corporate growth (Riffkin & Harter, 2016).

The ‘inclusion’ philosophy focuses beyond the concept of some and shifts the group effort towards the term all (April & Blass, 2010). Moreover, inclusiveness requires a fundamental change in the organizational structure, human resource policies, operational procedures, style of leadership and altogether the culture of the organization (Miller, 1998). It indicates that diversity and inclusion is a total culture change at individual, group and the organizational levels. Further, this was supported by the Thomas & Ely (1996) in their work and concluded that effective implementation and maintenance of diversity and inclusion practices develop positive
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