

CHAPTER 2 DIVERSITY IN THE WORKPLACE

2.1 INTRODUCTION

The aim of the study in chapter 2 is to develop a theoretical framework of workforce diversity that is based on a valuing diversity paradigm. The need for such a framework was expressed in the statement of research objective 1.4 (i). McGrath and Berdahl (in Jackson and Ruderman et, al., 1996), state that workforce diversity (and its opposite, homogeneity), refers to the differences (or similarities) among members of some particular collectivity. Its interest to management and leadership is the impact it has on human behaviour in organizations.

An understanding of the concept of diversity, its dynamics in organizational behaviour and its management is becoming a pivotal aspect of leadership and human resource management. In any country, the impact of “how” diversity is managed, will be felt to the degree that it reinforces the achievement of economic objectives and goals (Herriot and Pemberton, 1995).

For a country to become competitive, and achieve its economic growth goals, one of the key parameters that needs to be in place is the effective management of the workforce diversity.

2.1.1 Definitions of workforce diversity

Diversity has been defined by a number of scholars and institutions in various parts of the world. Below are a few significant definitions.

On the most elementary level, diversity can be defined as “race, gender, age, language, physical characteristics, disability, sexual orientation, economic status, parental status, education, geographic origin, profession, lifestyle, religion, position in the company hierarchy, and any other difference” (O’Mara 1994: 115).

Thus, any characteristic that differentiates one person from another implies diversity. Gardenswartz and Rowe (1993), states that diversity can be defined as differences in race, gender, age, language, physical characteristics, disability, sexual orientation, economic status, parental status, education, geographic origin, profession, lifestyle, religion, position in company hierarchy, and any other difference.

Cox (1994: 6) defines cultural diversity as “the representation, in one social system, of people with distinctly different group affiliations of cultural significance”. Griggs and Louw (1995) define diversity in a work situation as “encompassing every individual difference that affects a task or relationship.”

Gardenswartz and Rowe (1993) and Este, Griffen and Hirsch (1995), make a distinction between primary (age, ethnicity, gender, physical ability, race) and secondary dimensions of diversity (geography, income, mental status, etc). They state that diversity is often synonymous with multiculturalism. Multiculturalism refers to many cultures. This introduces another set of relevant terms, e.g.: Eurocentrism, Afrocentrism, multicentrism, pluralism, particularism, universalism, separatism, vs. relativism, etc.

(Parek, 1992: 44), and Omara (1994: 118), asserts “that people operate in specific social structures composed of multi-communities/cultures.” In terms of diversity, it means that the differences of others should be valued and an environment should be created that does not require assimilation of another culture, i.e. taking on its traits and leaving the culture of origin behind.

Thomas, (1996:11): “Diversity refers to any mixture of items characterised by differences and similarities.” Thomas says that the above definition appears simple on the surface, but its implications are significant. Firstly, diversity is not synonymous with differences, but encompasses differences and similarities. One way to look at this, is to think of a macro/micro continuum. A micro perspective looks at the individual component and a macro perspective looks at the mixture. To get at the true nature of diversity (comprising differences and similarities) requires an ability to assume both

perspectives simultaneously; the micro facilitates identification of differences, and the macro enhances the ability to see similarities.

Secondly, diversity refers to the collective (all-inclusive) mixture of differences and similarities along a given dimension. This means that when one is dealing with diversity, one is focussing on the collective mixture, not just pieces of it.

Thirdly, the component elements in diversity mixtures can vary, and so a discussion of diversity must specify the dimensions in question. The components of a diversity mixture can be people, concepts, concrete items, or abstractions.

The aspects of relationships and tasks are most relevant to the purposes of this research, because differences between people influence relationships, which in turn influence the execution of tasks. For the purposes of this research, the definition of Griggs and Louw is thus most significant in determining factors of workforce diversity.

2.1.2 Relevance of the influence of diversity on tasks and relationships in organizations

Pemberton and Herriot (1995:88), state that the nature of employee roles, and by inference relationships, impact on task performance and competitiveness. Gardenswartz and Rowe (1993), adds to this statement by emphasizing that in addition to relationship characteristics, relationships and task performance is also influenced by the resistance or valuing of workforce diversity.

Cox (1995), states that people can reach their full potential in organizations where diversity is valued. Cox (a) 1991: 45, further suggests that “organisations should value diversity in order to enhance competitiveness.” He identifies six areas of organizational performance, which can enable a

company to acquire a competitive advantage when diversity is managed optimally:

(i) *Social responsibility goals of companies*

Social responsibility goals can influence differences in a work situation that impact on relationships and tasks because of its positive influence on employee relations. Employee assistance programmes is an example of the practice of social responsibility.

Overt expression of social responsibility by managers includes interaction with stake-holders of the organization on a broad range of issues through which stakeholders can benefit. These include community relations, employee relations, product development and liability policies to support women and minorities.

According to Cox, this usually is the only area which is identified by managers as an area that can benefit from managing diversity.

(ii) *Cost*

Effective management of workforce diversity includes the prevention of discrimination in the work place on the grounds of differences between people. Discrimination is the result of stereotyping, which in turn is the outcome of prejudice. Anti-discrimination legislation provides employees with channels of re-course that can be very costly to an employer who deprives employees of equal opportunity and remuneration.

Due to the fact that companies have not always successfully managed groups other than the white male majority, many companies suffer direct costs in the sense of expensive law suits as a result of discriminatory practices.

Indirect costs are also incurred due to high turnover, absenteeism and low job-satisfaction. as a result of work outcomes and experiences of individuals that are diversity related.

(ii) *Marketing*

In South Africa these experiences often emanate from social responsibility practices like “black advancement” interventions. The implicit assumptions of the black advancement model is that blacks are not capable of succeeding in business, that they have to be educated and trained and placed in businesses, it is a deficit-model of unpreparedness for a white corporate world (Human and Bowmaker-Falconer, 1992) They say that managing diversity is just another euphemism for ‘black advancement’, and that in South Africa it has become another term for affirmative action, equal employment opportunities or ‘accelerated’ advancement.

No or low career growth as well as cultural conflict might be responsible for these frustrations. The conclusion reached is that companies who are quick to create an environment where all personnel can thrive, should gain a competitive cost advantage over those that do not aim to create such an environment – even though such costs are difficult to quantify in monetary value.

(iii) *Resource acquisition*

Equal employment opportunity (EEO) legislation provide organizations with guidelines for planning and practicing equal opportunity employment. Effective management of workforce diversity improves resource acquisition by implementing the directives of the legislation, and by incorporating these practices in their recruitment policies.

Such recruitment policies are reflected in recruitment advertisements, where the policy of the organization is stated.

(iv) *Marketing*

A company's market can be homogeneous (consist of similar elements), just like an organization can exist with similar people. Historically wine was enjoyed mainly by whites in South Africa and promoted by mainly white salesmen. By introducing equal employment opportunities to blacks as sales people, the taste for wine has now been acquired by many blacks. The outcome is that the wine market has acquired a new segment and is as such diversifying.

Thus, just as the workforces of organizations are becoming more culturally diverse, so are their markets. Markets in the national as well as the international arena are diversifying.

Companies, who have used diverse personnel in product markets linked to specific cultural groups, have achieved considerable success. Globalisation is causing companies to take note of cultural differences that exist between consumers.

(v) *Problem-solving*

Although problem-solving differs as a concept from marketing, both are activities within organizations with a given diversity-related composition. Thus it may also be influenced by workforce diversity just like marketing.

Implementation of equal employment opportunity legislation introduces people to the organization that differ in thinking, learning, working and managing styles. An increase in diversity in South African organizations is effectively an increase in black people, particularly black managers.

The core dimensions of modern African management thought include traditionalism, communalism, and co-operative teamwork (Nzelibe, 1986). Salient dimensions of white management thought however, include innovation, individualism and competition. A very significant conclusion at this point is that both these cultural orientations are important in the definition of diversity of Griggs and Louw.

Differences that impact on relationships between Whites and Blacks affect co-operation. The Black orientation to relationships must be the respected in an organization. The White orientation to tasks and its execution must be preferred in an organization. It can thus be concluded that an increase in diversity that balances these orientations can only benefit the organization in achieving its economic goals.

Studies as referred to by Cox (1993) substantiate the fact that diverse workforces have the potential for creating a competitive advantage due to the presence of a variety of perspectives, higher levels of critical alternative analysis and the lower probability of group think.

Robinson and Dechant (1997), claim that heterogeneous teams produce more innovative solutions to problems. The variety of perspectives and natural conflict that surfaces from their interaction ensure that differing views surface and are discussed.

(vi) *System flexibility*

If diversity is managed well, it enhances the system's flexibility. Cox asserts this based on two premises: Firstly there is evidence that women and ethnic minorities have especially flexible cognitive structures and secondly, the company becomes more "fluid" and adaptable due to revised policies, procedures and operating procedures.

Demands for competitiveness are augmented by workforce-related trends that are significant, as it has implications for increases in diversity.

2.1.3 Workforce-related trends in diversity

Effective management of workforce diversity accommodates challenges of leading a diverse workforce. Some of the challenges are contained in trends which managers should also take cognisance of. Cox (1994) identified the following trends:

- (i) Workforces are becoming more diverse regarding gender, race and nationality criteria. This is reflected by world population demographics. Joplin and Daus (1997:32), points to two issues that are recognized with increasing diversity and can be effectively managed:
 - (a) Changes in the power dynamics. This is very relevant in South Africa. During the period 1998 to 1999, South Africa saw its first black president of its central bank. It is important for this new president to be effective in managing workforce diversity, to the extent that manager and staff of the bank does not develop feelings of detachment from the bank (Tsui et al in Joplin and Daus, 1997).
 - (b) Tokenism, real and perceived. Real tokenism occurs when an employee is hired over other clearly more qualified candidates in an effort to address stake-holder concerns, or simply fulfils numbers quota systems. From 1997 this has been a trend in South Africa.
- (ii) The importance of cross-functional teams as a basis for achieving a competitive advantage is being emphasised. The interrelationship between differing work functions and their respective cultures is applicable. Levine (in Joplin and Daus, 1996), points to the value of participation in the effective management of workforce diversity.

Diverse employee participation in critical organizational processes is necessary to enable the organization to capitalise on new, different and creating ways of thinking.

Such participation can ease the tension resulting from the issue of power sharing and changed power dynamics; the expression and gathering of different perspectives and opinions; the building of perceptions of empathy; and the reduction of real and perceived tokenism.

- (iii) The emphasis on global marketing and multinational operations is increasing in order for companies to survive. Citizens of one country come into contact with problems and developments in other areas in the world by means of the media and technological developments. They realise that they are not the only ones struggling with specific issues and form support networks encouraging each other.

2.2 ORGANIZATIONAL BEHAVIOUR AND WORK FORCE DIVERSITY

2.2.1 Introduction

Many factors shape organisational behaviour on a contingency basis (Tosi, Slocum, 1984: 9-26). An assumption of this study is that diversity is a socially constructed issue (Triandis, 1994) and that factors of workforce diversity should be studied within the framework of organisational behaviour.

We define organisational behaviour as: “The study of human behaviour, attitudes, and performance within an organisational setting, drawing on theory, methods and principles from such disciplines as psychology, sociology and cultural anthropology to learn about individual perceptions, values, learning

capacities, and actions while working within groups and within the total organisation, analysing the external environment's effect on the organisation and its human resources, missions, objectives and strategies"(Gibson, Ivancevich, Donnelly, 1988:7).

The definition of organizational behaviour above, relates to people in an organization. By implication it must then also relate to the same people in the context of their differences and similarities. People's differences and similarities are perceived by one another and these perceptions are organized at psychological level, and contribute to personal identity-structures.

The resulting employee identity plays a role in inter-personal as well as group behaviour. It is then reasonable to conclude that behaviour that results from workforce diversity can be modelled just like behaviour that results from other (non-diversity-related) factors of organizational behaviour.

2.2.2 Workforce diversity and applied organizational behaviour

Managers need to understand the utility of organizational behaviour knowledge in managing workforce diversity. For the purpose of this study, two levels of knowledge are important. The first level is the outline of how behavioural science theory contributes to knowledge on diversity-related organizational behaviour.

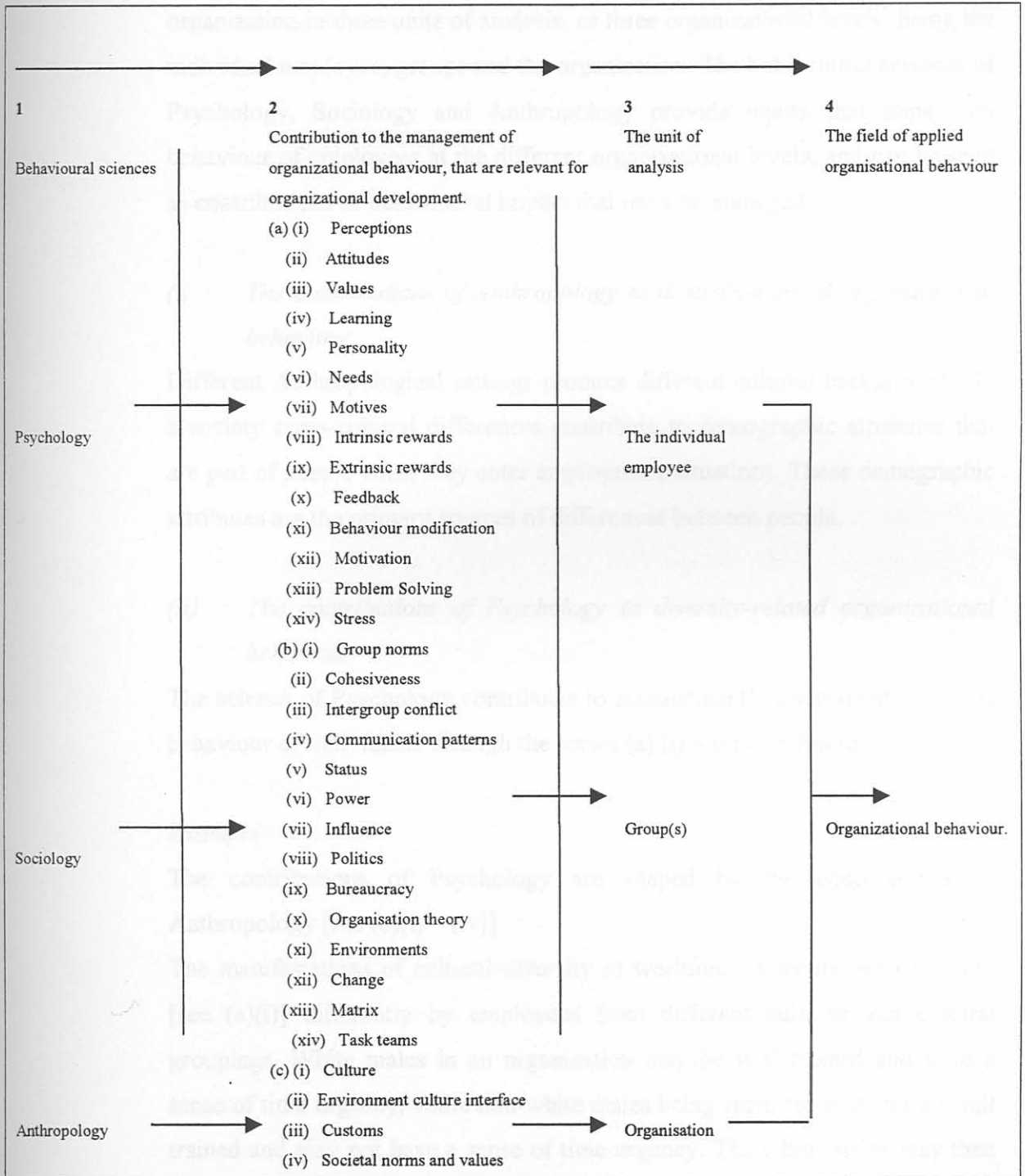
The second level is the application of this knowledge to achieve organizational effectiveness in the context of the effective management of diversity, known as organization development.

2.2.2.1 The contribution of Behavioural Science theory to diversity-related organizational behaviour

Figure 2.1 is a framework for the contribution of behavioural science theory to organizational behaviour. The model integrates inputs from behavioural sciences into organizational behaviour. Because our interest in workforce

diversity is based on the behaviours that result from the dynamics of diversity, the researcher suggests that this framework should be used to guide this study.

Figure 2.1 A Manager’s guide to Applied Organizational Behaviour.



Source: Gibson, Ivancevich and Donnelly, (1988 : 756)

It is evident that figure 2.1 represents a multi-level interdisciplinary approach to the study of organizational behaviour.

Within this approach organizational behaviour can be studied within an organization in three units of analysis, or three organizational levels, being the individual employee, groups and the organization. The behavioural sciences of Psychology, Sociology and Anthropology provide inputs that impact on behaviour of employees at the different organizational levels, and can be seen as contributions of behavioural impact that must be managed.

(i) *The contributions of Anthropology to diversity-related organizational behaviour*

Different Anthropological settings produce different cultural backgrounds. In a society cross-cultural differences contribute to demographic attributes that are part of people when they enter employment situations. These demographic attributes are the primary sources of differences between people.

(ii) *The contributions of Psychology to diversity-related organizational behaviour*

The science of Psychology contributes to management's understanding of the behaviour of individuals through the topics (a) (i) – (xiv) in figure 2.1.

Example

The contributions of Psychology are shaped by the contributions of Anthropology [see (c)(i) – (iv)]

The manifestations of cultural diversity in workforce diversity are perceived [see (a)(i)] differently by employees from different cultures and cultural groupings. White males in an organization may be well trained and have a sense of time urgency, while non-white males being recruited may not be well trained and may not have a sense of time urgency. The white males may then

perceive black males as not having the attributes for competently executing tasks.

If they are the dominant group, they may generalize these perceptions to all blacks and match them with tasks that are congruent with their perceptions, resulting in negative attitudes of whites [see (a)(ii)].

Blacks may perceive these negative attitudes in ways that affect their self-esteem and identity, which in turn may result in modifications in their behaviour in the organization [see (a)(xi)].

They may then pursue solidarity through the convergence of their identities. When this happens, managers can make use of the contributions of the science of sociology.

(iii) The contributions of Sociology to diversity-related organizational behaviour

The convergence of identities can lead to white and black group norms and group cohesiveness [see (b)(i), (ii)], resulting in group identities. The dominant groups are likely to have more power [see (b)(vi)], which can then influence [see (b)(vii)] how task teams [see (b)(xiv)], are constituted.

The necessity to follow a multi-level interdisciplinary approach to the study of the concept of diversity is strongly advocated by one of the most celebrated social psychologists of the twentieth century, Muzafer Sheriff (Granberg and Sarup, 1991).

Sheriff's advocacy of the interdisciplinary approach in social psychology, stemmed from his meta-theoretical position that neither individuals nor groups are completely self sustaining autonomous systems, and that the corresponding level of analysis for each system can present no more than an incomplete picture.

He asserts that one can study psychological facts in terms of other psychological facts, but the amount of variance explained will often be relatively small. Finally, the organizational behaviour approach to the study of diversity is validated by Triandis (in Jackson & Ruderman et, al., 1996), who asserts that diversity is a socially constructed phenomenon. Consequently, what appears as an issue in one culture, may not appear as an issue in another culture.

Cox (1993:11) states that managing diversity is the planning and implementing of organizational systems and practices to manage people so that potential advantages of diversity is maximized while its potential disadvantages are minimized.

2.2.2.2 The influence of effective diversity management

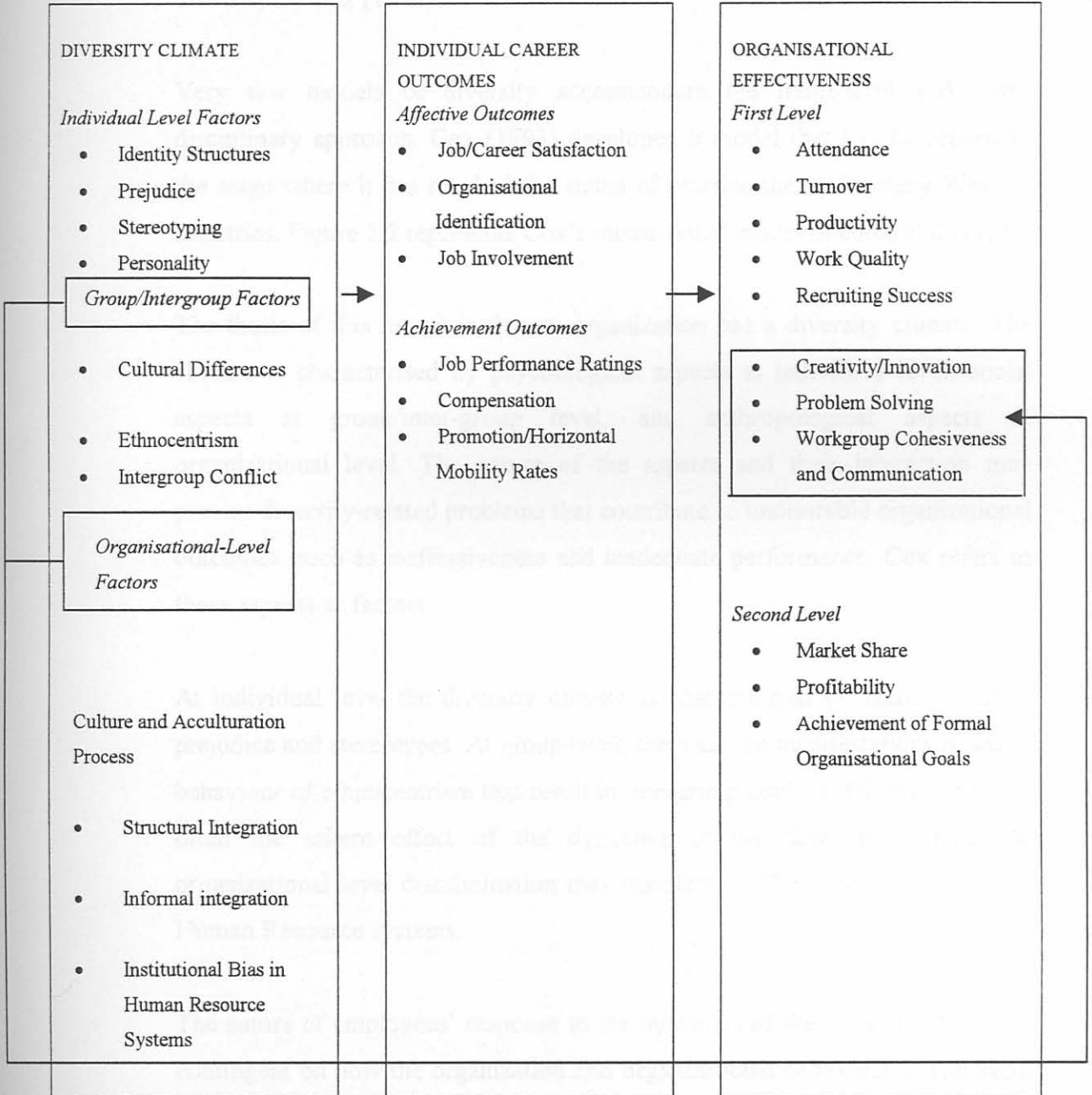
The effective management of diversity is defined as “a holistic approach to creating a corporate environment that allows all kinds of people to reach their full potential in pursuit of corporate objectives” (Thomas, 1991, in Lange, Boshoff and Vermeulen, 1996:147-161).

French and Bell (1999:97), refers to the above mentioned holistic approach as the application of the applied behavioural science known as Organizational development.

Organizational development can be defined as a set of behavioural science theories, values, strategies, and techniques aimed at the planned change of the organizational work setting for the purpose of enhancing individual development and improving organizational performance, through the alteration of organizational member’s on –the-job behaviours (Porras and Robertson, 1992). Against the background of the discussion of applied organizational behaviour the concept of workforce diversity can now be explored further.

Workforce diversity impacts on organizational behaviour, affecting individual and organizational outcomes, as shown in figure 2.2.

Figure 2.2 An interactional model of the impact of diversity on individual career outcomes and organisational effectiveness



Source: Cox, T. (1993: 6).

2.2.3 The nature of the impact of workforce diversity in organizations

The literature on the concept of workforce diversity that presents us with a model that follows a multi-level interdisciplinary approach, is a study of diversity by Cox (1993).

Very few models of diversity accommodate the multi-level and interdisciplinary approach. Cox (1993) developed a model that has succeeded to the stage where it has reached the status of practice theory in many Western countries. Figure 2.2 represents Cox's interactional model of cultural diversity.

The thesis of this model is that an organization has a diversity climate. The climate is characterised by psychological aspects at individual level, social aspects at group/inter-group level, and anthropological aspects at organizational level. The nature of the aspects and their interaction may present diversity-related problems that contribute to undesirable organizational outcomes, such as ineffectiveness and inadequate performance. Cox refers to these aspects as factors.

At individual level the diversity climate is characterised by factors such as prejudice and stereotypes. At group level, there can be manifestations in social behaviour of ethnocentrism that result in intergroup conflict. Discrimination is often the salient effect of the dynamics of the diversity climate. At organizational level discrimination may manifest itself as institutional bias in Human Resource systems.

The nature of employees' response to the dynamics of the diversity climate is contingent on how the organization and organizational behaviour is managed,

e.g., how people are integrated into the organization. The nature of manifest factors leads to organizational outcomes.

(i) Individual career outcomes

The individual level factors of the diversity climate in figure 2.2, i.e. identity structures, prejudice and stereotypes, result from the contributions of Psychology.

The individual's career expectations and outcomes may be influenced by these factors in two ways:

Affective outcomes

These are the feelings people have about their employer and their morale and satisfaction. It influences the way they identify with the organization and their job-involvement.

Achievement outcomes

These outcomes are evaluated by employees through job performance ratings, their levels of compensation and their promotion/mobility rates.

The organisational effectiveness criteria which individual level factors impact on, are employee-attendance or absenteeism, turnover, productivity, quality of work-life and recruiting success.

These in turn may lead to non-commitment of employees to creativity and innovation, problem solving, workgroup cohesiveness and communication.

(ii) Organizational performance

It is reasonable to equate second-level factors of organizational effectiveness in figure 2.2 with organizational performance. Cox links six areas of organizational performance to the role of the effective management of workforce diversity in organizational competitiveness. First-level factors contribute to organizational performance; e.g., profitability is influenced by

the costs of absenteeism, turnover, unsatisfactory levels of productivity, and so forth. Organizational performance standards are influenced by the effects of workforce diversity due to the interaction of inter-group factors and organizational factors.

Group/inter-group factors can be ascribed to the contributions of sociological factors. Manifestations in social behaviour of ethnocentrism can result in intergroup conflict. Discrimination is often the salient effect of the dynamics of the diversity climate, and often leads to the following organizational level factors:

Acculturation

Due to differences in power, non-dominant groups may conform to the values and norms of the dominant group and accept the social status quo.

Organizational integration

Integration often occurs within the context of acculturation. This may be by design of managers (structural integration), or as a natural process (informal integration).

Institutional bias in human resource systems

The organization's human resource systems may be biased to reflect discrimination in employee-task matching and task team compositions on the one hand, and the differential treatment of employees and groups on the other.

The challenge facing companies and individual managers with reference to Cox's model, are therefore to create a diversity climate conducive to positive career outcomes for individual members in order to achieve organisational effectiveness and competitiveness.

2.2.4 The impact of workforce diversity in South Africa

Workforce diversity as explained in Cox's integrated model of cultural diversity, is relevant, significant and important in South Africa, because organizations do not understand it and do not know how to manage it.

The implementation of legislative measures for affirmative action (1997) and employment equity interventions (1998) creates increasing workforce diversity. Increasing workforce diversity reinforces the need for knowledge on workforce diversity and its management in South Africa that has been recognised by some organizational development practitioners.

Rosmarin (1994) adds the following perspectives on the impact of workforce diversity at individual, inter-personal/group and organizational level in South Africa.

- (i) At the personal level, an examination of how differences impact on individual behaviour needs to be initiated. Different messages are received which help define a person's worth and self-esteem, both as an individual and as part of a group (however the group may be defined).

Messages and judgements are received about others, particularly those who are different racially and culturally. It means examining aspects of one's own beliefs, values and life experiences which are normally hidden.

- (ii) Probing at the interpersonal level involves a thorough and more minute dissection of what goes on between people, especially where there are racial, gender or cultural differences. It involves more awareness and understanding of the traits of people, which are regarded as positive or negative, and perceiving which of those traits are based on value

judgements. When there is tension in a relationship, fear for someone, or something, may be the causes of such tension.

- (iii). At an organisational level, there is a need to identify the policies, systems and practices which act as barriers to company and behavioural change. Companies may not be utilising the potential of the total workforce. Criteria need to be established to measure diversity-related performance. Commitment from management towards empowerment, participation and valuing of diversity needs to be examined. The extent to which HR programmes are implemented haphazardly, with little integration requires attention. The issues that are raised by Rosmarin are significant and important. These issues also require the identification of its causes. Ideally, one can make use of the Cox-model (fig. 2.2), but its value is limited.

2.2.4.1 Limitations of the Interactional Model of Cultural Diversity (IMCD)

The significance of the Cox model is that it provides a model for the dynamics of workforce diversity, but does not explain how the effects of diversity and its outcomes are caused.

His concept of “diversity climate”(refer to the first column in figure 2.2), is ambiguous, as it constitutes “individual level factors”, “inter-group factors” and “organizational factors”, which are in reality effects of workforce diversity. This interpretation is based on Cox’s later conclusion (Cox in Ruderman and Jackson et al., 1996), that organizational diversity effects are the results of the interaction of psychological factors (the social identity of employees), with the diversity-related-environment, to produce individual and organizational outcomes.

A revised model of Cox that accommodates his later discovery does not exist. However, it has implications for changes in the model. What Cox describes as

factors of his diversity climate becomes diversity effects. What is required is a column that precedes the first column in figure 2.2, and which presents the interaction of environmental and identity factors.

The integrated model of cultural diversity can be used to determine diversity effects (diversity-climate), at individual and organizational level, e.g., one can diagnose for prejudice, stereotypes, discrimination at individual level; for cultural differences, ethnocentricity and intergroup conflict at group-level; for acculturation, integration and biased human resource systems at organizational level.

His model however, does not provide the conceptual capacity to determine:

- (i) the diversity-related environmental factors that interact with psychological factors to produce the diversity effects
- (ii) the constructs of workforce diversity and its variations.
- (iii) role of the internal (or organizational) environment.

Any significant work on diversity has to provide insights into the processes that result in symptoms or problems (effects) of diversity, as well as its influence on individual and organizational outcomes. Such insights have to provide clarification on the issues of workforce diversity in South Africa, as stated by Rosmarin.

In addition, it is required that such clarification can explain how diversity-effects may cause diversity-related problems of organizational behaviour that may contribute (amongst other organizational behaviour problems), to first-level organizational effectiveness problems, e.g., absenteeism, employee-turnover and productivity problems.

The Cox-model does not provide for these needs, and cannot be used to answer the research questions satisfactorily. The implication of this is that an extension of the Cox-model is required that can be used to answer the research problems adequately.

A framework is required in which the Cox-model can be modified in ways that do not violate the principles of behavioural science.

2.2.4.2 A study-framework for developing an alternative to the IMCD

The discussion of the extension of Cox's model for the purpose of this study will focus on the following relevant aspects:

- A diversity paradigm with expanded boundaries.
- The dynamics of workforce diversity in an expanded diversity paradigm.
- Managing workforce diversity in an expanded diversity paradigm.

In the context of the above, it is necessary to define and discuss the concept of a paradigm.

Kuhn (in Warren et. al., 1994:14) states: "A paradigm is a constellation of concepts, values, perceptions and practices shared by a community which forms a particular vision of reality that is the basis of the way a community organises itself."

Individuals have "mindsets" or value systems while entire communities or cultures share a paradigm – the basic operating assumption that holds the social system together.

Warren, (et, al., 1994:14), describes the *components of a paradigm* as follows: *Worldview*. "What is the world like? For example, is it a rainforest, a dangerous jungle, a market place, a caring commune, a global village or all of the above."

In the IMCD-model diversity-related problems of individuals and organizations in which they work are caused by a diversity climate constituted of factors at individual, group and organizational levels, which in turn impact negatively on individual and organizational performance.

Command and control centre. A relevant question is what is the motivation. How will children be taught? What form will justice take? Who will rise to leadership positions? In the IMCD-model the motivational balance is implied by issues such as job-involvement or individual creativity and so forth, but is not explained.

Degree of complexity. How complex are the problems in the milieu? How can that level of complexity, or even greater, be created by a person, group or society. In the IMCD-model the background problems stem from problems of homogeneity, for example, resistance to diversity and assimilation (coercion to conform to values of a dominant group). The increased complexity of the problems due to affirmative action (increased diversity), is not explained.

Organizing principle. What kind of organizing system and model allows the paradigm to operate effectively? Should it be tribal order, a sacred hierarchy, an integrated network or the marketplace? In the IMCD-model a diversity climate causes one of three diversity-related organization forms: mono-cultural, non-discriminatory or multicultural, that influences individual career outcomes and organizational performance.

Recognition patterns. What messages and information patterns can be detected by the paradigm? What communication codes and media are used in the sending and receiving of messages? In sub-section 2.2.4:36 (the impact of workforce diversity in South Africa), Rosmarin uses the paradigm to ask questions relevant to South African organizations.

The limitations of the IMCD-model were discussed in 2.2.4.1:37. Its major shortcoming is its lack of capacity to explain how firstly, diversity climate is caused, and secondly, how diversity climate causes diversity-related organizational behaviour problems.

To determine the factors of workforce diversity in South Africa requires a model of workforce diversity that has the capacity to explain causes. Following now, is the effort to “create” a new suitable paradigm. The constructs on pages 40-41 will be considered during the process of creating a new paradigm.

(i) *A diversity paradigm with expanded boundaries*

Judith Palmer (1989, in Esty, et al., Workplace Diversity, 1995), puts forward three paradigms of diversity for change leaders.

(a) *A moralistic paradigm of workforce diversity*

The first paradigm is evident when people see diversity as a moral issue. They create opportunities for people who are diverse, because it is the fair, just thing to do. She calls this paradigm “The golden rule”.

(b) *A legalistic paradigm of workforce diversity*

A second paradigm, she calls “Righting the wrong”, focuses on dealing with diversity as a legal issue. This is manifested in affirmative and equal employment opportunity legislation. This view does not recognise the *complexity principle* of paradigms, e.g., affirmative action increases diversity, and as a result, the nature of its effects.

(c) *A “Valuing diversity” paradigm*

Palmer’s third paradigm is “Valuing diversity”. The goal changes from assimilation (adoption of worldview of a significant dominant person

or group), to valuing the differences that exist. We need to make a paradigm shift from legalistic diversity to valuing diversity.

applicable to South Africa

The Interactional Model of Cultural Diversity (IMCD), can explain the legalistic paradigm (in the context of the diversity climate), and perhaps the moralistic paradigm. It cannot explain the valuing diversity paradigm. The diversity climate can only reflect the effects of how much diversity is valued in an organization in its individual level factors. The actual extent, to which diversity is valued, must be traceable in interactions that lead to the diversity climate.

Thus, the IMCD has to be expanded to accommodate both the legalistic paradigm and the valuing diversity paradigm if it has to be used in South Africa, because it must be possible to establish change mechanisms to effect transition from legalistic diversity, to valued diversity. When there is deliberate action to effect this transition, then there is an attempt to manage workforce diversity.

in the context of performance management

Affirmative action and the management of diversity are amongst a number of paradigms identified in which the development of historically disadvantaged employees occurred (De Beer, 1997). He applies the *organising principle* of paradigms, and concludes that the order of preference in which the paradigms were found to be applicable in South Africa, is as follows:

figures 2.3(a) and (b).

- Management of diversity paradigm.
- Black employee development paradigm.
- Bottom-to-top affirmative action paradigm.
- Paternalistic paradigm.
- Equal opportunities paradigm.
- Top-to-bottom affirmative action paradigm.

Thus, an expansion of the interactive model of cultural diversity is aimed at developing a management of diversity paradigm that is applicable to South Africa.

To expand the interactive model of cultural diversity, one has to describe the dynamics of workforce diversity in terms of firstly, the antecedents to diversity climate, and secondly in terms of the impact of diversity climate on organizational behaviour that can result in diversity-related problems, influencing individual and organizational outcomes.

(ii) *Managing diversity in an expanded diversity paradigm*

An extended model of workforce diversity must provide the capacity for it to be managed. A key aspect in the management of organizational behaviour is the capacity to change. Change is necessary if individual and organizational performance needs to be improved. Managing workforce diversity must therefore be discussed in the context of performance management.

(a) *The role of performance management in a new paradigm of workforce diversity*

Spangenberg (1994:19) states: “The most appropriate framework to understand organizational performance, is the model of organizational performance and change developed by Burke and Litwin (1992) (see figures 2.3(a) and (b)).

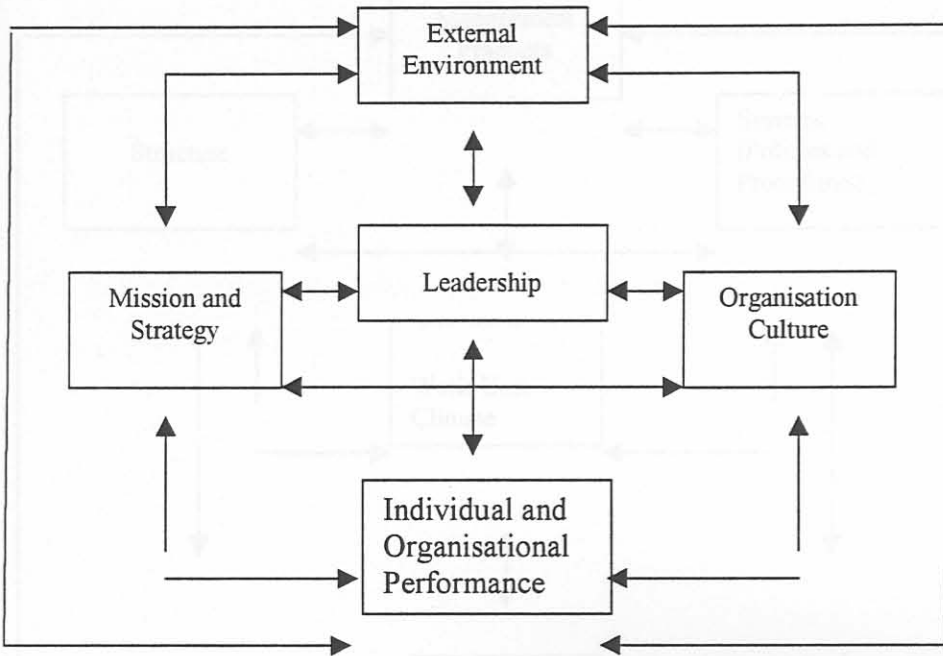
In figure 2.3(a), the ‘External environment’ box represents input, while the ‘Individual and organizational performance’ boxes in figures 2.3[(a):45] and 2.3[(b):46] represents output. The remaining boxes in both models present throughput, in accordance with general systems theory.

Spangenberg asserts that a quick perusal of the models show that Performance management probably fits into the 'Task and individual Skills (including relationship skills)' box. This latter statement brings the concept of performance management in line with the definition of Griggs and Louw chosen for the purposes of this research. Furthermore, task requirements are influenced by mission and strategy through structure.

In order to put performance management into a wider context it is important to distinguish between transformational [figure 2.3(a)] and transactional [figure 2.3(b)] dynamics. The term 'transformational' refers to areas in which change is likely to be caused by interaction with environmental forces, internal and external to the organization, and which require entirely new behaviour patterns from employees. Transactional variables on the other hand, are those in figure 2.3(b). They comprise relatively short-term transactions between people and groups.

At horizontal (individual) level task requirements, along with individual needs and values and work unit climate, affect motivation, and ultimately performance. Within the context of diversity-related performance management, it is reasonable to translate work unit climate to diversity climate.

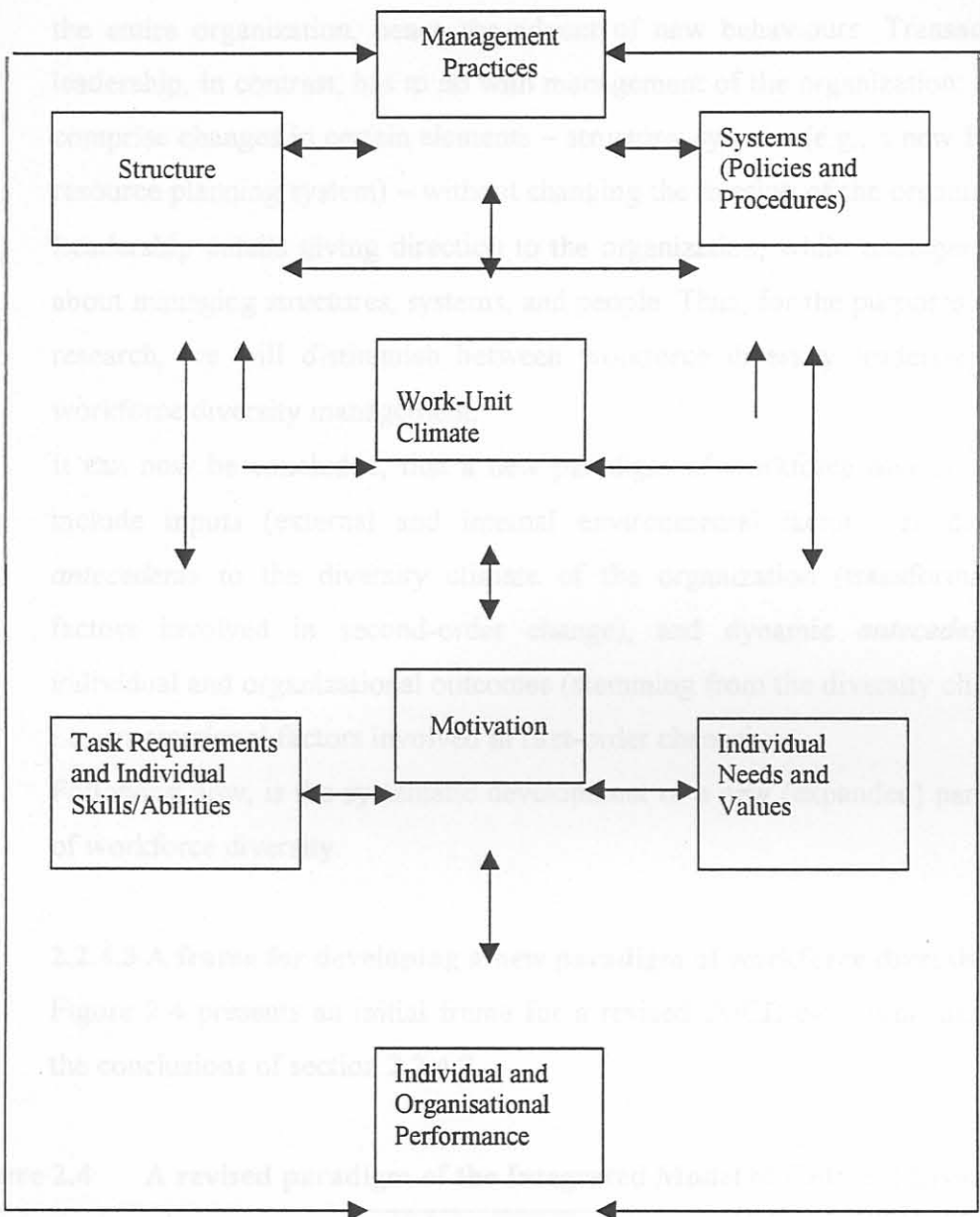
Figure 2.3(a). The Transformational Factors Involved in Second-Order Change



Source: W. Warner Burke, *Organisation Development* (1994:130).

Second order changes go by many different labels: transformational, revolutionary, radical, or discontinuous change. Organizational development programmes focus more on second-order change. Second-order change requires change in the mission and strategy, leadership styles and organizational culture, as shown in figure 2.3(a).

Figure 2.3(b). The Transactional Factors Involved in First-Order Change



Source: W. Warner Burke, *Organisation Development* (1994:131).

First-order change goes by many labels: transactional, evolutionary, adaptive, incremental, or continuous change. Interventions directed toward management practices, structure and systems, produce transactional change or change in the organizational climate.

Transformational leadership and change have to do with change of direction of the entire organization, hence the advent of new behaviours. Transactional leadership, in contrast, has to do with management of the organization: it may comprise changes in certain elements – structure, systems (e.g., a new Human resource planning system) – without changing the mission of the organization. Leadership entails giving direction to the organization, while management is about managing structures, systems, and people. Thus, for the purposes of this research, we will distinguish between workforce diversity leadership, and workforce diversity management.

It can now be concluded, that a new paradigm of workforce diversity must include inputs (external and internal environmental factors) as dynamic *antecedents* to the diversity climate of the organization (transformational factors involved in second-order change), and dynamic *antecedents* to individual and organizational outcomes (stemming from the diversity climate), i.e., transactional factors involved in first-order change).

Following now, is the systematic development of a new (expanded) paradigm of workforce diversity.

2.2.4.3 A frame for developing a new paradigm of workforce diversity

Figure 2.4 presents an initial frame for a revised IMCD-paradigm, based on the conclusions of section 2.2.4.2.

Figure 2.4 A revised paradigm of the Integrated Model of Cultural Diversity

Antecedents of Diversity climate. Diversity-related environmental factors	Diversity climate.	Antecedents of individual and organizational outcomes, leading to diversity-related organizational behaviour problems.	Individual and Organizational Outcomes
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Source: Adapted from the IMCD-model: 32, and the conclusions of 2.2.4.2 above..

Section 2.3 that follows provides contemporary research perspectives on the dynamics of workforce diversity in terms of the antecedents to diversity climate, and individual and organizational outcomes.

2.3 CONTEMPORARY RESEARCH PERSPECTIVES ON WORKFORCE DIVERSITY

2.3.1 Introduction

Because of the significance of the valuing diversity paradigm-shift and organizational behaviour, researchers across the world, have in the period following the introduction of the Cox-model, been grappling with the same knowledge issues.

Contemporary research perspectives provide much of the relevant theoretical advances for clarifying, as far as possible, feasible explanations for the dynamics of workforce diversity as demanded by this research.

The purpose of the discussion on the research perspectives that follow are to orientate the reader with regard to the current thinking and trends in research on diversity that will be applied in this study.

These are contemporary perspectives on research topics that provide information on variables that the researcher believes are missing in the Cox-model. The information relates to variables that can explain how the effects of diversity (factors of diversity climate) and its performance outcomes are caused (2.2.4.1 par.1: 37).

The detail required to fully understand the perspectives are provided in the appropriate areas of discussion in the literature study where it is most relevant.

Research perspectives on organizational diversity have emerged in three research dimensions that were most salient during the time that this research was conducted. The three dimensions are most appropriate for explaining how the effects of diversity in an organization and its outcomes in terms of performance are caused.

The first dimension stipulates the nature of different types of diversity in different organizational settings. The first type is diversity amongst members of an organization in general, e.g., all the employees (at all levels), at a car manufacturing plant. The second type is diversity among members of some general organizational category, e.g., in the car assembly section of the plant. The third type is diversity among interacting members of workgroups, e.g., among members in the paint-spray sub-section that is part of the assembly section.

The second research dimension stipulates the nature (context) of the factors that cause different types of diversity in the organization to change, e.g., initial knowledge, skills, abilities, values, norms and status in the embedded organization can undergo changes due to the influence of the factors. In this dimension research is on contextual factors of workforce diversity. Contextual factors of workforce diversity are constructs of diversity in the workplace in different contexts of causality and effects in terms of diversity-related problems and its influence on individual and organizational outcomes.

Examples are: (i) Factors that indicate the extent to which the organization is open to change. (ii) Factors that indicate to what extent diversity is valued in an organization, e.g., management allowing the administration of biased human resource systems in the paint-spray section of the car assembly plant. Members that do not belong to a dominant group may not be given the opportunity to become manager of the sub-section when the manager resigns or leaves. A dominant member that is not trained in spray painting from

another sub-section or someone from outside the company may be appointed. This can lead to the members suffering discrimination, to reduce their job-involvement and productivity, and to even be absent from time to time.

The third research dimension is on the *dimensions* of workforce diversity (categories of diversity effects that result from the modified types of diversity). For example, dimensions of workforce diversity are clusters of related diversity effects. E.g., prejudice and stereotyping are contextual factors of the dimension of valuing diversity in an organization. The clusters of diversity effects or dimensions at every organizational level together constitute the diversity climate of the organization.

In this research, these clusters are identified, and its impact on organizational behaviour and outcomes explained.

Two research perspectives that can augment the Cox-model will now be discussed. The research perspectives are based on the research dimensions discussed above. The purpose of the discussion on the perspectives is to: (i) Identify antecedents to the formation of diversity effects or factors of diversity climate (in the IMCD), (ii) to determine how such factors cause antecedents to the performance outcomes of employees in organizations, and (iii) to illustrate that the effects of diversity is more pronounced when diverse employees interact directly within a specific work-area e.g., a quality control section of a production department. Interaction within the department as a whole is less for such employees, as their job descriptions would not require work to be done in other production areas.

2.3.2 Research perspectives on the antecedents leading to the diversity-climate in the Interactional model of cultural diversity

This perspective augments the IMCD through the fact that it can be used to identify the antecedents that cause diversity effects in diverse workgroups.

Cox (in Ruderman and Jackson, 1996), refers to diversity effects as the interaction of identity and the diversity-related environment. In the IMCD diversity effects are factors of diversity climate. Brewer (in Ruderman and Jackson, 1996) supports Cox's statement in her model of "The influence of diversity on team-processes and outcomes". In this model Brewer illustrates how diversity-related environmental factors interact with the identity structures of employees and groups within an organization to produce diversity effects. In Brewer's model mentioned above, the diversity is amongst members in the organization in general. Although our interest is focussed on the dynamics of diversity factors within diverse workgroups, it is necessary to study the diversity-related inputs of the external and internal environment outside the workgroup.

How diverse attributes of new employees are perceived by employees already within an organization is most significant and important in the role that diversity-related environmental factors play in the dynamics of workforce diversity.

Diversity-related environmental factors are demographic factors and organizational cultural factors. To understand the interaction between identity of employees and the diversity-related environment, requires an explanation of the diversity-related environment as it constitutes different types of diversity, and identity as it differentiates, as a result of the interaction, into the social identity of groups.

In 2.3.2(ii): 53-54 the interaction between different types of workforce diversity and employee identity is discussed. It is very important to understand at this stage of the research that the factors of workforce diversity (diversity effects) or the factors of the diversity climate (in IMCD), are “caused” through the interaction of the types of diversity and employee identity. Some factors are universal, i.e. they can be found in all countries. Some factors are country-specific, i.e. they are formed only within unique cultural-historical contexts of a country. In 2.3.2(iii): 55 contextual factors of workforce diversity is discussed.

(i) *The diversity-related environment and types of workforce diversity*

McGrath, Berdahl and Arrow (in Ruderman and Jackson, 1996), asserts that a workgroup’s membership composition can be relatively homogeneous or heterogeneous (diverse) on more than just demographic characteristics. In their view, diversity on five categories of attributes are important in workgroups. Groups can be relatively homogeneous or heterogeneous on:

- (a) Demographic attributes (DEM) that are socially meaningful in the society in which the organization is embedded.
- (b) Relevant attributes are race, ethnicity, gender, age, education, physical status, religion and sexual orientation.
- (c) Task related knowledge, skills and abilities (KSA). Values, beliefs and attitudes (VBA).
- (d) Personality and cognitive and behavioural styles (PCB).

- (e) Status in the workgroup's embedding organization (ORG; e.g., organizational rank, occupational speciality, departmental affiliation and tenure).

The origins of (a – e) will be explained in 2.6.2:77.

Some attributes are easily observable when individuals enter the organization during recruitment, while others are inferred from the observable attributes and during later organizational interactions.

Demographic attributes are immediately observable. Attributes in the five categories are assessed on the basis of considerable interaction or careful measurements through tests and questionnaires. Individual capabilities, values and styles are often (correctly or incorrectly) inferred from demographic cues.

It is important at this point to narrow perception of categories of the diversity-related environment down to focus on the types of diversity within the categories that are most relevant to this study. Within the categories of diversity, the researcher will focus on the types of diversity arising from the impact of differences in task and relationship attributes between employees.

Diversity based on the composition of relationship and task attributes will impact on organizational behaviour in different contexts. Thus, different types of diversity have different contexts, and it is contextual factors that cause different diversity effects or the diversity climate.

(ii) *The diversity-related environment and the identity of employees*

When an employee enters an organization to begin employment there, he or she is accompanied by the unique status of their diversity (differences) or sameness with those already employed there. The differences at that stage are confined mainly to demographic diversity. The new member differs from others in knowledge, skills and abilities (capabilities).

Dominant members (members having greater differential power), will over a period of time form impressions of this person. Because they know that this person may be less capable than themselves, they may make amorphous attributions (attributions that are different from ones they would have made if the person was like them) about him or her. They may also accentuate the negative attributions, which lead to stereotyping of people similar to the new member. One can see that what happens here is typical of the Trait model.

At the same time, those engaging in attribution may have expectations of the new member that may be inferior to expectations they will have for those similar to them. Attributions will also be made in terms of values, beliefs and attitudes. When the new member started in the organization, he or she had a picture of him or herself, i.e. a self-concept with its particular self-esteem, a particular identity structure.

Perception of the disposition of dominant members in terms of his or her competence, can be internalised in ways that does not lead to anxiety, i.e., the person may avoid the comparison of his or her self-concept to that which whites have formed. Such comparisons lead to confusion that creates anxiety. The person may most likely socialize within the organization more with those similar to him or herself.

According to this perspective, identification with a social group involves two key ingredients: first, that membership in the social group is an important, emotionally significant aspect of the individual's self-concept, and second, that collective interests are of concern to the individual, above and beyond their implications for personal self-interest (Brewer, 1991).

Brewer (in Ruderman and Jackson et al., 1996: 47-57), states that large work organisations and work groups within those organisations, can be defined as social groups in at least two senses.

First, a work group is a bounded social category in that we can specify who is a member or participant and who is not – thus, groups have social boundaries with social constraints.

Second, a work group is characterised by social interdependence in that both collective and individual outcomes are influenced by what other individuals in the group do. Because of these properties, work groups and organisations are potential social identities for those who see themselves as members.

(iii) Contextual factors of workforce diversity

Triandis (1994) asserts that contexts are very important in the study of diversity. Any environmental factor external or internal to the organization that causes differences that impact on the organization must be discussed in its context as a contextual factor of diversity. He contends that contextual factors of diversity can be classified as those that are universal in its effects, and those that are specific to a cultural group. Cross-cultural psychologists call the universal contextual factors of diversity etic-contextual factors, and the culture-specific emic-contextual factors.

Etics apply outside the system; emics apply within the system. Etics apply to more than one culture or point of view; emics apply to only one culture or point of view. The variables used by etic researchers are theoretic, assumed rather than extracted from data, and checked with constructs that are presumed to be appropriate in all cultures. They are “imposed” on problems.

McGrath, Berdahl and Arrow (in Ruderman and Jackson, et al., 1996) presumed this approach. McGrath et al. provided a valuable, but rather abstract, analysis of different kinds of diversity, as well as useful hypotheses of the way these types of diversity will affect various organisational outcomes. Although they adopted an etic approach, they nevertheless made the useful point that some kinds of diversity are likely to have positive consequences,

whereas other aspects of diversity are likely to have negative consequences. This agrees with some of the research of Triandis, Hall and Ewen (1965), which showed that for dyads, dissimilarity of attitudes resulted in higher creativity, but dissimilarity of abilities resulted in lower creativity.

The variables that are used by emic researchers are discovered from within, through “thick descriptions”(Geertz, 1973). The data are only descriptions of one culture. For example, Ely provided a valuable “thick description” of the way dominant identity is negotiated in groups.

The diversity-categories discussed in 2.3.2(i), can be regarded as etic-categories of diversity, and can be used to identify emic types of diversity.

The researcher believes that the nature of contextual factors of workforce diversity (as etic or emic), determines the nature of diversity (the first research dimension) as etic or emic, as well as the nature of the dimensions of workforce diversity (the third research dimension) as etic or emic. E.g., it may be that the etic factors of diversity-related problems or valuing diversity actually can determine how people interact in work-areas in South Africa, or it may not, if the constructs are not the same.

For the purposes of this research (against the background of the relevant definition of workforce diversity), the contextual factors of the environment in the model of Brewer will be the contextual factors of tasks and relationships in organizations.

2.3.3 Research perspectives on the antecedents leading to diversity-related organizational outcomes

Antecedents in the context of diversity are issues or factors that are relevant to how the effects of workforce diversity are caused.

The diversity effects mentioned in 2.3.1(ii), impact on members in general organizational category areas or departments (e.g., Production). All the

members in a department can be classified as a group. However, this group consist of members that may not interact to achieve a common goal, and members who do. The focus in this research is on diverse members who interact directly to achieve common goals. We are interested in how the antecedents leading to diversity-related performance outcomes are caused within specific workgroups. The antecedents of interest are caused within such groups by factors of the diversity climate as discussed in 2.3.2.

McGrath, Berdahl and Arrow (in Ruderman and Jackson, 1996), presents perspectives on the nature of the functional area workgroup and how diversity effects impact on task and relationship components of diverse workgroups. They claim that factors of diversity climate that originate in the organization in general (as discussed in 2.3.2), reflects its emergence in specific work areas. These factors influence interactions between employees in the specific work areas, e.g., members in the paint-spray section of the car assembly plant. Their contemporary multi-dimensional perspective of workforce diversity in specific work areas is discussed in 2.3.4. The perspective is explained in three models.

2.3.4 A contemporary multi-dimensional perspective on the dynamics of workforce diversity in the revised IMCD

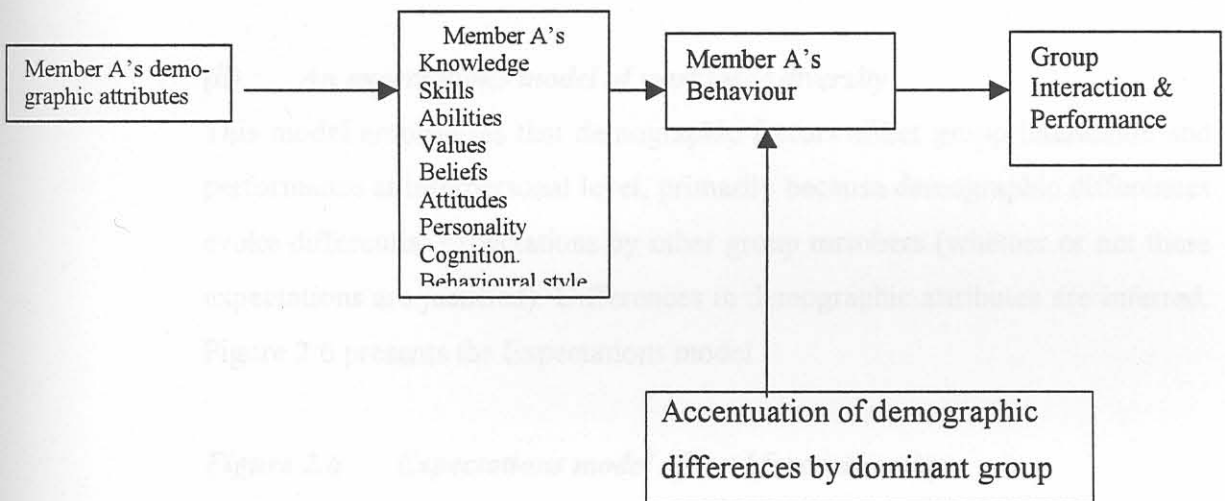
McGrath and Berdahl (in Ruderman and Jackson, 1996) provide models of workforce diversity that build on the two research perspectives that were used to explain the revised Cox-paradigm. These models offer descriptions of the dynamics that may be applicable in the revised paradigm (figure 2.4:47).

In the perspective that follows, diversity is viewed as a multi-dimensional aspect of workgroups. The models presented in this perspective outline the dynamics of workforce diversity in functional work-areas. The values of the models lie in the way in which they show how changes in diversity may affect group behaviour, group interaction and group task performance.

(i) *A Trait model of workforce diversity*

This model presumes that diversity on demographic factors affects group interaction and performance at individual level only in so far as such diversity is directly linked to systematic differences in the underlying attributes knowledge, skills, abilities, and so forth.

Figure 2.5 *A Trait model of workforce diversity*



Source: Adaptation of McGrath and Berdahl (1996:17)

Researchers such as Northcraft, Polzer, Neale and Kramer (in Ruderman & Jackson et al., 1996), who assert or assume that diversity on demographic characteristics implies diversity on underlying attributes related to group interaction, have taken this approach. Note that diversity on underlying attributes is implied (direct), because evidence from past interactions supports the implication. For example, diversity in the quality of education received, and the cultural group that the employee comes from, implies differences in how the employee may interact in groups, based on this diversity. The quality of education will influence differences in task-capabilities, while the cultural

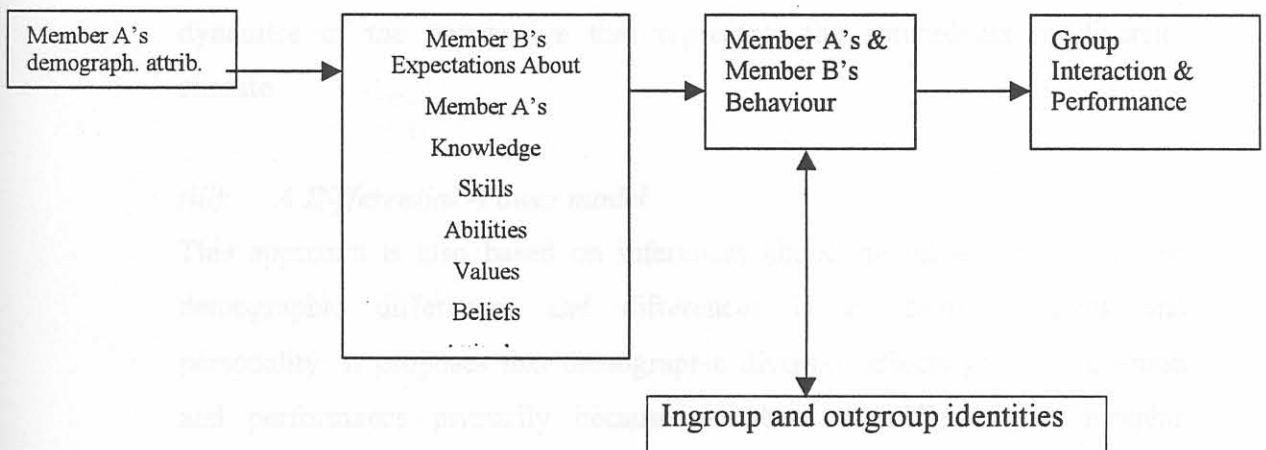
group of origin will influence differences in terms of relationship orientations. In South Africa Bantu (black) education was historically inferior to white education. Blacks have a higher need of affiliation than whites. Thus, these traits should influence tasks and relationships in South African organizations. Murray (1989) explicitly used differences in age, tenure, occupational and educational backgrounds as indicators of diversity on values, but did not measure values directly.

In South Africa group interaction and performance is directly affected by differences in knowledge, skills, abilities and cultural differences, due to historical cultural factors.

(ii) An expectations model of workforce diversity

This model emphasises that demographic factors affect group interaction and performance at interpersonal level, primarily because demographic differences evoke differential expectations by other group members (whether or not these expectations are justified). Differences in demographic attributes are inferred. Figure 2.6 presents the Expectations model.

Figure 2.6 Expectations model of workforce diversity



Source: Adapted from McGrath and Berdahl (1996:17).

Group members make inferences, based on one another's demographic attributes, about one another's underlying attributes in the different types of diversity. These inferences shape the expectations group members have about one another's behaviour, leading to differential treatment of, and differential behavioural responses by other group members.

Expectations-states theory (e.g., Berger & Conner, 1974; Berger, Conner & Fisek, 1974; Carli, 1991; Ridgeway, 1991) proposes that when gender is obvious, it is used as a status cue to make inferences about competence, giving members who are assumed to be more competent, more opportunity to participate in and influence group interaction.

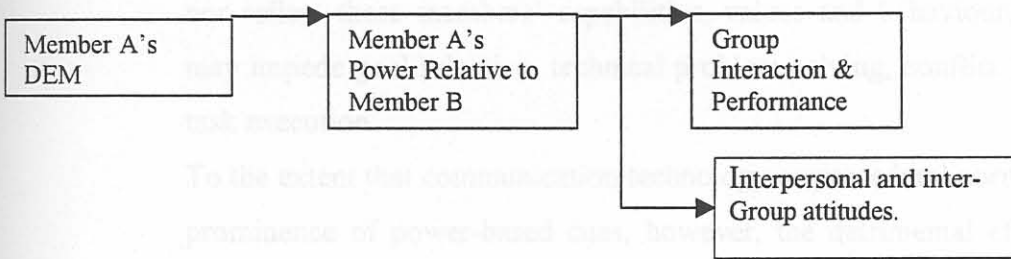
In sum, the expectations approach does not necessarily assert that demographic differences are linked to differences in underlying attributes, but rather that demographics are used to infer underlying attributes and subsequently shape the expectations for and behaviour toward group members. E.g., it is expected that blacks are good long distance runners. Although expectations can be shaped on the basis of traits in South Africa, it is wrong to do so. These traits are the results of past inequalities and not of the persons themselves.

It is reasonable to conclude that the Trait and Expectations models reflect the dynamics of the perspective that represents the antecedents to diversity climate.

(iii). *A Differential -Power model*

This approach is also based on inferences about the relationships between demographic differences and differences in capabilities, values and personality. It proposes that demographic diversity affects group interaction and performance primarily because members of different demographic categories (such as men and women) come to the group with differential power. Figure 2.7 presents the differential power model.

Figure 2.7 A differential power model of workforce diversity



Source: Adapted from McGrath and Berdahl (1996:17)

The differential power referred to above, is based on differential access to resources – in both the embedding organisation and the larger society within which it is operating.

Whether or not people differ on underlying attributes, members of dominant groups (e.g., men, European-Africans, heterosexuals, or able-bodied people) carry with them into work groups greater access to resources and more social or symbolic status and prestige. This affords members of dominant groups greater influence in shaping group interactions and outcomes than members of historically subordinate groups (e.g., in South Africa it can be women, African Africans, homosexuals, or physically disabled people).

Members of different demographic groups are likely to differ on some underlying attributes, given their differential socio-historical experiences. Regardless of any “true” differences, those attributes on which they are believed to differ are likely to become “marked”.

Various feminist theories (Tong, 1989) and other analysis of structural and symbolic power differences between demographic groups (Tolbert, Andrews, Simons, and Ely, in Ruderman and Jackson, et al., 1996), suggest this approach.

This model predicts that members of subordinate groups will be relatively “silenced” in group interaction and that the group will not make full use of, nor reflect these members’ capabilities, values and behavioural styles. This may impede goal selection, technical problem solving, conflict resolution and task execution.

To the extent that communication technology or procedural norms dampen the prominence of power-based cues, however, the detrimental effects that this differential power approach predicts should be lessened.

It was found that as diversity increased, organizational attachment decreased. Males showed higher levels of detachment (Tsui et al, 1992). It is reasonable to conclude that the differential power model reflects the dynamics of the perspective that represents the antecedents to organizational outcomes as a result of workforce diversity.

2.3.5 Summary of contemporary research perspectives

The three models describing the dynamics of workforce diversity reflect the research perspectives on the antecedents to diversity climate, as well as the antecedents to the organizational outcomes as a result of workforce diversity.

The contemporary research perspectives discussed in section 2.3.4, provide tentative findings on *differences* in (i) demographic and cultural traits, (ii) expectations of competence, and (iii) differences in power that are primarily related to issues of tasks and relationships. These findings can now be used to establish the details of the revised Cox-paradigm so that the paradigm is based on the influence that workforce diversity has on relationships and tasks in organizations.

Such an exercise is in line with the definition of Griggs and Louw of workforce diversity chosen as the basis of this research.

Against the background of section 2.3, it is now possible to narrow the discussion of the impact of workforce diversity in organizations to the influence of change on relationships and tasks in organizations.

2.4 WORKFORCE DIVERSITY AND CHANGE IN ORGANIZATIONS

2.4.1 Introduction

The impact of workforce diversity on tasks and relationships and consequently organizational effectiveness is at the center of this study. Any organization may have the capacity to maintain the status quo of such impact, or even allow it to worsen. It can however, have the capacity to manage it, or develop the capacity. Viewed from any position, change is implicit in the management of organizational behaviour (refer to 2.2.4.2 (ii)(a): 43-44). Thus, it follows that change is also implicit in the dynamics of workforce diversity, in its context as a contributing issue to organizational behaviour.

2.4.1.1 The role of change in the dynamics of workforce diversity

Diversity in organizations will support change, but change will also support diversity (Wheeler, 1997:493-495). He further states that organizations that are comfortable with change, are more likely to be comfortable with diversity. Organizations that are comfortable with change are inherently stronger in that change involves boundary breaking (boundaries emerge from the establishment of group identities that is the result of the dynamics of the antecedents of diversity climate)

The purpose of revision of the integrated model of cultural diversity is to have a new model of workforce diversity that can be used to manage change in

organizational behaviour that is diversity-related. It can thus be deemed appropriate that workforce diversity be studied in the context of change.

Therefore impacts of diversity on organizational structures and processes have to be studied also from an organizational development point of view, as any recommendations emerging from this study will be formulated within the context of change management.

2.4.1.2 The concept of Organization development

French and Bell (1999:1), states: “Organization development is a systematic process for applying behavioural science principles in organizations to increase individual and organizational effectiveness.” Against the background of diversity-related performance management [refer to 2.2.4.2(ii)(a): 44], it is thus required that the revised IMCD-paradigm (figure 2.4:47), is translated into a change-model, using principles of organization development.

A change-model of workforce diversity has to be based on the following foundations of organization development.

(i) *Systems-thinking.*

Kast and Rosenzweig (1985:13), define system as “an organized, unitary whole composed of two or more interdependent parts, components or sub-systems, and delineated by identifiable boundaries from its environmental suprasystem.” A system denotes interdependency, interconnectedness, and interrelatedness among elements in a set that constitutes an identifiable whole. All organizations are open systems. All open systems have input-throughput-output processes. Systems take from the environment *inputs* (e.g., organizations take diverse people), it then does something to the inputs via *processes* to produce outputs and/or *outcomes*

(E.g., the *behaviour* of the diverse people through *diversity-related processes*).

(ii) *Teams and team-processes.*

French and Bell (1999:91), states that work-teams are the building blocks of an organization. Teams must manage their culture, processes, systems and relationships if they are to be effective.

(iii) *Participation and empowerment.*

McGrath (in French and Bell, 1999:102), states that involvement and participation of employees energize greater performance, produce better solutions to problems, and greatly enhances acceptance of decisions.

Established models of change are based on systems thinking, teamwork, participation and empowerment.

Systems thinking do not only apply to physically interacting sub-systems (e.g., Inventory, Production, Logistics), but also to the interaction of parallel psycho-social processes of organizational behaviour. It is thus expedient to formulate diversity processes that can be congruent with the Burke-Litwin models of organizational change. For the purposes of this study congruence means conceptual equivalence.

Thus, it can be concluded that translation of the revised IMCD-paradigm to a new model of workforce diversity requires the following:

- (a) An approach based on systems thinking.
- (b) Explanations of how *diverse work-teams* function (*processes*) in organizations, and
- (c) Participation and empowerment.

The investigation that follows covers a study of viable diverse-team processes, against the background of change and the revised IMCD.

2.5 WORKFORCE DIVERSITY-RELATED PROCESSES

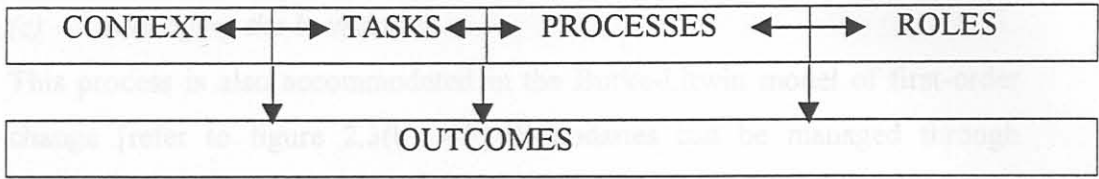
2.5.1 Introduction

The purpose of the discussion that follows is to introduce the concept of workforce diversity-related processes. This is very important when one wants to incorporate the role of performance management successfully in the revised paradigm of workforce diversity [refer to 2.2.4.2 (ii)(a): 43]. In this sub-section it is proposed that individual and organizational performance can be understood best within the framework of the Burke-Litwin models of organizational performance and change. In sub-section 2.4.1.2, the above proposal is extended to include the translation of figure 2.4:47 (the revised IMCD framework) to a change-model of workforce diversity.

In sub-section 2.4.1.2(i), the significance and importance of systems thinking in the context of workforce diversity and change was discussed. A characteristic of the revised IMCD paradigm based on systems thinking would be diverse-team processes that accompany actual processes of economic throughputs in the organization [the throughput of inputs (i.e., antecedents of diversity climate and antecedents of individual and organizational outcomes)]. It now becomes necessary to “complete” the translation of figure 2.4 to a change model, by incorporating the Burke-Litwin models into figure 2.4 in such a way, that the revised IMCD is presented as diverse-team processes based on change.

The most appropriate framework to fully translate figure 2.4 to a change model of workforce diversity, is the *Team-working model* of Pemberton and Herriot (1995:86). This model presents a diverse-team process that satisfies systems thinking (see figure 2.8).

Figure 2.8 The Team-working model



Source: Pemberton and Herriot (1995:86)

(i) Contexts and Tasks.

The organizational context (mission and strategy) set the tasks that teams have to accomplish - structure follows strategy. This context is accommodated in the Burke-Litwin model of second-order change [refer to figure 2.3(a): 45]. Second-order change requires change in mission and strategy, leadership styles and organizational culture. In the context of the revised IMCD, it requires the development of an organizational culture in which openness to change and the valuing of diversity is important.

(ii) Contexts, processes and roles

According to Pemberton and Herriot, three processes are necessary if teams are to achieve their tasks:

(a) Achieving motivation and momentum.

This process requires the education of managers and employees in the study of workforce diversity and its management.

(b) Defining issues and getting ideas.

This process is accommodated in the Burke-Litwin model of second-order change as discussed under the heading of *context and task* above, as well as first-order change [refer to figure 2.3(b): 46]. Central to the model is the *work-unit climate*. It impacts on task requirements and individual skills/abilities, motivation, individual needs and values. Through its impact, it influences individual and organizational performance. In the context of workforce diversity, the work-unit climate can be translated as diversity-climate. Its impact is the same (refer to the IMCD).

(c) *Managing the boundaries.*

This process is also accommodated in the Burke-Litwin model of first-order change [refer to figure 2.3(b): 46]. Boundaries can be managed through interventions directed toward management practices, structure and systems.

2.5.2 The relationship between the Team-working model and the revised IMCD-paradigm

The discussion of the three models of workforce diversity in 2.3.4:57-63 can now be tested in the team-working model, so that it can be used as the basis for translating figure 2.4 into a change-model of workforce diversity. The three models describe the following:

- (i) How differences in traits, expectations of competence, and differences in power determines factors of diversity-climate. The equivalence of work-unit and diversity climate discussed in 2.5.1(ii)(b): 68 makes the second-order change process [figure 2.3(a)] appropriate as a process of workforce diversity in figure 2.4.
- (ii) The individual and group behaviour that results from the differences. The individual needs and values and motivational requirements in the first-order process [figure 2.3(b)] makes it appropriate as a process of workforce diversity in figure 2.4.
- (iii) Group interaction and performance, and interpersonal and inter-group attitudes. The individual and group performance aspects of the first-order process [figure 2.3(b)], again makes it appropriate as a process of workforce diversity.

For the purposes of this research it is thus reasonable to incorporate the four processes of the team-working model (fig.2.8: 67) into figure 2.4 (A revised IMCD-paradigm: 47) – (see figure 2.9 below).

Figure 2.9 A revised paradigm of the Integrated Model of Cultural Diversity, based on diverse-team processes

First stage – A Leadership Process: Achieving motivation and momentum Defining issues and getting ideas		Second stage - A Management Process: Managing the boundaries Evaluating progress and outcomes	
Antecedents of Diversity climate. Diversity-related environmental factors	Diversity climate	Antecedents of individual and organizational outcomes, leading to diversity-related organizational behaviour problems	Individual and Organizational outcomes

Source: Adaptation of fig. 2.4:47, with incorporation of fig. 2.8:67

Against the background of 2.5.1:66, the revised IMCD-paradigm can be extended as two simultaneous processes. A leadership process can be identified, that allows us to interpret the antecedents of diversity climate [transformational second order factors (environmental)], as being part of a second-order process of workforce diversity.

It is a function of leadership to *define the relevant issues* pertaining to the factors, and to achieve *motivation and momentum* to realize transformation. Similarly, a management process can be identified, that allows us to interpret the antecedents of individual and organizational outcomes [transactional first-order factors] as being part of a first-order process of workforce diversity. It is a function of management to *manage the boundaries* of group-interaction and *evaluate progress and outcomes* through management practices and procedures. Figure 2.9 can now be simplified to figure 2.10.

Figure 2.10 The Processes of workforce diversity

The Second-Order and First-Order processes of workforce diversity			
Antecedents of Diversity climate	Diversity climate	Impact on organizational behaviour – diversity-related problems	Individual and Organizational outcomes

Source: Adaptation of figure 2.9:69

It should be reasonable to propose that the process of the first stage (the process derived from the dynamics of antecedents leading to diversity-climate in the Cox-model) can be modelled to be congruent with the Burke-Litwin Second-Order change model [figure 2.3(a)]. It should be equally reasonable to propose that the process of the second stage (the process derived from the dynamics of antecedents leading to diversity-related organizational outcomes in the Cox-model) can be modelled to be congruent with the Burke-Litwin First-Order change model. Finally, it is reasonable to believe that the two processes are simultaneous in their respective dynamics, and may even have points of overlap.

2.6 THE SECOND ORDER PROCESS OF WORKFORCE DIVERSITY

2.6.1 Introduction

The Second order process of workforce diversity, is a description of antecedent factors of diversity to produce diversity climate, or diversity effects in a workforce. It is the area where leadership is most relevant. Leaders must be masters at perceiving the feelings, stances and approaches to issues of others and must be able to anticipate the varied reactions that any proposal or

issue or substance can draw (Conger, 1993). Brewer describes this interaction as a team process (see figure 2.11 below).

Figure 2.11 Influences of diversity on team process and outcomes

THE SECOND-ORDER PROCESS OF WORKFORCE DIVERSITY		
Demographic diversity	Individual differences in cognition, values and behaviour.	Inter-personal and role relations.
Organizational diversity	Stereotype and status expectancies	Task performance
Personal identity structures	Ingroup-outgroup processes.	Intergroup attitudes and perceptions.

Source: Adapted from figure 2.10:70 and Brewer Social Identity theory (in Ruderman and Jackson et, al., 1996)

2.6.1.1 In-group – out group processes

Figure 2.11, (adaptation of Brewer (1996)), presents a process in which the inputs are demographic and/or organizational diversity (refer to 2.3.2(i)(a-e): 52-53). The specific diversity is a result of cultural historical environmental factors, which developed over time (to be discussed in 2.6.2:77-78).

The process of identifying with similar others, is known as ingroup-outgroup processes. Ingroup-outgroup processes result in diversity effects that influence inter-personal and role relations, task performance, attitudes and perceptions. Before discussing the nature of ingroup-outgroup processes, it is appropriate to discuss how the diversity-related environment develops, which causes the ingroup-outgroup processes.

Dominant members (members having greater differential power), will over a period of time form impressions of this person. Because they know that this

person may be less capable than themselves, they may make amorphous attributions (attributions that are different from ones they would have made if the person was like them) about him or her. They may also accentuate the negative attributions, which lead to stereotyping of people similar to the new member. One can see that what happens here is typical of the Trait model. At the same time, those engaging in attribution may have expectations of the new member that may be inferior to expectations they will have for those similar to them.

Attributions will also be made in terms of values, beliefs and attitudes. When the new member started in the organization, he or she had a picture of him or herself, i.e. a self-concept with its particular self-esteem, a particular identity structure. Organizations where relative intolerance exist will be characterized by an explicit disrespect for other members who differ from the dominant group (Lewick et al, 1996).

Before discussing the nature of ingroup-outgroup processes, it is appropriate to discuss how the diversity-related environment develops, which causes the ingroup-outgroup processes. The roles of the external environment and organizational culture (internal environment) are important from an organization development view. How the internal and external environments are caused and their effects in the impact of diversity in organizations is congruent to the role of the external environment and organizational culture in the Burke-Litwin model [figure 2.3(a)]. The external and internal environments impact on individual and organizational outcomes.

2.6.1.2 The origin and role of dimensions of culture in ingroup-outgroup processes

Harris and Moran (1996:85) states: “Because the micro-culture is a reflection of the macro-culture, it stands to reason that an organization will be affected by the culture of the community that surrounds it.”

The diversity composition of an organization will consist of differences in demographic attributes of employees, on which cultural differences have influence. Cultural differences within a diverse workforce are significant and important, because of its influence on the nature of the demographic diversity.

Gardenswartz and Rowe (1993:24-36), asserts that ten dimensions of culture influence workforce diversity. The way employees differ in these ten cultural dimensions is linked to their demographic attributes, self-concept and esteem, values beliefs and attitudes, as well as perception.

How frequently one bathes, how close one stands to someone you are talking to, how one solves a problem and how one responds to stress are all determined by ones cultural programming. Following are ten areas of cultural programming or cultural norms. These norms are generalizations and do not take into account individual personalities or the degree of acculturation to the dominant culture.

The cultural programming of people that have to interact in an organization is significant and important in this study, as such programming impacts strongly on the nature of work relationships. Relationships are central to the definition of workforce diversity chosen for this study.

(i) *Sense of self and space*

(a) *Distance*

The personal space that people need differ between cultures. Standing too close to someone that needs a larger personal space than yourself too often can be a source of social distance that can impact on work relationships.

(b) *Touch*

This norm is related to personal space and is meaningful only within close relationships.

(c) *Formal/informal*

The degree of formalism in relationships is often contrasted in social comparisons between Northern Hemisphere people and Southern Hemisphere people. Northern Hemisphere people tend to be more formal.

(d) *Open/closed*

This aspect is closely related to the degree of formalism.

(ii) *Communication and language*

(a) *Language/dialect*

Price (1997), states that although we must value our eleven language groups, English has emerged as the key common medium. The onus rests on business to level the linguistic playing field, so that all can participate equally. English proficiency is vital for interpretations of issues that affect employees, as well as the level of training they can master.

(b) *Gestures/expressions/tones*

Most of people's communication is non-verbal, indicating the significance of gestures, facial expressions, tone of voice and so forth. Eye-contact is approved in some cultures and detested in others.

(c) *Direct/indirect communication*

This aspect causes the most difficulty in communication. South African black people appreciate subtleness in expressing oneself. Most of what is expressed is implied rather than directly stated. South African whites on the other hand, makes no secret of the fact that one must get to the point quickly and not be vague in communicating one's thoughts.

Most significant about communication is the frequency of messages that are misconstrued and which can be costly for the organization.

Employees that belong to dominant groups within an organization, make attributions based on cultural and demographic differences, that can impact on psychological factors at individual level.

The consequences of these impacts can be costly, especially if the overt offending behaviour has negative consequences, e.g., prejudice and stereotyping. However, it is not the presence or absence of diversity that determines high or low productivity, but how teams in organizations manage their diversity (Adler, 1986).

Even though the national culture is characterised by negative dominant group-perceptions, its translation into organizational culture depends on the management and workteams of the organization. If cultural differences are accentuated negatively in the organization, then the specific non-valued differences become factors of workforce diversity that can create diversity-related problems.

Culture is an environmental factor that finds (at a primary level), expression in the IMCD (figure 2.2:3), at the inter-group level as diversity-related cultural differences. It finds expression (at a secondary level), in organizational culture, where it influences diversity as an element (amongst a number of other elements), of organizational behaviour.

Ethnic, racial and language differences are with few exceptions always accompanied by cultural differences, which represent diverging worldviews. It can thus be concluded, that demographic category diversity is very much involved firstly, in the dynamics of workforce diversity amongst members in the organization at departmental level, and secondly in the generation of diversity effects that impact on diverse functional work-areas.

Even though the national culture is characterised by negative dominant group-perceptions, its translation into organizational culture depends on the leadership and workteams of the organization. If cultural differences are accentuated negatively in the organization, then the specific non-valued differences become factors of workforce diversity that can create diversity-related problems.

Following are constructs of organization culture that are relevant to diversity-related processes.

Constructs of organization culture that are relevant in the second order process of workforce diversity

In its congruence to the Burke-Litwin second-order change model, the second-order process of workforce diversity has to incorporate the reciprocal influence of the external environment, organizational culture, individual and organizational performance, and leadership. The following dimensions of organizational culture are relevant (Van der Post et al., (1997:147-153):

2.6.2 The Social Identity of employees

(i) Culture management

The extent to which the leadership of the organization actively and deliberately engages in shaping the organization's culture to include the valuing of diversity. The internal organization environment may be host to dominant groups that resist diversity.

(ii) Disposition towards change

The degree to which employees are encouraged by leadership to be creative and innovative and to constantly search for better ways of getting the job done.

(iii) Employee participation

The extent to which employees perceive themselves as participating in the decision-making process of the organization.

(iv) *Goal clarity*

The degree to which the organization creates clear objectives and performance expectations.

(v) *Human resource orientation*

The extent to which the organization is perceived as having a high regard for its human resources.

(vi) *Identification with the organization*

The degree to which employees are encouraged to identify with the organization.

Organization culture plays a significant role in the formation of social identities in organizations through management processes. It is the social identity boundaries that pose great challenges to the management of workforce diversity.

2.6.2 The Social Identity of employees

In-group – out-group processes (see 2.6.1) result in the formation of group-based identity of employees, which is referred to as social identity. Social identity theory provides a social psychological perspective on the origins and consequences of group identification. Hogg & Abrahams (1988); Turner et al (1987).

According to this perspective, identification with a social group involves two key ingredients: first, that membership in the social group is an important, emotionally significant aspect of the individual's self-concept, and second, that collective interests are of concern to the individual, above and beyond their implications for personal self-interest (Brewer, 1991).

In a diverse workforce, employee participation in important organizational processes is critical to enable the organization to capitalise on new and creative ways of thinking (Levine, 1989). Brewer (in Ruderman and Jackson et al., 1996), states that large work organisations and work groups within those organisations, can be defined as social groups in at least two senses.

First, a work group is a bounded social category in that we can specify who is a member or participant and who is not. Second, a work group is characterised by social interdependence in that both collective and individual outcomes are influenced by what other individuals in the group do. Because of these properties, work groups and organisations are potential social identities for those who see themselves as members.

When an employee perceives negative attributions made about his or her differences with others in the organization, he or she may make such perception emotionally significant for his or her self-concept. An employee is a member of some social categories and not of others.

Thus, all social categorisations implicitly involve a further distinction between in-groups (categories to which the employee belongs) and outgroups (categories to which the perceiver does not belong).

Social categories, in effect, create we-they, us-them distinctions when such categorisations also have emotional significance for an individual's self-concept, the motivational components of ingroup-outgroup distinctions are engaged. These include in-group loyalties and favouritism, implicit intergroup rivalries and negative stereotypes and distrust of outgroup members (Brewer, 1979); Schopler & Insko (1992).

2.6.3 The effects of the second-order process of workforce diversity

The second-order process of workforce diversity results in two main categories of effects. The first category, is the social identities that manifest in-

group identities with boundaries that consist of negative elements with the potential of creating negative diversity effects. In the IMCD-model, these effects become the factors of a diversity climate at individual, group and organizational level (see figure 2.2). Thus, the diversity climate is the second category of effects.

2.6.3.1 Group identities

A person becomes part of a particular group due to the fact that he shares certain characteristics and many of the cultural dimensions which the group has in common; thus a group identity is established. Cox acknowledges that there are several kinds of identity groups which correspond with the above listed dimensions including job-function, religion, age and physical ability, but he only includes race ethnicity, gender and nationality in his discussions on diversity due to the fact that these factors are not really changeable. He furthermore distinguishes between phenotype and culture identity groups.

(i) *Phenotype identity groups*

Members of phenotype groups are visually perceivable and relate to a genetically different make up (Gouws 1979: 85). Therefore, phenotype and physical identity can be used synonymously. Human characteristics used for phenotype identification are race-ethnicity and gender.

A latent danger is present in this respect because people's initial responses to other people are largely based on this visible categorisation cue. Stereotyping, prejudices and the social-closing theory are highly relevant issues.

(ii) *Culture identity groups*

A culture identity group is based on socio-cultural characteristics where the members share norms, values and goal priorities that distinguish it from others.

In some instances, group identities might have physical as well as cultural features, for example gender/race.

Thus, implicit in the concept of diversity are social category identities. Individual differences in technical ability, social affiliations, physical attributes, and so forth, have always been part of the structure of organisations and of work group composition, but such differences did not become represented as issues of diversity until categorical distinctions among groups of individuals were recognised.

Diversity effects are produced that impact on relationships and task performance. The Cox-model provides diversity effects that constitute diversity climate at individual, group and organizational level. Once social categories have been defined and labelled, processes of category accentuation are set into motion. Categories are accentuated when differences between categories are exaggerated while individual differences within categories are minimised (Tajfel & Wilkes, 1963).

The cognitive processes of categorisation and category accentuation apply to perceptions of objects in the physical world just as they do to the perception of social groups. However, social categorisation has a special feature that distinguishes it from object categorisation in a profound way. Thus, the study of diversity in organisations and work groups is equivalent to the study of category differentiation within those settings. Categorical distinctions can involve both demographic differences among work group members (e.g., gender, ethnicity, age) and organisational distinctions (e.g., production, engineering, marketing).

The influence of demographic and organisational diversity on work group performance can take a number of different forms. Leaders are therefore in a unique position to effect changes in attitudes and perceptions toward diverse individuals by actively promoting, defending or expressing their interests (Harquail, 1995).

Conclusions

The second-order process of workforce diversity consist of environmental factors external (demographic types of diversity) and internal (organization culture), that interact in in-outgroup processes to produce social identities responsible for group identities, the boundaries of which interact to constitute a diversity climate.

2.7 THE FIRST ORDER PROCESS OF WORKFORCE DIVERSITY

2.7.1 Introduction

The First-Order process is characterized by the dynamics of the interaction between factors of the diversity-climate and components of diverse workgroups in functional work-areas. Figure 2.12 represents the first-order process of workforce diversity.

Figure 2.12

THE FIRST-ORDER PROCESS OF WORKFORCE DIVERSITY		
The diversity climate.	The combination of diversity components of diverse workgroups influenced by factors of diversity climate.	Individual and organizational outcomes.

Source: Adapted from McGrath and Berdahl (in Ruderman and Jackson et. al., 1996:19).

(i) *The diversity climate*

The diversity climate is described 2.2.3:33, and is based on figure 2.2:34. The diversity climate contributes to the organizational (work unit) climate (refer to figure 2.3(b): 48), and impacts on individual needs and values.

(ii) *The task-relationship composition of groups*

The second-order impact process lead to group-formation with unique social identities. Amidst social category differentiation's, social identities stabilize, by becoming nested in super-ordinate structures, or as dissident sub-groups. It is within these group structures that the diversity climate is established.

(a) *The components of workforce diversity*

Group structures within a prevailing diversity climate consist of relationship and task component elements. Gruenfeld and McGrath (1993), defines the components of diverse workgroups as employees (members), projects (or an area of specialization in a department, e.g., marketing as an ongoing project), and tasks. Technology (the "tools" that members use to complete tasks on a project) is viewed as part of the task.

Members carry the social identities and diversity effects from the second-order process into the first-order process. In the first-order impact of workforce diversity, factors of the diversity-climate (diversity effects of the second-order process), influence who (e.g., in the marketing functional area), will do marketing research (a combination of member and task), who will report to whom (a combination of members), and what the key performance areas are (a combination of task and project).

The first-order impact process takes place amongst interacting members working towards a goal. It is at this level that the effects of diversity are most significant for the organization's effectiveness and performance. Diverse workgroups are found mostly at this level.

To appreciate the influence of diversity on team processes fully, it is desirable to study the nature and types of diverse workgroups involved in team processes.

Within the context of diversity we define a work group or team as a dynamic system, made up of an integration of people, purposes and tools, which become the group's members, projects and technology, respectively. (Argote

& McGrath, 1993; Arrow & McGrath, 1995; McGrath, 1991; McGrath & Gruenfeld, 1993).

Organisations create at least three kinds of work groups, distinguished by the different paths by which they originate (Arrow & McGrath, 1995; McGrath and Gruenfeld).

Some work groups are formed when an organisation selects people, each of whom has a particular array of knowledge, skills and abilities, and then trains, equips and organises them into a team that will be given responsibility for carrying out a particular class of project on a continuing basis.

Components of the group are incorporated in the logical sequence: members (employees), then technology, then project. Other work groups are formed because an organisation wishes to carry out a specific project. People are assigned to a task force, *which* then selects or develops tools, rules, resources and procedures for completing the project. The task force completes its project, then disbands. Another type of group, is the crew, which is not relevant to the study of groups in South Africa.

This study is based on the group concept of teams, because we are studying diversity in organizational functional areas where the concept of teams is a fundamental organizational development concept.

Members

Members are the employees, and a group's task-relationship composition is the pattern of its members' characteristics. Members of a given collectivity may be diverse or homogeneous with respect to any of a large number of attributes. In this study members are defined as employees of an organization that engage in economic or civil activity at operational or/and management level.

Projects

The group's purposes become transformed into a set of simultaneous or overlapping and interdependent projects, each of which can be specified in

terms of a set of tasks. For example, the marketing group's purposes consist of product or service concept development, promotions and sales.

Each task requires task characteristics of competence and relationship characteristics for communication and collaboration toward common goals of the group.

Technology

Technology is the set of tools that groups use to complete tasks, e.g., market-research is a tool for establishing demand for a product or service concept.

(b) Combinations of the components of workforce diversity

When studying diverse workgroups, one needs to consider not only each component separately (that is, the members, the projects, and the technology), but also how these three sets of constituent elements combine, two at a time.

Job structure refers to the tasks to be done to carry out a given project, and the tools and procedures for accomplishing those tasks, without reference to any individual members (e.g., in marketing, the marketing-mix planning positions and the marketing mix implementation positions constitute the job structure).

Role network refers to less formal differences in how group members relate to one another (e.g., who is the team's motivational leader and who is the promotions officer).

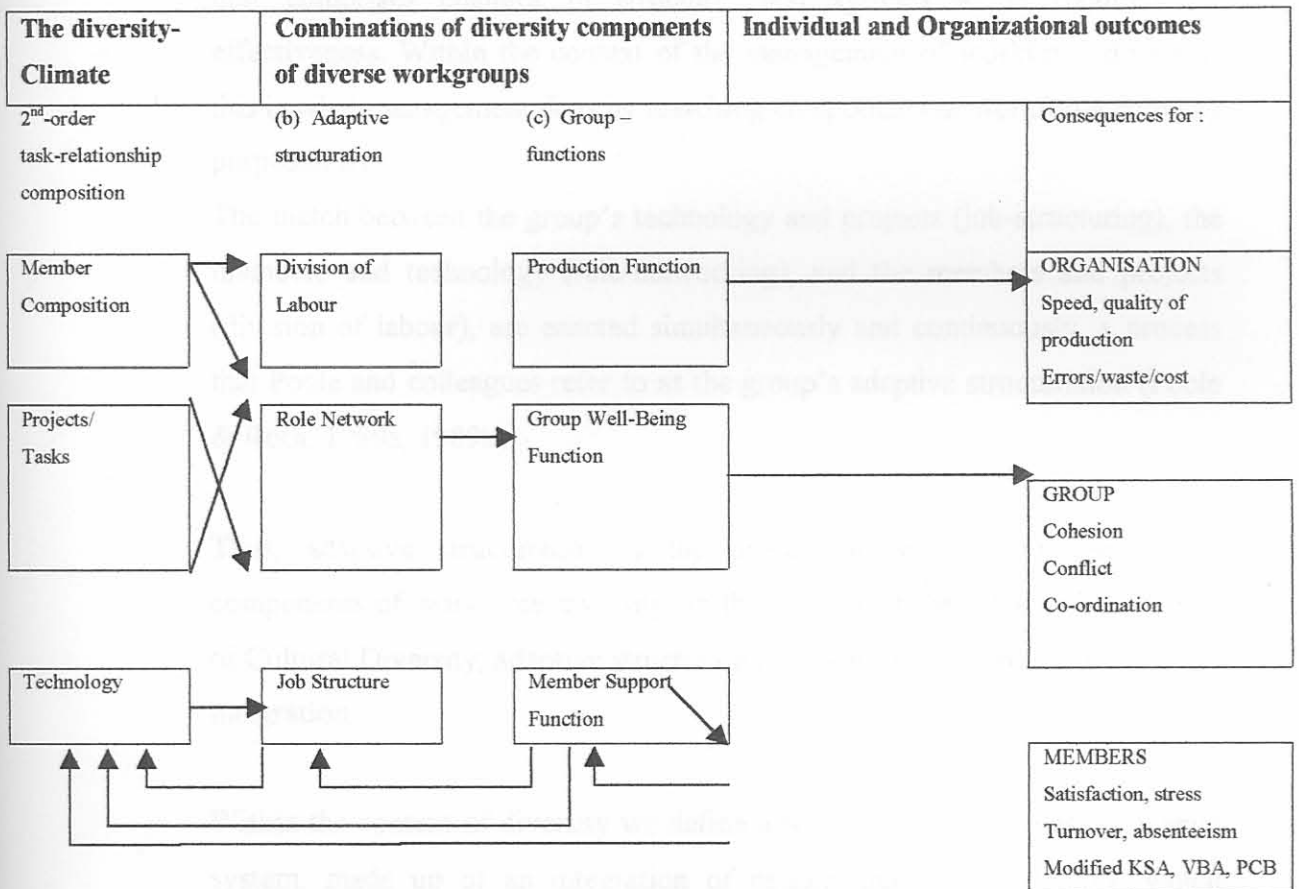
Division of labour refers to which members will carry out which parts of a set of tasks (e.g., for a marketing team, who will market and who will do selling in the field).

How components combine in the role-network and division of labour is of strategic importance, and represents the application of Griggs and Louw's definition of diversity.

2.7.2 The dynamics of the First-order process of workforce diversity

The dynamics of the first-order process reflects the management process of workforce diversity in an organization. It includes the application of management practices and procedures, organizational values and norms, and the recognition and respect of individual beliefs and attitudes of employees or group members in work units. Figure 2.13 represents the dynamics of this process.

Figure 2.13 The dynamics of the first-order process of workforce diversity



Source: Adapted from fig. 2.12:81, and McGrath and Berdahl (in Ruderman and Jackson et, al., 1996:18).

(i) **Managing the boundaries of in-groups and outgroups**

Pemberton and Herriot (1995:88-100) states that managers have to identify diversity-related issues and generate ideas. For the purposes of this research, issues are deemed to be issues of the diversity climate, e.g., prejudice, stereotypes, inter-group conflict, and so forth, and the task-relationship composition of groups. The diversity climate issues and issues relating to how managers not only combine diversity components, but actually purposefully “match” them, are issues of *boundary management*.

Spangenberg (2.2.4.2(ii)(a): 43-44), outlined that the management of a work unit comprises changes in structure, and systems as is required for effectiveness. Within the context of the management of workforce diversity, this is what management does by matching components of workforce diversity purposefully.

The match between the group’s technology and projects (job-structuring), the members and technology (role-networking), and the members and projects (division of labour), are enacted simultaneously and continuously, a process that Poole and colleagues refer to as the group’s adaptive structuration (Poole & Roth, 1989a, 1989b).

Thus, adaptive structuration is the process in which managers match components of workforce diversity. In the context of the Interactional Model of Cultural Diversity, adaptive structuration constitutes informal and structural integration.

Within the context of diversity we define a work group or team as a dynamic system, made up of an integration of people, purposes and tools, which become the groups members, projects and technology, respectively. (Argote & McGrath, 1993; Arrow & McGrath, 1995; McGrath, 1991; McGrath & Gruenfeld, 1993).

For example, a white vice-chancellor of the largest university in South Africa developed a social identity in which he shared norms, values and goal priorities that distinguish him from dominant similar members. He is also one of the university's most capable members.

Based on his inclusive management approach and transformation instincts, his social identity became nested in the super-ordinate structure of the elected Rector. The above example illustrates how members of organizations can be open to change, and value diversity.

It is important to understand that demographic attributes may have been modified by category-accentuations of dominant groups due to their differential power, and negative diversity effects such as prejudice and discrimination may lead to disproportionate member-task combinations.

Thomas (1996:8) states that the component elements of diverse workgroups can vary. How much diversity is valued in the organization is relevant to the second-order impact of workforce diversity and determines to what extent dominant –others will engage in negative stereotyping and status expectancy formations. It can thus be concluded that it determines the nature of ingroup/outgroup processes, and the resulting changes in individual differences in cognition, values and behaviour. How management match members and tasks will determine how differences in task-performance impact on organizational outcomes, that is, how workforce diversity is managed.

One can now conclude that how components are matched, determine the extent to which an organization has diversity-related problems. A first corollary to this conclusion is that managers in organizations have influence or control in the area of the organization where decisions about the matching of components are made.

A second corollary to this conclusion is that managing workforce diversity requires management skill for combining diversity-related components. Part of

adaptive structuration is the alignment of the work-unit structure with group functions.

(ii) Group functions

Every work group must continuously be concerned with at least three functions (Argote and McGrath, 1993):

A production function, by which it makes a contribution to its embedding system (e.g., a larger organisation) in exchange for that system's support of the group and its members;

A member support function, by which it makes contributions to its constituent members in exchange for their contributions to the group's activities, and

A group well-being function, by which the group maintains itself as an integral and effective system

2.7.3 The role of organization culture in the First-Order process of workforce diversity

Factors of diversity-climate at individual, group and organizational level influence how managers match components. Thus, the task-relationship composition of groups is determined by the nature of the diversity-climate.

Central to how managers match components (adaptive structuration) are the perceptions of managers on member attributes. It can be implied that managers that do not manage the second-order impact of workforce diversity, may share negative stereotypes that dominant groups in the organization have of their outgroups.

The evaluation of member-attributes is thus subject to perceptions and attitudes of managers and dominant groups. However, organizational diversity is more involved in the dynamics of interactive group members in workgroups in functional work-areas. This is so because it is in the functional work-areas that organizational – diversity (status in embedded organization) and the organization's culture is most dynamic.

2.7.3.1 Dimensions of organizational culture

An organization develops its own culture, which is often influenced by (amongst other variables of organizational behaviour) attributions made on the dimensions of culture and social category accentuations. Culture is to the organization what personality is to the individual. It is a hidden but unifying force that provides meaning and direction (Green, in van der Post et al., 1997).

Triandis (1992) asserts that one of the variables which he considers as very important, and which is ignored in current research, is the history of intergroup relations. To support Triandis, Cox (1993) makes the following statement:

“The basic phenomena of diversity are intergroup dynamics.

When people with different group identities interact in a social system, contemporary transactions are influenced by the legacy of prior interactions among members of those groups.” The history of prior relations between monocultural social groups in a country can have a pronounced influence on the negative accentuation of cultural-demographic attributes.

As an organization develops, the influence of cultural-demographic diversity is extended insidiously to all areas of the organization, which contribute to the organizational culture. Because the history of prior relationships between employees and between groups shape demographic diversity, which in turn influence organizational diversity, Fuhr (1994:12), asserts that all South Africans are aware of the fact that diversity problems in South Africa are caused by historical factors. These factors were the result of statutory

discrimination that accentuated the ways that blacks differed from whites in various negative ways.

It is important to acknowledge in these instances that the character of prior relations is psychologically connected to the social group (i.e., English settlers vs native (white) Afrikaners, whites vs. blacks, Jews vs. Moslems and so forth) more so than to individual members.

The role of history as social landscape is vital. For example, Northcraft et al. (in Ruderman and Jackson et al., 1996), pointed out that the false assumption of distributive interests that often hinders negotiations and co-operation is due to such factors as mistrust, untested assumptions, and poor communications. To a large degree, what they are describing, is the character of the history of intergroup relations between the parties.

The latter statement is supported by the fact that the researcher does not refer to European settlers above, but specifically to the English, because the legacy of prior interactions include wars and dominance of the English over Afrikaners.

Until the late eighties, the legacy of past relationships between the English and Afrikaners still affected their inter-group dynamics. It is important to acknowledge the role of history as a potentially potent obstacle to changing intergroup perceptions and assumptions. A part of this acknowledgement is to make the explicit discussion of history a part of the process of promoting change.

A second example of the theme of history is encountered in the work of Ely (in Ruderman and Jackson et al, 1996:184). She wrote: "it makes sense to examine the impact on organisations as historically situated contextual constraints that can shape and re-shape, create and re-create identity in potentially infinite ways". Thus, she made explicit the role of history in

shaping the impact of identity diversity on work groups. Ely's findings that occupational roles tended to be segregated by race on the basis of assumptions about race-related competencies have roots in the history of the labour market and in race differences.

There are many facets of organizational culture that can be affected by the contributions of cultural-demographic diversity (refer to 2.6.1.2:74-79). It is important to understand the discussion of the role of organizational culture that follows in the context of the diversity climate in figure 2.13:91, and its impact on adaptive structuration.

Two primary dimensions along which organizational cultures can be described and compared are strength and content (Cox, 1993). Organizational cultural strength is the extent to which norms and values are clearly defined and rigorously enforced. Strong cultures provide more cues on how to behave, more reinforcing information about what is right to do, and may have higher penalties for non-conformity.

The content dimension of an organization's culture refers to specific values, norms and styles that characterize the organization. Relevant to the strength and content of the organization culture are organizational socialization and acculturation.

Organizational socialization is the process of conveying the organization's goals, norms and preferred ways of doing things to members. There are three distinct aspects of organizational socialization (Feldman in Cox, 1993:164):

- The development of work abilities
- The acquisition of appropriate work behaviours
- The adjustment to the workgroup's norms and values

Acculturation refers to the process for resolving cultural differences and of cultural change and adaptation between groups, especially when one group is being merged into a larger, more dominant group. The topology of

acculturation alternatives describe four modes or types of acculturation processes in organizations:

Assimilation; deculturation; separation and pluralism.

Assimilation is a one-way adaptation in which an organization's culture becomes the standard behaviour for all other cultures merging in to the organization. Separation refers to cultural merger situations in which the entering members are unwilling or unable to adapt to an organization's culture and seek more autonomy from it. Deculturation occurs when neither the culture of entering members nor that of the organization is influential or highly valued in framing the behaviour of incoming members. Pluralism refers to a two-way learning and adaptation process in which both the organization and entering members from various cultural backgrounds change to some degree to reflect the cultural values and norms of the other.

(i) *The impact of specific cultural content*

The degree of tolerance an organisation has for ambiguity, will determine whether that organisation will exert pressure towards conformance regarding divergence with specific reference to the method of acculturation. The degree to which *diversity is valued* determines whether an organisation will exert pressure on all members to conform to a single system or organisational norms and values.

The setting, in which diversity can best be valued, is described as the Low-prescription (as opposed to the High-Prescription) culture, which has specific characteristics.

(ii) *Cultural fit*

This refers to "the degree of alignment between two or more cultural configurations". (Cox 1994: 170). Siehl and Martin (in Cox 1994: 170) propose that the different subcultures be compared with the organisation culture. The result could be an *enhancing* (re-enforcing), *orthogonal*

(refining), or *counter* (challenging) subculture. Important dimensions in cultural fit are *culture overlap* and *distance* between relevant cultural spectra. Dimensions on which these spectra are tested could be those identified by Hofstede. *For example:* regarding power distance, the result could either mean that one group is highly aware of differences and for the other power differences are not important. The result is a great distance on the spectrum *power distance* where no overlap exists. A marked increase in demographic diversity confounds two kinds of change:

A particular change in the pattern of member attributes and membership change as an event in and of itself. Untangling the joint effects of the two requires specific attention to membership change as an independent variable.

A significant finding is that it is not necessary for individuals to be typecast and culture-bound in their career aspirations. Changes in this regard can be rapid as workers move beyond traditional role concepts and fight for equality (Morris, 1992).

(iii) *Informal integration*

Participation in informal groups in organisations has an important influence on an individual's career success (Burke 1984 in Cox 1994: 195). Principal elements of participation in informal groups concerns *access to social networks* like informal communication networks and the establishment of friendship ties, as well as mentorship programmes.

Informal integration essentially consists of role-network issues. Dominant as well as non-dominant groups have to understand the significance of informal integration.

If there are perceptions that the array of member attributes do not satisfy the requirements of its role system, then one of two changes take place:

Either the role requirements (technology) or the group's membership must change, or some members must be socialised or trained to acquire the missing attributes.

Gardenswartz (1993) identifies the following stages of integration:

Stage 1. Behaviour: Rejection, resistance

This stage is characterised by fear of acculturation, due to sublimating one's culture. The stakes for belonging are seen as too high.

Stage 2. Behaviour: Isolation

This stage is characterised by physical and psychological withdrawal. There is a perfunctory politeness, but superficial interaction.

Stage 3. Behaviour: Assimilation

This stage is characterised by adjustments to group norms. There is clarity about the operating rules.

Stage 4. Behaviour: Coexistence

This stage is characterised by an ability to become part of the mainstream while maintaining sense of self and uniqueness. The author would argue at this point that it would have been, and most probably was the case during the Apartheid era in South Africa. However, as the new post-Apartheid era ushers in changes in continuing group membership due to aggressive statutory affirmative action and anti-discriminatory legislation resulting in extensive increases in diversity, one can expect changes to occur within and between members as the group/s develop further.

Other changes should reflect changes in member expectations about one another (white and black). One expects mutable attributes (e.g., specific skills, beliefs and behavioural styles) to change, due to political pressure from external constituents (the South African Government). It is also expected that group diversity of capabilities, values, beliefs and attitudes attributes will change over time (faster in the case of South Africa, as the changes in group

membership is mostly in the direction of affirming black members, who are expected to become the majority group, of uncertain dominance persuasion).

It is at this juncture that major problems with diversity exist. The probability that blacks will behave as they did when their behaviour (due to white - dominated acculturation) resulted in value, ethnic and wealth differences and its socio-economic outcomes is very low, for obvious reasons.

It is evident that social dilemmas develop due to extensive subgroup differentiations, and more significantly the resulting crossing of categories and functions.

Stage 5. Behaviour: Integration

This stage is characterised by a sense of belonging. Relationships are real and fluid and involve conflict and co-operation.

(iv) Structural integration

This dimension refers to the levels of heterogeneity that exists in the formal organisation structure. Traditionally, this criterion is applied to measure a company's progress towards equal employment opportunities, including affirmative action activities.

Structural integration essentially consists of division of labour issues. Managers have to understand the significance of a diverse organization structure, and how to achieve it.

If there exist perceptions that the array of member attributes do not fulfil the requirements of the group's division of labour then one of two changes take place:

The specification of who will do what changes, or the members need to be changed (through training, socialisation, or substitution) until there is an adequate fit.

The level of integration is measure by the following:

- *An overall employment profile.* The proportionate representation of various culture groups in the total work force is an indication of

integration. The analysis could be done according to the degree of proportional representation of specific groups. The phenomenon of tokenism is often the result of companies trying to manipulate this criterion.

- Participation in the power structure. The primary formal source of power is authority. The four aspects relevant, when analysing power distribution as a dimension of managing diversity is analysis by *organisation level*, *inter-level gap* (the difference between the proportions of specified groups at various levels of authority) analysis, analysis of *promotion potential* and analysis of significant group decision-making bodies

It is therefore very important that organizations in South Africa understand diversity and most importantly, those factors of diversity unique to South Africa that impact on individual and organizational outcomes. Ideally, knowledge of these factors can help all managers with the preferred process of convergence. The absence of convergence can probably lead to substantial intergroup conflict.

(v) ***Institutional bias***

Preference patterns inherent in the management modes of organisations often unintentionally create barriers to full participation of out-group members. Organisational bias is better illustrated by citing examples.

- *Bureaucratic model*. A policy of maintaining *separation between family and work life* impacts differently on personnel and thus becomes a form of bias. Bureaucracy's tendency towards *standardisation*, including division of labour, impersonality, separation of job and jobholder and emphasis on written rules, is also relevant. "The basic objective of standardisation is making things uniform and void of deviation from identified norms. Thus the term is *the antithesis of diversity*" (Cox 1994: 213).

- *Individualistic reward systems.* The differences between cultures regarding individualism/collectivism are not accounted for in rewarding people: Compare the Japanese proverb “The nail that sticks out gets hammered down”, with the typically western attitude of “May the best man/woman win”.
- *Biased selection processes.* Bias is reflected in symptoms like “*similar to me*” – phenomenon and the fact that *interviewers (and the selection panel) are from the in-group.*

2.7.3.2 Constructs of organization culture that are relevant in the first-order process of workforce diversity

The following constructs of organizational culture can be viewed as relevant to the first-order process of workforce diversity (Van der Post et, al (1997)).

Conflict resolution. The degree to which the organization is perceived to encourage employees to air conflicts and criticisms openly.

Customer orientation. The extent to which the organization takes the views of customers seriously and actively responds to such views.

Goal clarity. The degree to which the organization creates clear objectives and performance expectations.

Locus of authority. The degree of authority, freedom and independence those individual employees have in their jobs.

Management style. The degree to which management provide clear communication, assistance and support to their subordinates.

Organizational focus. The extent to which the organization is perceived to be concentrating on these activities which form part of the fundamentals of the business.

Organization integration. The degree to which various sub-units within the organization are actively encouraged to operate in a co-ordinated way by co-operating effectively towards the achievement of overall organizational objectives.

Performance orientation. The extent to which emphasis is placed on individual accountability for clearly defined results and a high level of performance.

Reward orientation. The degree to which reward allocations are based on employee performance in contrast to seniority, favouritism or any other non-performance criterion.

Task Structure. The degree to which rules and regulations and direct supervision are applied to manage employee behaviour.

It is evident from the discussion above that perceptions and attitudes produced in social identities in the second-order impact process produce positive or negative diversity effects. Such effects become factors of diversity-climate in the first-order impact process that determine the nature of adaptive structuration in the organization.

Managers can take one of two positions in the dynamics of the two processes:

- They can share the perceptions of dominant groups that may be negative as a result of the second order process and fail to prevent the consequences in the first-order process. The evident outcome will be

diversity-related organizational behaviour problems that impact on individual and group effectiveness.

- They can develop skills in the management of workforce diversity. This entails prevention of the development of negative diversity effects and matching of components of workforce diversity that leads to a well-adjusted diverse workforce that is instrumental in individual and organizational effectiveness.

2.7.3.3 The Status quo regarding the management of workforce diversity in an organization

The researcher posits that the status quo of the management of workforce diversity in an organization is the position that the management of the organization takes on the management – non-management of diversity continuum.

For the purposes of this research, one can state that the above two positions are the two poles of the management of workforce diversity. The one pole is the non-management of work force diversity, and the other pole is the management of workforce diversity. The distance between the two forms a continuum on which managers can take a position.

The status quo of the management of diversity is a reflection of changes on the management of diversity that has taken place. It is a reflection of the congruence that exists between the management of diversity in the organization, and the first and second-order change-models of Burke and Litwin figures 2.3(a) and (b)

Burke and Litwin's first-order change model includes the aspects of work-climate (diversity-climate for the purposes of this research), management processes and procedures, individual needs and behavior. This model is congruent with the first-order impact of the workforce diversity process.

The researcher thus concludes that one can assume that the nature of adaptive structuration in an organization reflects at any time how diversity is managed in an organization.

The status quo of the management of diversity is a preferred measure of the diversity-related form of an organization (Gardenswartz and Rowe, 1993). The status quo can reflect whether an organization is mono-cultural, non-discriminatory or multi-cultural. Cox (1993) refers to these diversity-related states as organizational forms.

For the purposes of this research, one can thus conclude that the positions the management of workforce diversity can take on the diversity-management continuum, is represented by one of these organization forms. It is reasonable to assume that organizational diversity is then very much a result of adaptive structuration.

2.7.3.4 The role of adaptive structuration in the organization

Diversity-related problems of organizational behaviour are created when adaptive structuration is characterized by job-structures, role-networks and division of labour practices that discriminate against members and groups that are dissimilar to the dominant group. Inter-group conflict, assimilation, and human resource systems that is biased in favour of groups with power, is present. The role of active positive adaptive structuration in an organization should be to prevent these negative effects from emerging.

In an earlier program of research Brewer and Kramer proposed that any social category could be represented in terms of three different levels of social identity (Brewer & Kramer, 1986); Kramer & Brewer 1984, 1986).

At one level, a social category is a collection of interdependent individuals (e.g., the individual managers in a particular company); at another level, it may be conceptualised as a single, super ordinate social entity (e.g., the company as a whole); in yet a third possibility, the superordinate unit is

subdivided into constituent subgroups [e.g., functional departments (marketing, logistics, finance) within a company].

Social identity differentiation is dynamic in the first-order process of workforce diversity. The differentiation of any superordinate collective, such as an organisation, into distinct categories can take several different forms. The two forms that are most relevant for issues of work group diversity are portrayed in Figures 2.14:109 and 2.15:109.

(i) Cross-cutting and nested differentiation

Cross-cutting of social categories occur when relevant social categorisations external to the organisation overlap partially with membership in the organisation itself (refer to figure 2.14). An example of this in South Africa during the nineties was the fact that it was fashionable to appoint blacks as human resource managers.

The form represented in Figure 2.15 is one where the salient categories are interdependent subgroups nested within a superordinate unit. This is most characteristic of organisations divided into units such as departments or divisions that are not only outcome interdependent at the super-ordinate level, but also functionally interdependent at the subordinate level.

The overlapping or crosscutting category identities represented in Figure 2.14 are not inherently problematic for organisational interests. They become relevant only when external constituencies come to be equated with *within organisation* subcategories, either because members of these categories are perceived as having separate subgroup interests (e.g., women executives as opposed to male executives), or because category distinctions become correlated with functional distinctions within the organisation (e.g., male executives and female clerical staff, White supervisors and Black assembly line workers).

The crosscutting category identities in South Africa are problematic because external categories become equated with within-organization sub-categories. An example in South Africa is the employment of Cuban medical doctors at all levels of Health Science facilities. External political constituencies become equated with *within* sub-categories that reflect the agendas of the South African Government, which are shared by the external political constituencies. It is this last form of organisational diversity (where external constituencies and internal functional divisions converge) that has the most problematic implications for the structure and performance of effective work groups within organisational contexts.

An example of the convergence of external constituencies and internal functional divisions in South Africa is the situation in the year 2000 concerning the epidemic of acquired immune deficiency syndrome (AIDS). Management of this epidemic has been hopelessly ineffective, due to differences of opinion between the Health Department and health constituencies outside the department. A form of diversity that can also cause diversity effects in work-groups, are differences in opinion (Joplin and Daus, 1997).

Similarities of opinions on the cause of AIDS, shared within the South African Health Department overlaps with that of international dissident researchers. Opinions that do not cross-cut with those of the Health department (and therefore the Government), but are shared by the majority of researchers everywhere outside the department, are ignored. The upshot of all this is that undesired diversity effects (inter-group conflicts) in health services and other constituencies are produced, causing inter-group conflicts that compromise effective delivery of health services to AIDS sufferers.

When work teams are formed within large organisations, such teams are frequently (by intent) composed of employees from distinct, previously segregated divisions, functional units, or demographic categories. As a

consequence, the formation of teams in work organisations frequently resembles the nested subgroup differentiation represented in Figure 2.14

Figure 2.14 Crosscutting of categories of diversity

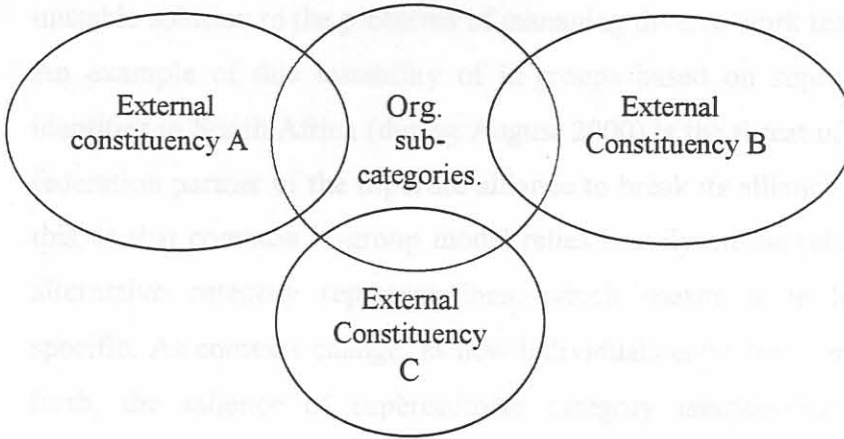
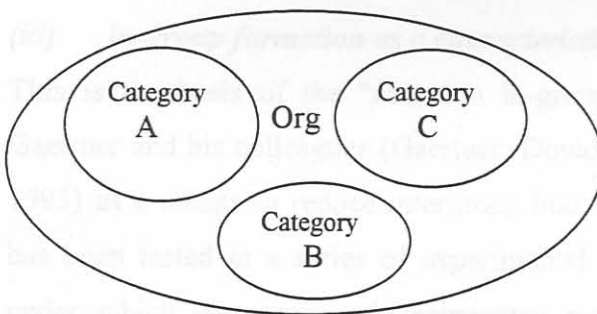


Figure 2.15 Hierarchical diversity



One possible consequence of team formation is the creation of a new social identity for team members. When this form of re-categorisation is successful, in-group loyalties and concern for collective welfare are transferred from the original subgroups to the team as a whole.

(ii) Crossing Categories and Functions

Although both experimental and field studies have demonstrated the power of super-ordinate social identities to alter inter-group dynamics in co-operative settings, there are a number of reasons that common in-group formation is an unstable solution to the problems of managing diverse work teams.

An example of this instability of in-groups based on super-ordinate social identities in South Africa (during August 2000) is the threat of the trade union federation partner of the tripartite alliance to break its alliance. The reason for this, is that common in-group model relies heavily on the relative salience of alternative category representations, which means it is highly situation specific. As contexts change, as new individuals enter the work group and so forth, the salience of superordinate category membership may diminish (Brewer, 1991).

Subgroup identities remain available as a primary basis for group loyalties and attachment. This is particularly likely when the super-ordinate category is a large collective, the psychological “presence” of which is difficult to maintain.

(iii) In-group formation as a characteristic of adaptive structuration

This is the basis of the “common in-group identity model” espoused by Gaertner and his colleagues (Gaertner, Dovidio, Anastasio, Bachman & Rust, 1993) as a means to reduce intergroup bias in contact situations. The model has been tested in a series of experimental studies to assess the conditions under which two previously segregated work groups can be successfully merged in a super-ordinate unit. An example of the common in-group identity model in South Africa is the formation of a Government of National Unity. The exercise has had problems at leadership level, but has not failed yet during the period 1994 to 2000. Consistently, conditions that enhance the salience of the common team identity and reduce the salience of subcategory identities are found to diminish or eliminate in-group bias in evaluation of fellow team members. To the extent that participants perceive the combined team as a

single entity, rather than an aggregate of two separate groups, evaluations of former out-group members become more positive.

In Gaetner's model, super-ordinate social identities are created through the merger of subgroups into a single, common category that replaces the original category differentiation. An alternative route to super-ordinate group identity involves making salient an inclusive categorisation in which both groups have common membership. The competing department, for instance, may be reminded of their common interest in the success of the organisation as a whole, or heterogeneous work teams may be created with accountability to the larger organisation.

An example of this route is the formation in South Africa of the alliance between the Government, the largest trade union federation and the South African communist party (the Tri-partite alliance), based on inclusive categorization of ideology. In some sense this is the antithesis of valuing diversity.

An interesting development in South Africa is that whilst the tripartite alliance consists of super-ordinate social identities, two of the identities (the trade union federation and communist party), as super-ordinate groups outside the Health Department, do not cross-cut on the AIDS issue with the Department.

The Super-ordinate model does not require the elimination of subgroup distinctions, but relies instead on enhancing the relative salience of common group membership over differentiated categories. When the group members were made aware of their shared membership in a super-ordinate organisation, co-operative choices were significantly increased. In fact, under these conditions, groups divided into sub-units were actually more co-operative than undifferentiated groups.

Under the right conditions, subgroup loyalties can be engaged to enhance individuals' sense of responsibility and efficacy in ways that promote

collective interests. Diversity on the values cluster (values, beliefs and attitudes) may impede goal selection if members have difficulty reaching consensus, but homogeneity of values may reduce the quality of the goals selected (Janis, 1972). Similarly, if members differ in values, beliefs and attitudes, the incidence of conflicts increase, and these conflicts may be more difficult to resolve.

Unfortunately, for the common in-group model, cognitive factors combine with motivational forces to reduce individual identification with large, super-ordinate groups relative to smaller, distinct subgroups.

Human beings strive to belong to groups that transcend their own personal identity, but at the same time they need to feel special and distinct from others. To satisfy both of these motives simultaneously, individuals seek inclusion in distinctive social groups where the boundaries between those who are members of the social category and those who are excluded can be clearly seen.

2.7.4 Diversity-related problems as outcomes of adaptive structuration

Gardenswartz and Rowe (1993), lists the following as diversity-related problems:

- An increase in grievances by members not belonging to the dominant group.
- Exclusion of people who are different from the dominant group.
- Complaints about discrimination in promotions, pay and performance reviews.
- Open conflict between individuals or groups from different groups.
- Lack of social interaction between members of diverse groups.
- Ethnic, racial or gender slurs or jokes.

- Frustrations resulting from cultural differences.
- Complaints about staff speaking other languages at work.
- Barriers in promotion for diverse employees.
- Difficulty in communicating due to limited or heavily accented English.
- Mistakes and productivity problems due to staff not understanding directions.
- Difficulty in recruiting and retaining members of different groups.

2.7.4.1 The consequences in the organization of diversity-related organizational behaviour problems

One can now revisit the Cox model and explain the individual and organizational outcomes in terms of the status quo of the management of diversity, adaptive structuration and diversity-related problems, and not directly from factors of diversity-climate as done by Cox.

Individual career outcomes

Affective outcomes

The following can be explained by adaptive structuration issues:

Job and career satisfaction – there are probably division of labour problems caused by biased human resource systems. Organizational identification – there are probably problems with role-networking resulting in social and projects exclusion. Job involvement – there are probably problems with recognition of performance.

Achievement outcomes

Job performance ratings - there are probably problems with job-involvement and self-concept, or lack of training in the array of attributes required. Compensation and Promotion – these are most likely the results of job-involvement and/or biased human resource systems.

(ii) Organizational effectiveness

Attendance, turnover, productivity and work quality are all possible outcomes of the failure of management to address achievement outcomes.

Recruiting success – poor success rates may be related to searches for individuals that can be assimilated into the organization. Such individuals are likely to suffer the abovementioned ills.

Creativity, innovation and problem-solving. These are outcomes that have to be cultivated in the area of second-order impact, and require of an organization to have multicultural status. These aspects will enjoy further clarification when research perspectives on multicultural organizations are discussed in chapter 3.

Workgroup cohesiveness and communication. These characteristics are also outcomes of the second-order impact process, and require of an organization to have multicultural status.

(iii) Organizational performance

Market share, profitability and the achievement of formal organizational goals depend wholly on individual outcomes and organizational effectiveness, which in turn are determined by the status quo of the management of workforce diversity in the organization.

Any given adaptive structuration is subject to disruption if any of the components change. A change may improve or worsen the fit at one or more of these intersections.

2.7.4.2 The significance of the second and first-order processes of workforce diversity in South Africa

To determine factors of workforce diversity in South Africa, it is sensible to consider the most relevant research perspectives of recently completed empirical studies. No research of the required scope and depth has been documented on the nature of the management of workforce diversity in South Africa prior to this study.

A pilot study was done by a group of MBA students at the University of Pretoria in 1995 titled: *A research perspective on workforce diversity in South Africa: A Study to determine the progress of the management of diversity in 25 companies in South Africa.*

The first research question and management issue in this study was whether a theoretical model developed in a different country could be operationalised and tested within the South African context. The sub-issues investigated, were “factors” of the diversity-climate that Cox (1993:226) refers to as dimensions. The second question addresses the nature of the diversity climate of organizations in South Africa (reflective of factors of diversity). As part of the 1994 MBA course “International and Cross-cultural Management” at the Graduate Business School of the University of Pretoria, a study group developed an interview schedule based on the IMCD. The applicability of the model was tested by interviewing three companies (a consulting engineering practice; a game park; and a retailer). A final interview schedule was developed by Sparrow (available from authors). The MBA class of 1995 had the assignment to apply Cox’s model of multi-cultural diversity. The reports were analysed during 1996 by the authors.

Sample

The students chose the companies on the basis of capturing perspectives across different industries: AECI Explosives; Anglo Alpha; Black Like Me; Consulting engineering company (major); Consulting engineering company (2 minor); CSIR Food Science & Technology; Denel Informatics; Estee Lauder; High technology research company; Homeopathic company; ISCOR Refractories; Marley; South African Reserve Bank; SASOL; Standard Corporate & Merchant Bank; State Departments (3); Telkom – 3 different divisions; Tswana Steel; Vista University and Woolworths.

The 25 organisations which represent a relatively wide coverage of public sector and private sector companies in the Gauteng province, is a sample of

convenience and results obtained provide a generalised indication of the implementation of diversity management in this sample.

The steps followed by the MBA students in doing the survey were as follows:

- identify the company to be researched and contract to interview the human resources director;
- acquire the necessary information to complete the interview schedule;
- classify and interpret the information and
- prepare the final report.

A brief overview of the procedure, using the perspectives of meta-analysis that was followed in analysing and codifying the reports, is as follows:

Each data set (report) was given an arbitrary number. As the individual data sets have no statistical elements, but contain narrative descriptions of the survey themes, it was decided to construct a frame of reference with which each individual data set could be analysed.

As Sparrow's survey and the model were the common factors in all the studies, the elements covered in the report were transformed into variables. The result was a list of variables (codes) which was used to analyse (codify) individual data sets. The completed codification form is available from the authors.

Depending on the nature of each variable, a scale (either yes/no or 1 to 5) was developed for that variable. A specific data set's response or coverage regarding a specific code was established by attaching a value to the degree to which the code was covered. An initial independent pilot test regarding codification was done by the second author. The first author then codified the current data set.

Further guidance was provided by statistical consultants during the codification process of the current data set. The initial codification was compared with the current data set to establish inter-rater agreement.

Glass, McGaw and Smith (1981) identify meta-analysis as a highly technical quantitative process which aims to apply statistical procedures to existing empirical research studies. An attempt at meta-analysis would therefore integrate the survey results, generalise about the level of diversity management in the sample of companies and both detailed and general reports will be integrated non-judgementally, according to preset, objective criteria. However, the individual reports are not empirical studies.

The MBA students put forward interpretations in the form of narrative reports. Wolf (1986:16) and Glass et al (1981:21) solved this dilemma when they argued that meta-analysis “is not a technique; rather it is a perspective that uses many techniques of measurement”. It was decided that the perspective of meta-analysis could be adopted by using the codification process to integrate the results of the individual studies.

The results of the evaluation were recorded on an integrated format. General statistical techniques were applied to establish trends and aggregate levels. An attempt at meta-analysis would therefore integrate the survey results, and generalise about the level of diversity management in the sample of companies and both detailed and general reports will be integrated non-judgementally, according to preset, objective criteria. However, the individual reports are not empirical studies.

Findings

Diversity as competitive advantage

The first section indicates a tendency for the human resource managers to believe in the principle, as well as the potential advantages of managing diversity. The dominant cultural group in the company does not necessarily

value the management of diversity. There is furthermore a discrepancy between this underlying belief and the extent to which these principles are being implemented and exploited with a focus only on the marketing advantage.

Integration

Due to the existence of a strong, dominant culture group in all the companies of the study (a) minorities have had to adopt the culture of the dominant group; (b) cliques of the dominant group exist; (c) unconvincing efforts are made to integrate minorities in informal activities; (d) prejudice and discrimination are being witnessed or experienced, whether directly or inadvertently and (e) intergroup conflict is present. The dominant culture group correlates with the demographic analysis obtained from most of the respondent companies (available from authors).

The main trends arising from this analysis are as follows: (a) Whites constitute 61 percent of the total workforce of these companies, in comparison with the 19 percent blacks of the 1991 South African census figure and (b) the figure for males working in these companies correlate with the census figure (51 percent versus 50 percent respectively). What both these figures do not show, is the uneven representation of males and females on different organisational levels. These two trends are typical of the South African environment, as it is symptomatic of the existence of a dominant elite (white males) which either consciously or subconsciously disregard or overlook the needs and aspirations of minorities.

Du Preez (1992:28) states that “this matter requires more reflection on the contact between different cultures and sexes, different philosophies of life, it concerns the whole question of economic acculturation”. Economic acculturation concerns the adjustment of traditional human resources (as influenced by the legacy of prior biased human resource systems in

organizations), to modern job-requirements, narrowing in the process the gap between first world demand and third world supply.

This dimension (structural integration) is the criterion to establish the degree to which companies are working towards a diverse workforce. In South Africa *diverse* reads “multicultural” or the degree to which companies are imposing affirmative action programmes based on quotas. The danger, as deduced from the point of view that affirmative action is but the first step towards creating a multicultural workforce where everyone has equal opportunities to acquire quality of life, is that the integration criterion is overemphasised to the detriment of its place in the context of a multicultural process.

This sample of companies can be classified mainly as monolithic companies although some evidence emerged that specific companies are developing a plural orientation.

Tools for organisational change

Cox (1993), identified a number of ways (“tools”) which can be used to create a multicultural organisation. The result of using these tools is that company progresses on the road to creating a multicultural workforce as the sub-elements of the *integration dimension* are being realised. Because there are no indications that the respondent companies are in any significant way integrating diverse subgroups into their organisations, they are not applying any of these tools.

Key-components for transition to multicultural organisations

The respondent companies are indifferent about the key components that are required to move from monocultural to multicultural companies. Regarding leadership it is senior management, not the CEO’s, who are initiating the process leading to diversity. Senior management does not however have the full, unequivocal support of their line managers or even of the supervisors.

Training, research, follow-up and culture audits are almost totally disregarded as strategies. These companies need a more solid base in their human resource management systems and attitudes to ease the transition to multicultural enterprises.

(ii) Diversity-related problems that can be identified in the findings

The results of this pilot-study provide data and information that are indicative of the following in South Africa:

- (a) Diversity effects of prejudice and stereotyping at individual level.
- (b) There is the presence of differential power, causing assimilation and inter-group conflict.
- (c) There is practically no integration, through management procedures and systems.
- (d) Finally, one can conclude that diversity is not managed.

(iii) The diversity-related organization form

The diversity-related organization form that is indicated by findings, is mono-cultural.

(iv) Conclusions

The findings show that Cox's Interactional model of cultural diversity can be used in South Africa.

By inference, the revised Cox-paradigm should also be applicable in South Africa, as well as change-models that can be derived from it. The mono-cultural organization form would be indicated by any identification of diversity climate. This suggests that it would also be indicated by a diversity climate constituted of the dimensions of Gardenswartz and Rowe.

Furthermore, that the nature of current adaptive structuration in South Africa may be characterised by:

Changes in the division of labour that is to the advantage of whites, when non-whites do not have the required attributes. Very seldom does one find change-interventions that are aimed at developing the required attributes.

(b) The role requirement remains the same or change, but the nature of membership does not change. Mentorship seldom achieves the objectives of socialization to help members share the vision of the organization.

The diversity issues (at personal, inter-personal and organizational level) raised by Rosmarin, can thus be viewed in three contexts. Firstly, the influence of diversity on teams; secondly, adaptive structuration; and thirdly, the diversity related problem-domain of organizational behaviour (as it can manifest itself in the matching of components in figure 2.13).

The issues of workforce diversity in South Africa can now be dealt with against the background of the relevance of the expanded diversity paradigm (the first and second-order impacts of workforce diversity that must be driven by the valuing of diversity):

Personal level organizational behaviour

The issues of workforce diversity in South Africa can now be dealt with against the background of the relevance of the expanded paradigm. Traits are based on value judgements and are thus regarded as positive or negative.

Category-based (demographic) or organizational diversity, reflect the traits that are based on value judgements, and are interpreted as positive or negative in the development of stereotypes and status expectancies. Value judgements should not take the place of valuing diversity.

Messages and judgements received about others, particularly those who are different racially and culturally, can be interpreted within the framework of the first-order impacts of workforce diversity.

Messages are received which help define a person's worth and self-esteem, both as an individual and as part of a group (however the group may be defined).

The in-group in this case is the dominant group. They internalise erroneous perceptions about out-groups, developing stereotypes, and status expectancies. These perceptions impact on inter-personal and role relations, creating us them distinctions and when it has emotional significance for an individual's self-concept, motivational components of in-group – out-group distinctions are engaged. These include in-group loyalties and favouritism, implicit inter-group rivalries, negative stereotypes and distrust of out-group (dominant) members.

The latter dissertation explains mistrust that is salient in the National Productivity Institute's thesis on value-systems and participation. Mistrust is a significant diversity-related issue in South Africa (refer to figure 1.2:9, and the comments by Schuitema (1995) that accompanies it).

Feldman (1993) found that in South Africa the attribute of legitimacy was central to the issue of trust between employees and management in the geographic area of Gauteng, in South Africa. He found that the attribute of legitimacy is earned when the perception of 'manager-genuineness' is created and communicated by employees.

Inter-personal / Group level organizational behaviour

The prejudice and stereotyping that are the diversity effects of inter-group attitudes and perceptions evolve into ethnocentricity and discrimination. These are the inputs to the component-matching process.

At this stage one can observe the dynamics of the second-order diversity-related team process of component matching (see figure 2.13). At this level component-matching is centred mainly around job-structuring and role-networking.

Cultural differences, ethnocentricity and discrimination control the dynamics of the role-network, which can be very potent in generating many diversity-related problems. When and with whom there is tension and fear in a work-relationship, and the causes for it can be inferred to the use of differences in power. Differences in power may be sanctioned by management through organizational policies, systems and practices.

Organizational level organizational behaviour

The dynamics at organizational level, in terms of the questions of Rosmarin, consist mainly of adaptive structuration, which can be positive or negative.

The types of diversity identified in South Africa would most likely lead to negative adaptive structuration if:

- there is no genuine commitment from management towards empowerment, participation and valuing of diversity. If the outcomes of the exchange of in-group out-group messages result in inter-group conflict and mistrust, then these are products of the lack of participation, valuing of diversity and empowerment.
- the potential of the total work-force is not being used. This can be the case if messages from the dominant group are communicated by biased human resource programmes with limited integration, resulting in partial utilization of the total workforce.
- biased human resource systems do not use the appropriate criteria for the measurement of performance.
- human resource programmes are not aligned with strategic business objectives. It can be, but discrimination would exclude most members of the non-dominant group.

- negative adaptive structuration results in diversity-related organizational behaviour problems, which in turn have consequences for organizational outcomes.
- Inter-group perceptions and attitudes emerge from the adaptive structuration, and serve as organizational category diversity-inputs to the first-order diversity-related team-process, creating a cause – effect loop.

Cox (1995), states that in organizations in which diversity is not valued, the cultural norms, values, work practices and interpersonal relations hinder the full participation of all organizational members. Furthermore he emphasises that if the status quo is not reversed over a reasonable time-period, current as well as increasing diversity will affect work-team and organizational performance adversely. It is evident at this point, that to understand the conclusions on adaptive structuration in South Africa, we have to study the legacy of prior interactions of work-groups in South Africa. This entails then a study of South Africa's history of inter-group relations.

2.7.4.3 The identification of contextual factors of workforce diversity

Contextual factors of workforce diversity are all those factors involved in the dynamics of workforce diversity that may lead to diversity-related organizational behaviour problems.

These factors are caused by differences that impact on tasks and relationships.

(i) The significance of diversity-related organizational behavioural problems in identifying contextual factors of workforce diversity

From the diversity-related problems identified, one can identify the sources that led to the problems. The immediate source would be the nature of adaptive structuration or the status quo of the management of workforce diversity. The next source would be the diversity effects that influence adaptive structuration. The next source would be the nature of the interaction of demographic and organizational diversity with the social identity of

individuals and groups (in-group and outgroup processes). The source prior to that, would then be the first source, which is the diversity-related workforce composition. The researcher finds it appropriate to refer to these sources as categories of contextual factors.

(ii) Categories of contextual factors of workforce diversity

Gardenswartz (1993), researched the positions organizations take on the continuum of the management of workforce diversity, and identifies the following categories of workforce diversity. The categories represent various factors of workforce diversity that are nested as dependent variables within certain dimensions of workforce diversity (dimensions of workforce diversity will be discussed in 3.2.3.1:135-140).

(a) The diversity-related workforce composition

These factors are indicative of an organization's openness to change.

(b) Types of workforce diversity

These factors are determined by the unique culture-specific demographic and organizational diversity of an organization.

(c) Social identities

These factors are determined by in-group-outgroup processes that are derived from the legacy of prior interaction of groups in the organization, in a specific country, and serve as indicators of how much diversity is valued.

(d) The diversity effects or diversity-climate

These factors are reflected in the status quo of the management of workforce diversity in an organization.

(e) *Adaptive structuration*

These factors are determined by the diversity effects or relevant diversity climate, and is indicated by how diversity is managed in the organization.

(f) *Diversity-related organizational outcomes*

These factors are also determined by the status quo of the management of workforce diversity.

2.8 CONCLUSIONS

In chapter 2 an in-depth literature study was used to develop a theoretical framework of workforce diversity that satisfies the information requirements for answering the research questions, as no single classical or contemporary model is adequate.

The Interactional Model of Cultural Diversity (IMCD) of Cox (1993) was revised by integrating it with the most relevant contemporary research perspectives. The results consist of two models representing second-order (transformational) and first-order (transactional) change processes of workforce diversity. These two change processes provide the context and factors that will be discussed on the basis of associations in chapter 3. From the associations and consequent groupings of factors, dimensions of workforce diversity can be determined. Thus, in chapter 2 research objective 1.4 (i) is achieved.