Chapter 12
Leveraging Workforce Diversity using a Multidimensional Approach

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ABSTRACT

This chapter describes the need for and development of a taxonomy of workplace diversity. It also examines the taxonomy’s implications for understanding and predicting diversity outcomes at work. The context of diversity research is described, along with a problem the field is facing concerning consensus for a practical, operational definition. A seven-dimension taxonomy grounded in Social Identity Theory was developed by reviewing contemporary literature on diversity in the workplace. Preliminary research found that each of the seven dimensions of the taxonomy were present in 78 critical incidents describing work-relevant diversity scenarios. An instrument, the Workplace Diversity Inventory, has been developed and administered in order to empirically examine the seven-factor model of the taxonomy. Implications and directions for future research are discussed.

INTRODUCTION

Workplace diversity is increasing, in the U.S. and internationally, and is increasingly important to organizational success (Cox, 2001; Mor Barak, 2005; Triandis, 2003). In contrast with that of previous generations, today’s workforce is more heterogeneous in terms of many social categories (e.g., age, gender, ethnicity, national origin), and research suggests that this trend will continue into the future (Judy & D’Amico, 1997). Due to globalization, international workforces are much more common and workplaces have become more diverse than ever before (Haq, 2004). The reality
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of today’s increasingly diverse workforce creates a vital need to appreciate and value differences in order to work more effectively with people from diverse groups and varied backgrounds.

The urgency of addressing workplace diversity is evidenced by the fact that explicit, as well as covert, forms of racial prejudice have been shown to influence hiring decisions (Dovidio & Gaertner, 2000), and workplace discrimination has continued to increase (EEOC, 2010), in spite of greater awareness, increased training, and more social condemnation of the issue. There is a social and moral imperative to build diverse and inclusive working environments.

While workplace diversity has been shown to have both positive and negative effects (e.g., Guzzo & Dickson, 1996; Milliken & Martins, 1996), scholars agree that effective leadership and management are vital to leveraging the benefits of workplace diversity (Cox, 1991; Stockdale & Cao, 2004; Dahm, Willems, Ivancevich, & Graves, 2009). Effectively managing diversity leads to a number of organizational advantages, including greater inclusiveness, increased creativity and innovation, better decision-making capabilities, and, ultimately, performance gains (van Knippenberg & Schippers, 2007).

As a complex and elusive concept, diversity needs to be defined in terms that make it possible for organizations to measure, predict, and manage it effectively. It is not possible to accurately measure organizational diversity processes and outcomes or to specify the attributes of successful workplace diversity management unless we have a conceptually strong measurement tool with which to work. However, scholars have not yet come to consensus on one consistent, operational definition of workplace diversity. In the past 20 years, scholars have developed at least thirty definitions of workplace diversity (Mor Barak, 2011), yet none of them provide a clear way to assess the psychological constructs present in diverse organizations. To date, no published research has systematically defined the entire domain of workplace diversity, nor has any comprehensive measure of all major dimensions of workplace diversity been developed. Therefore, there is a need to develop a detailed operational definition of diversity in the workplace, and a measure that examines all of its components. Defining diversity is important in order to make subsequent advances in implementing organizational diversity initiatives, in training that provides the skills necessary to navigate and manage increasingly diverse workforces, and in selecting workers that will contribute to bringing about the positive outcomes of diversity. To do so it is essential to develop a solid understanding of the underlying dynamics in diverse organizations. Accordingly, the purpose of this chapter is to describe the development of a cutting edge definition of workplace diversity and an instrument based on that definition, one which enables precise measurement of the patterns and experiences of employees in diverse U.S.-based and international work settings.

Two constructs that are commonly used to describe and measure diversity at work is diversity climate and inclusion. Research has demonstrated that a positive diversity climate is vital to the success of diversity initiatives (Rynes & Rosen, 1995; Kossek & Zonia, 1993). Scholars agree that a major problem in today’s diverse workforce is that many employees perceive that they are not fully included—that they are not valued as integral parts of their organizations (Mor Barak, 2011). The definition offered in this chapter includes but also goes beyond diversity climate and the concept of inclusion-exclusion to incorporate all relevant factors that contribute to employees’ perception of workplace diversity.

BACKGROUND

The term diversity is used often and in many different ways (Dass & Parker, 1999). Mor Barak (2011) provides a typology that includes thirty definitions of diversity developed by scholars