

**FACTORS OF WORKFORCE DIVERSITY THAT
INFLUENCE INDIVIDUAL AND ORGANIZATIONAL
PERFORMANCE**

by

JOSEPH ALLAN FELDMAN

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ALL HONOUR BE TO GOD

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SUMMARY

**FACTORS OF WORKFORCE DIVERSITY THAT INFLUENCE
INDIVIDUAL AND ORGANIZATIONAL PERFORMANCE**

by

JOSEPH ALLAN FELDMAN

PROMOTOR	:	Prof. J. J. De Beer
DEPARTMENT	:	Human Resources Management
DEGREE	:	DBA (Organizational Behaviour)

Affirmative action to redress past discriminatory practices is being implemented on a growing scale in the world, and is creating more diversity in the workforce of organizations. With the implementation of affirmative action in organizations, dramatic changes in the composition of the workforce takes place, especially at management level.

Many leaders and managers have a poor awareness of the impact of changes in workforce composition on individual and organizational performance and its management. The central issue in dealing with workforce diversity is power-sharing. A heightened awareness in managers with regard to workforce diversity means becoming open to differences between employees. It also presuppose the creation of an inclusive environment that new groups will need to be let into positions of decisionmaking and influence.

Beyond opening the system, organizations will need to create strategies to help staff at all levels to overcome their resistance to this demographic transformation, and deal with one

another in harmonious, co-operative ways. Racial fears and tensions have historically shaped the management style of dominant groups to the point where thoughtless prejudice and stereotypical reactions have become the norm. Reactions of workers to such a management style reflects distrust.

Diversity-related performance problems can be encountered in organizations, due to the role that diversity plays in individual and organizational behaviour. Dominant groups may project prejudice and stereotyping that result in relationship and task performance problems. Negative effects like absenteeism, lack of training and so forth, give rise to inefficiency and low productivity. Thus, diversity-related problems can increase with increases in diversity (due to affirmative action and employment equity programmes), resulting in an increase in its negative effects on organizational efficiency, if diversity is not managed. The South African economy cannot afford the disregard for the management of diversity. Such disregard poses three dilemmas.

The first dilemma is the reality of the consequences of Affirmative action. in the context of the management of diversity. Whilst any increase in the level of task non-competitiveness cannot be afforded and accommodated (which in itself is the result of increasing diversity that is not managed), affirmative action has to be implemented. Against this background, it is obvious that South African organizations do not have the option of not understanding the dynamics of affirmative action and its role in the dynamics of workforce diversity.

The second dilemma is that there exists a research-need to understand workforce diversity and its issues (diversity-related problems) in South Africa as a prerequisite for developing strategies that are more effective than legislation in dealing with employee-perceptions of equity in the workplace.

The third dilemma, is the issue of knowing how to manage diversity. Most research in the world to date on was done on “unmanaged diversity”. The status quo of diversity in South Africa is such that diversity related problems are intrinsic to the types of diversity discussed in this study.

Diversity will increase in South Africa, which may facilitate the deterioration of the status quo. To reduce the possible negative impacts of this development, the need exists for research to address the three dilemmas discussed.

The research method included firstly a literature study on the most recent appropriate perspectives on the dynamics of workforce diversity, and secondly a research design that was used to determine the diversity-related organization form factors of workforce diversity in South Africa.

In chapter 2 workforce diversity was studied in the context of Behavioural science, specifically in its contribution to organizational behaviour, with emphasis on group behaviour. Shortcomings of the established Interactional Model of Cultural of Diversity (IMCD) in explaining diversity-related group behaviour is remedied to satisfy research requirements of this study. A new paradigm of workforce diversity is created by integrating research perspectives on diverse-team processes, change-models and the IMCD. The outcome of this study is tested within the context of the results of a pilot-study done in 1997 on the progress made in managing diversity in South Africa.

In chapter 3 the management of workforce diversity is studied. The transformation of homogeneity through affirmative action to increased diversity, is investigated. Dimensions of workforce diversity and its role and nature in diversity processes is studied. Most relevant empirical South African research perspectives on the dimensions of diversity in South Africa are integrated with conclusions of chapters 2 and 3 in the construction of a Cultural-specific change model of workforce diversity.

In chapter 4 the research design was outlined. The diversity-related *organization form* (mono-cultural, non-discriminatory or multicultural), *dimensions* and *factors* of workforce diversity is empirically determined at two levels: Firstly, organization form, dimensions, and factors of workforce diversity are identified in a descriptive study. Secondly, the factors of workforce diversity is then determined in a causal study.

In chapter 5 the results were reported in terms of the dimensions and organization form that was determined, and the identified factors. The results of the determination of the factors, are presented in the context of a theoretical model of workforce diversity in South Africa, that was established in the causal study.

In chapter 6 conclusions and recommendations were reported strictly on the basis of the data of the empirical study and the results. The factors that were determined, are presented as transformational (long-term leadership), and transactional (short-term management) factors. Recommendations are made on appropriate strategies and interventions to manage workforce diversity.

This study has limitations that impose constraints on the scope of the study. The population sample is an unrestricted non-probability convenience sample, with size $n = 614$. Thus, it is very difficult to estimate precision, and interpretations of variance of the mean statistic has to be done very conservatively. The results of the analysis of covariance to be used in inferential methods is affected by the sample's status as a convenience sample, as variances affect.

CHAPTER 1 PROBLEM STATEMENT AND OUTLINE OF THE STUDY

1.1 BACKGROUND

Due to statutory discrimination in the past in South Africa based on the difference of skin-colour, dark-skinned people have been conditioned to perceive their treatment in the workplace as inferior to that of whites in terms of employment equity. In most parts of the world, people are different in a number of social-categories (demographic characteristics), that are understood by managers. For the need for achievement of objectives to be shared, people have to ensure that their differences in social categories, do not “interfere” with a primary requirement of managing differences: equity in the workplace. Perceived equity promotes optimal employee performance, and the reverse is likewise true.

An employment equity approach has been introduced by the government, in response to the fact that differences in social categories in South African history are augmented by significant and unique socially constructed groups. These groups discriminated adversely between people, which resulted in inequalities that still exist.

The South African Government Gazette (1 December 1997), introduced the intention to legislate equal employment opportunity transformation measures as follows:

“Apartheid has left behind a legacy of inequality. In the labour market the disparity in the distribution of jobs, occupations and incomes reveals the effects of discrimination against black people, women and people with disabilities. These disparities are reinforced by social practices, which perpetuate discrimination in employment against these disadvantaged groups, as well as by factors outside the labour market, such as the lack of education,

housing, medical care and transport. These disparities cannot be remedied simply by eliminating discrimination. Policies, programmes and positive action designed to redress the imbalances of the past are therefore needed.”

The vision of the bill is captured in the following statement of President Mandela: “The primary aims of affirmative action, must be to redress the imbalances created by apartheid. We are not asking for hand-outs for anyone nor are we saying that just as a white skin was a passport to privilege in the past, so a black skin should be the basis of privilege in the future. Nor is it our aim to do away with qualifications. What we are against is not the upholding of standards as such but the sustaining of barriers to the attainment of standards; the special measures that we envisage to overcome the legacy of past discrimination are not intended to ensure the advancement of unqualified persons, but to see to it that those who have been denied access to qualifications in the past can become qualified now, and that those who have been qualified all along but overlooked because of past discrimination, are at last. The first point to be made is that affirmative action must be rooted in principles of justice and equality.”

A principle stated in the White Paper, is that affirmative action programmes should be integrated with other human resource management and development practices, especially the management of diversity. The term diversity has, until the late eighties, been indicated by the concept of differences in social categories, which has been broadened, and will be defined later.

The Employment Equity Act was followed by the White Paper on Affirmative Action in the public service (23 April, 1998). It governs public as well as private sector.

Affirmative action and equal opportunity programmes were instituted by a small number of South African companies (Human, 1991) in an attempt to counteract the effects of discriminatory legislation. Gradually the failure of such *racially* based programmes, led to the reconceptualisation of people

development (Human, 1991). Changes were made to the constitution in 1996 to ensure equity in society and the workplace.

Against the background of the inappropriateness of legislation, and the brief reflection on the state of diversity management in South Africa, the question of organizational transformation at micro enterprise level needs to be studied further.

The transformation of a company's frame of reference about the way diversity is accommodated, could be brought about more easily by legislation on a micro enterprise level than on national level (Erwee and Innes, 1997). This conclusion is based on observations of the dynamics of transformation in institutions in Australia, as they are influenced by society, the business community and government.

1.2 THE ROLE OF DIVERSITY IN ORGANIZATIONS

Cox (1993), states that the impact of diversity on organizations depends on the extent to which diversity is valued and managed. Diversity that is not valued and managed, impacts adversely on organizational outcomes at two levels:

(i) *Organizational effectiveness*

Diversity-related problems can impact negatively on organizational effectiveness by affecting poor outcomes in the following:

Attendance, turnover, productivity, work quality, recruiting success, creativity and innovation, problem-solving, workgroup cohesiveness and communication.

(ii) *Organizational performance*

Diversity related problems can also impact negatively on organizational performance by affecting poor outcomes in the following:

Market share, profitability and the achievement of formal organizational goals.

The effects that unmanaged diversity may have on organizational outcomes depends on the types of diversity presented.

1.2.1 Types of diversity in South Africa

McGrath and Berdahl (in Ruderman N. and Jackson S. et al., 1996) states that a group's membership composition in an organization can be relatively homogeneous or diverse in more than just demographic characteristics. They identify five clusters of attributes that are of special importance to groups.

The researcher believes that these clusters are very relevant to South Africa, as Fuhr(1994) has identified differences in organizations closely related to these categories. These differences present diversity-related problems. The five categories that group's members may be relatively diverse or homogeneous on are:

- (i) *Demographic attributes (DEM)* that are socially meaningful in the society in which the organization is embedded e.g., age, race, ethnicity, gender, sexual orientation, physical status, religion and education. Group members in organizations in South Africa are diverse on demographic attributes.

Fuhr (1992:29) says that diversity-related problems result from the legally entrenched racial differences that deprived Blacks of their human rights.

(ii) *Task-related knowledge, skills and abilities (KSA).*

Due to historically differential education of black people in South Africa, their levels of KSA are homogeneous as predominantly low task-competence.

Being the majority group in South Africa (approximately 80% of the population), this state of affairs makes South Africa as a whole reasonably homogeneous in low task-competence.

(iii) *Values, beliefs and attitudes (VBA).*

In South Africa the values, beliefs and attitudes of the majority of the population (black people), is to an extent still influenced by African humanism. Although many have been urbanised, apartheid limited socialization. Values, beliefs and attitudes are driven by group-behaviour, rather than individualism.

(iv) *Personality and cognitive and behavioural styles (PCB).*

These aspects have been researched in Africa, but publications are not recognized in the euro-centric parts of the world.

(v) *Status in the work group's embedding organization* e.g., organizational rank, occupational speciality, departmental affiliation, and tenure. Due to past discrimination, black people enjoy the least recognition and status in organizations.

Attributes in these clusters differ in how easily they can be observed, either by another group member or by a third party, such as a researcher. Many demographic characteristics are immediately

observable. One can make relatively accurate estimates of others' age, gender, race ethnicity, handicapped status and so forth, from merely seeing people, hearing them speak, and knowing their names. In most organizational contexts, attributes such as rank and department are also relatively easy to determine.

Fuhr (1994:12) also identify language differences and wealth differences as salient types of diversity that present diversity-related problems. Fuhr (1994:12), says that all South Africans are aware of the fact that diversity problems in South Africa are caused by historical factors that were the result of statutory discrimination that accentuated the ways that non-whites differed from whites in various negative ways.

1.2.2 Status Quo of diversity in South Africa

The status quo of diversity in organizational context, is reflected in the organizational outcomes due to diversity-related problems, and can be directly linked to the types and nature of diversity found.

Cox (1993:3-5) states that diversity-related problems impact on organizational processes that lead to different organizational outcomes.

1.2.2.1 Impact of diversity-related problems on organizational effectiveness

A major element of organizational effectiveness in South Africa is appropriate levels of productivity. People in organizations in this country differ in the attributes required to be productive.

This researcher believes that diversity-related problems due to the types of diversity found in South Africa present some of the factors that cause low

levels of productivity and productivity improvement. Most of the required attributes are found mostly in the dominant white group.

It can be postulated that the dominant white group discriminated against black people in terms of opportunities to develop the necessary levels of task-competence to be effective. Discrimination is an outcome of white perceptions of blacks. [due to how ethnic difference were construed on the basis of colour (racial) differences].

Homogeneity in low levels of task-related knowledge, skills and abilities due to inferior education of Blacks that was based on historical ethnic divisions, impact on productivity. Cox (1993:3-5) identifies prejudice and stereotyping as contributors to discrimination.

This researcher believes that discrimination is the cause of a lack of inclusion of non-whites in important and significant organizational processes, which can contribute to share ownership of organizational goals.

ABSA Bank reported the urgent need for productivity improvement in South Africa (1995: 16). The bank concludes that unless productivity improves, prosperity levels will certainly continue to decline and unemployment will increase.

This belief is supported by the National Productivity Institute of South Africa (1997:10), which states that the major cause of poor productivity is the lack of common desire or a value system among South Africans that productivity and productive behaviour are essential for increasing living standards. It is clear that the lack of such a value system is due to the lack of inclusion mentioned earlier. Venter (1997:11) also raises the issue of inclusivity in the context of participation.

He says that the reality of building an economy together will require a higher level of participation between (mainly) white managers and black workers.

Venter identifies levels of inclusion through participation, which he presents as levels of consultation between management and workers. Figure 1.1 outlines the effect of consultation relationships (between management at different organizational levels and workers), on productivity.

Figure 1.1. THE IMPACT OF CONSULTATION BETWEEN MANAGEMENT AND WORKERS ON PRODUCTIVITY				
TYPE	DOES EXIST	TYPE OF CONSULTATION		EFFECTS OF PRODUCTIVITY
Strategic/policy level (Typical senior management and workers)	34%	Information sharing Consultation Joint decision making	47% 38% 20%	Very positive Positive Help maintain No effect Detrimental
Business/plant level (Typically plant-management and workers)	66%	Information sharing Consultation Joint decision making	38% 62% 16%	Very positive Positive Help maintain No effect Detrimental
Operational level (Typically departmental management and workers)	77%	Information sharing Consultation Joint decision making	25% 62% 16%	Very positive Positive Help maintain No effect Detrimental

Source Venter J. (1997:11)

The levels of different forms of consultation (information-sharing, consultation and joint decision-making) are indicated in percentages, e.g., at top-management level (strategic), information-sharing with 47% of the workers has a very positive effect on productivity.

Until now “participation” in organizational improvement meant involving workers in structures such as quality circles or the like. Value differences in South Africa require high levels of participation to bridge the gap. If we assume that the same affirmative action targets would soon be introduced in the private sector, then the productivity mixture changes to 50% task-competent and 50% task non-competent.

1.2.2.2 Diversity trends in the workplace in South Africa

With the implementation of affirmative action, dramatic changes in the composition of the workforce, especially at management level, will take place. Kemp (1997) states that affirmative action to redress past discriminatory practices is being implemented on a growing scale and is creating diversity in the workforce (Havenga, 1993:10).

(i) *Increasing diversity in South Africa*

Pityana, (1996), proposes that government departments should be 50% black at management level and that 30% of middle and senior management should be women within four years.

(ii) *The impact of increasing diversity*

Gardenswartz and Rowe (1993: 396) discuss the strategic implications of increasing diversity as follows: “The central issue in dealing with diversity is power-sharing”. Becoming open to differences and creating an inclusive environment means that new groups will need to be let into positions of decisionmaking and influence.

Beyond opening the system, organizations will need to create strategies to help staff at all levels to overcome their resistance to this demographic transformation, and deal with one another in harmonious, co-operative ways.

(iii) *The impact of increasing diversity on trust*

The National Productivity Institute (1997) states that the most significant issue that influences shared values for participation is trust.

Figure 1.2 shows the results of research done on trust in one of the largest and most significant industries in South Africa.

Figure 1.2 Union activity and trust in management

Mine	Trust	Union activity
Mine H	4.3	Exposure to two unions No recognition
Mine I	2.0	Union recognised
Mine C	1.8	No union activity
Mine B	0.1	Little union activity
Mine A	- 0.1	Little union activity
Mine F	-1.4	Intense union activity
Mine E	-2.2	No recognition Highly unionised

Source: E. Schuitema, 1995:14

Schuitema (1995), found at a number of mines in South Africa there exists a relationship between the level of worker-trust in management and the extent to which workers involved labour unions in the organization (figure 1.2). As trust increases (measured on a scale of -5.0 - $+5.5$), so union activity decreases, and the reverse is true.

He also found that the degree to which labour unions was seen to be sympathetic to employees did not account for trust, but the degree to which roles associated with the line of command were seen to be sympathetic had a direct bearing on trust. This suggests that a key factor in accounting for trust in management is associated with the behaviour of management representatives. Management representatives were mainly white males. Bernstein (1994:4) states: "Racial fears and tensions have historically shaped white management style to the point where thoughtless prejudice and stereotypical reactions have become the norm. Reactions of workers to such a management style reflected distrust." There was no literature available during the period that this research was done, that suggests that these reactions have changed.

(iv) *The impact of increasing diversity on the economy*

Organizational effectiveness directly influence economic activity and output. Effective countries and organizations are attractive to investors. Diversity-related problems can increase with increases in diversity, resulting in an increase in its negative effects on organizational effectiveness.

In a world where countries are engaged in competitive economic activity, the key requirements for direct foreign investment (World Competitiveness Reports: 1997, 1998, 1999) is that the country and its productive organizations must be 1) attractive, and 2) aggressive.

Attractiveness refers to the production of value added goods at the specified quality levels and cost-effectiveness expectations of customers. Aggressiveness refers to the country and its productive organizations' propensity to create demand and supply of value-added goods and services, and its levels of exports.

The top ranked countries, e.g., the United States of America and Singapore, are highly attractive and aggressive. Mid-ranking countries are high and low in different combinations. The lowest ranking countries are unattractive and non-aggressive; South Africa is ranked as such.

A key factor in this, is South Africa's extremely low human development index. This can be attributed to discrimination. If South Africa had economic growth (excluding impact of agriculture) at an average of 2% during 1997 and 1998, at levels of diversity in organizations lower than the years succeeding 1998, then it must be obvious that the economic growth target of 6% to increase quality of life, reduce unemployment and crime, just cannot realize. In fact, it can only deteriorate.

1.3 THE PROBLEM STATEMENT

This author believes that such a situation must lead to further reductions in productivity levels, which the South African economy cannot afford. The first dilemma is the reality of affirmative action. Whilst any decrease in the level of task-competitiveness (which in itself is the result of affirmative action), cannot be afforded and accommodated, affirmative action has to be implemented. This non-negotiable state of affairs is compulsory because of South Africa's inverted standard AA-model status.

Against the above background, it is obvious that South African organizations has only one option for not suffering further reductions in productivity improvement, if possible, for even improving productivity levels. The only option is that of managing diversity.

The second dilemma is that there exists a research-need to understand diversity and its issues (diversity-related problems) in South Africa as a prerequisite for developing strategies that are more effective than legislation in dealing with employee-perceptions of equity in the workplace.

The third dilemma, is the issue of knowing how to manage diversity. Most research in the world to date was done on "un-managed diversity"[(Cox, in Ruderman and Jackson, et al., (1996)].

1.2.3 Conclusions

The status quo of diversity in South Africa is such that diversity related problems are intrinsic to the types of diversity encountered. Diversity will increase in South Africa, which may facilitate the deterioration of the situation. To reduce the possible negative impacts of this development, the need exists to address the three dilemmas discussed.

1.3 THE PROBLEM-STATEMENT

1.3.1 The research problem

The discussion in 1.2 leads to the following conclusions about the nature of the problem that needs to be researched:

- (i) A diversity-related organization form (structure) may exist that has a negative influence on the efficient functioning of a diverse workforce in South Africa. Such a structure needs to be identified.
- (ii) The diversity variables (internal and external environmental factors), that are instrumental in shaping this organization structure needs to be determined.
- (iii) A model (guidelines) need to be developed that managers can use to understand and minimize (manage) the negative influence of the diversity factors.

The research problem must be translated into research questions that can be answered through the use of literature and empirical studies.

(a) *Research question 1*

What is the diversity-related organizational form that reflects organizational outcomes that are due to diversity-related factors in South Africa?

(b) *Research question 2*

What are the diversity-related factors that are instrumental in shaping the diversity-related organization form of organizations in South Africa?

(c) *Research question 3*

What model of diversity can be developed that can be used to formulate guidelines to manage the factors of diversity so as to minimize its negative influence in the organization?

1.4 THE OBJECTIVES OF THIS RESEARCH

This study has the following objectives:

- (i) To develop a model of workforce diversity that can be used in a cultural specific context in South Africa. Exploration of relevant literature indicated that a valuing diversity paradigm needed to be established for this purpose.
- (ii) To arrive at recommendations on how to manage workforce diversity required in the valuing diversity paradigm. Such recommendations require the paradigm to be operationalized. This requires translation of the theory contained in this behavioural science research into practical research. Translation requires three stages:
 - (a) The study of prior research in South Africa to guide the formalisation of the revised Cox-paradigm of workforce diversity as a change-model for managing workforce diversity, as well as empirical research. This is achieved with South African research perspectives to be discussed in section 2.3:48-63.
 - (b) Empirical *identification* and *determination* of the following in South Africa:
 - The typical diversity-related organization form.
 - Dimensions of workforce diversity and associations between dimensions.
 - Specific factors of workforce diversity (contextual)
 - A theoretical model of workforce diversity.
- (iii) To determine the effects of workforce diversity and causes of the effects. This requires the determination of the dimensions and contextual factors of workforce diversity in South Africa, based on the theoretical model.

- (iv) To develop an interim scale for the determination of variables of workforce diversity in South Africa, based on the assumption that organizations are in a period of transition from mono-culturalism to multi-culturalism.

1.5 ASSUMPTIONS ON WHICH THE STUDY IS BASED

It is assumed that factors of the diversity climate as presented in the Interactive Model of Cultural Diversity (Cox, 1993:3), are present in South Africa, due to the socio-cultural history of the country. It is further assumed that such factors influence organizational behaviour to become dysfunctional, impacting on individual and organizational outcomes as espoused by Taylor Cox in his model. Finally, it is assumed that the inferential statistical methods of structural equations analysis are adequate for inferring causal relationships among workforce diversity variables.

1.6 LIMITATIONS OF THE STUDY

This study has limitations that impose constraints on the scope of the study. The population sample is an unrestricted non-probability convenience sample, with size $n = 614$. Thus, it is very difficult to estimate precision, and interpretations of variance of the mean statistic has to be done very conservatively.

The results of the analysis of co-variance to be used in inferential methods is affected by the sample's status as a convenience sample, as variances affect the results.

1.7 SCOPE OF THE STUDY

The scope of the study can be described in terms of the following:

- (i) Research on the impact of workforce diversity and increasing diversity on organizational performance at the beginning of the twenty-first century in South Africa. This research identifies and determines the diversity-related organization form, dimensions and factors of workforce diversity for the national geographic area of South Africa. The findings are based on the perceptions of managers in public and private organizations described in demographic and organizational terms in the chapter on the research design.
- (ii) Considerations regarding research methodology and design. The study clarifies the contribution of workforce diversity to organization behaviour. The contribution is limited to the influence of diversity on tasks and relationships in organizations, and the impact that this influence has on individual and group behaviour, and as a consequence, organizational effectiveness.

1.8 CHAPTER OUTLINE

The research objectives are achieved in the following study outline:

CHAPTER 2: DIVERSITY IN THE WORKPLACE

Workforce diversity is studied in the context of behavioural science, specifically in its contribution to organizational behaviour, with emphasis on group behaviour. Shortcomings of the established Interactional Model of Cultural of Diversity (IMCD) in explaining diversity-related group behaviour is remedied to satisfy research requirements of this study. A new paradigm of workforce diversity is created by integrating research perspectives on diverse-

team processes, change-models and the IMCD. The outcome of this study is an understanding of the dynamics of diverse-team processes and its contextual factors.

CHAPTER 3: MANAGING WORKFORCE DIVERSITY

The transformation of homogeneity through affirmative action to increased diversity, is investigated. Dimensions of workforce diversity and its role and nature in diversity processes are studied. Most relevant empirical South African research perspectives are integrated with conclusions of chapters 2 and 3 in the construction of a cultural-specific change model of workforce diversity.

CHAPTER 4: THE RESEARCH DESIGN

The research design outlines how the diversity-related *organization form* (mono-cultural, non-discriminatory or multicultural), *dimensions* and *factors* of workforce diversity is empirically determined at two levels:

Organization form and dimensions are determined, and factors are identified in a descriptive study. The factors of workforce diversity are then determined in a causal study.

CHAPTER 5: THE RESULTS

The results are in terms of the dimensions and organization form that was determined. The identified factors, are presented under the headings of the dimensions that are relevant in the study. The results of the determination of the factors, are presented in the context of a theoretical model of workforce diversity in South Africa, that was established in the causal study.

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

Conclusions and recommendations are made strictly on the basis of the data of the empirical study and the results.

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.

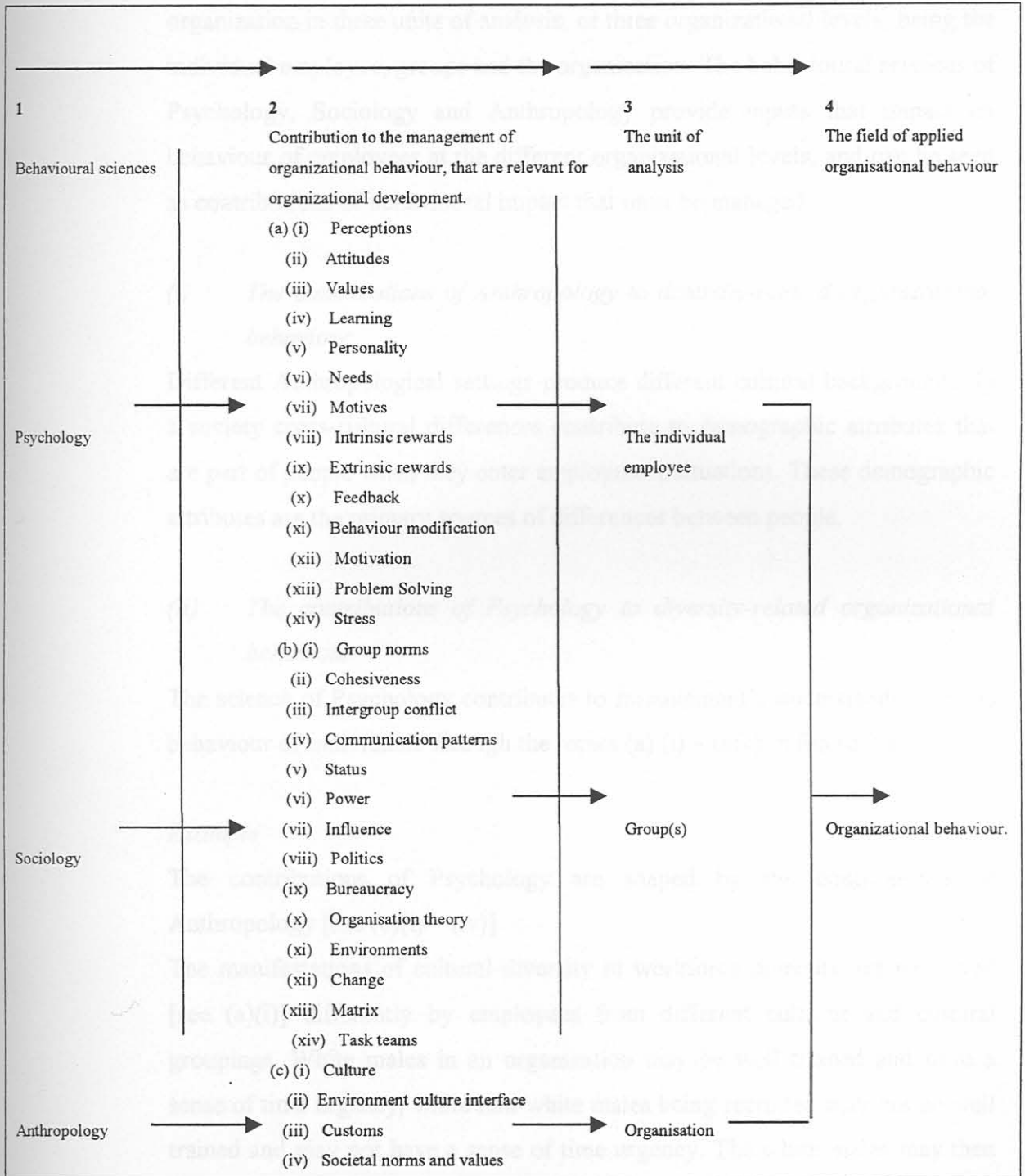
The second level is the application of this knowledge to achieve organizational effectiveness in the context of the effective management of diversity, known as organization development.

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

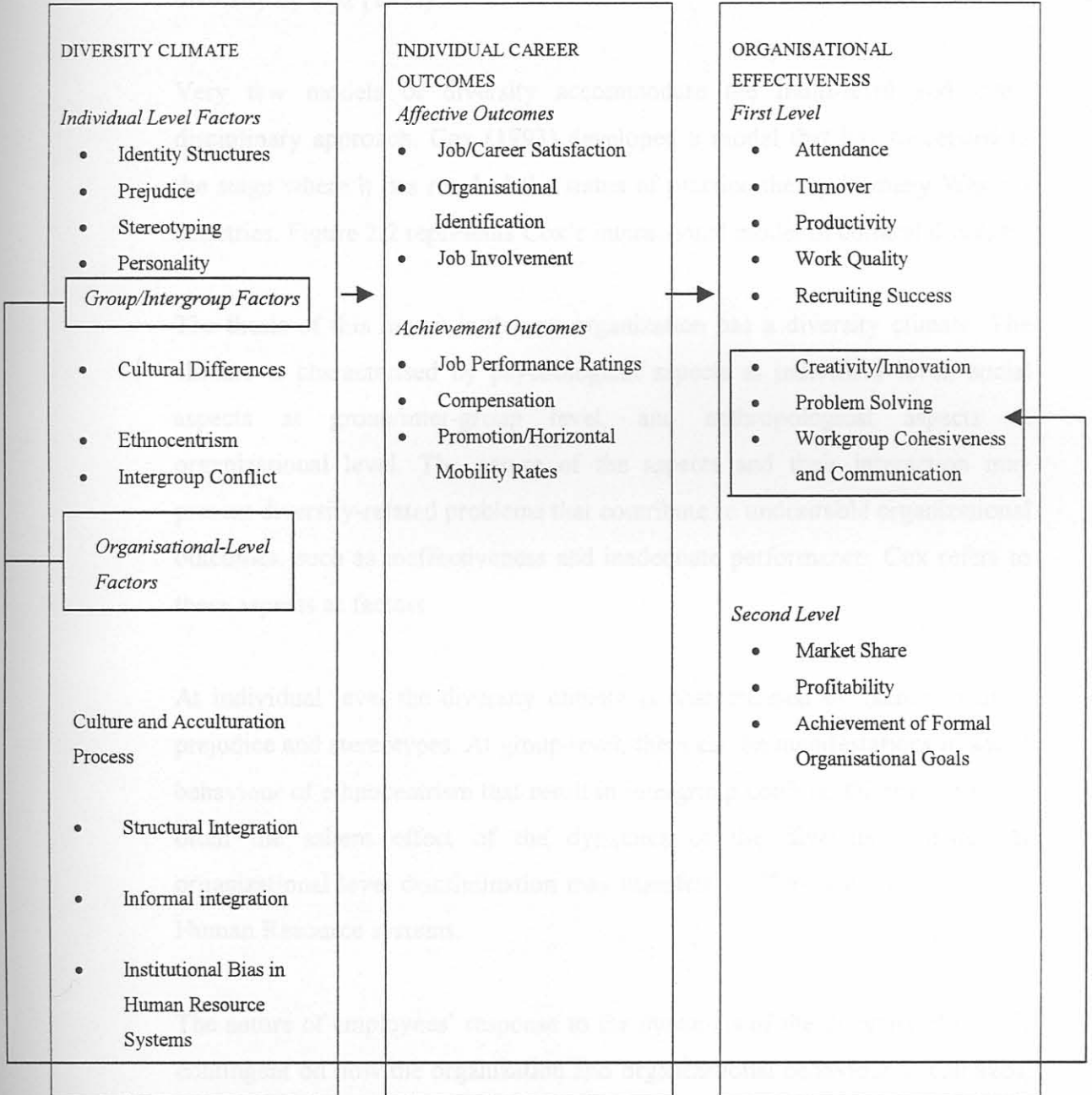
The effective management of diversity is defined as “a holistic approach to creating a corporate environment that allows all kinds of people to reach their full potential in pursuit of corporate objectives” (Thomas, 1991, in Lange, Boshoff and Vermeulen, 1996:147-161).

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)).

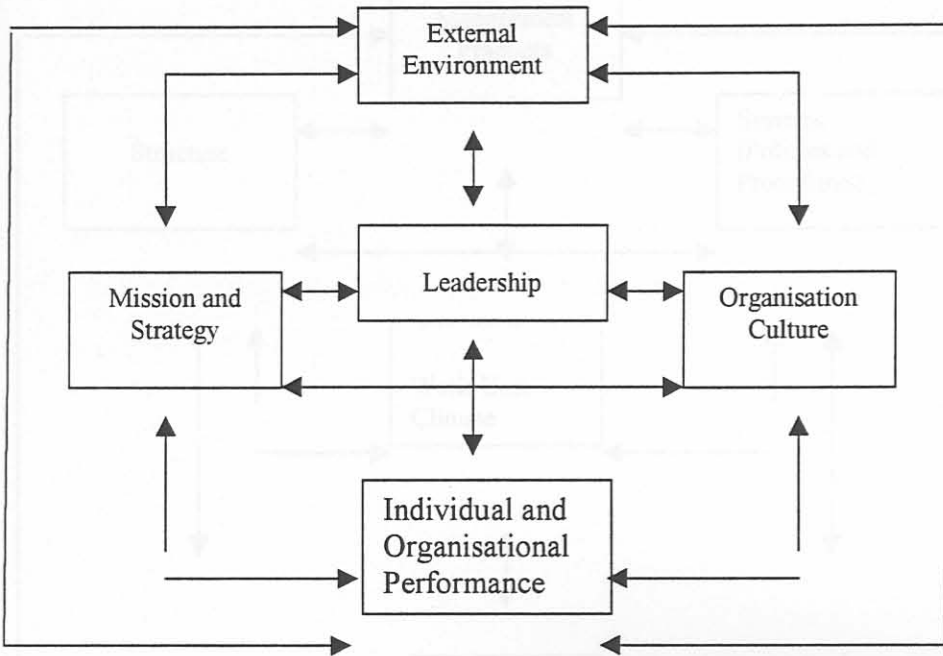
In figure 2.3(a), the ‘External environment’ box represents input, while the ‘Individual and organizational performance’ boxes in figures 2.3[(a):45] and 2.3[(b):46] represents output. The remaining boxes in both models present throughput, in accordance with general systems theory.

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.

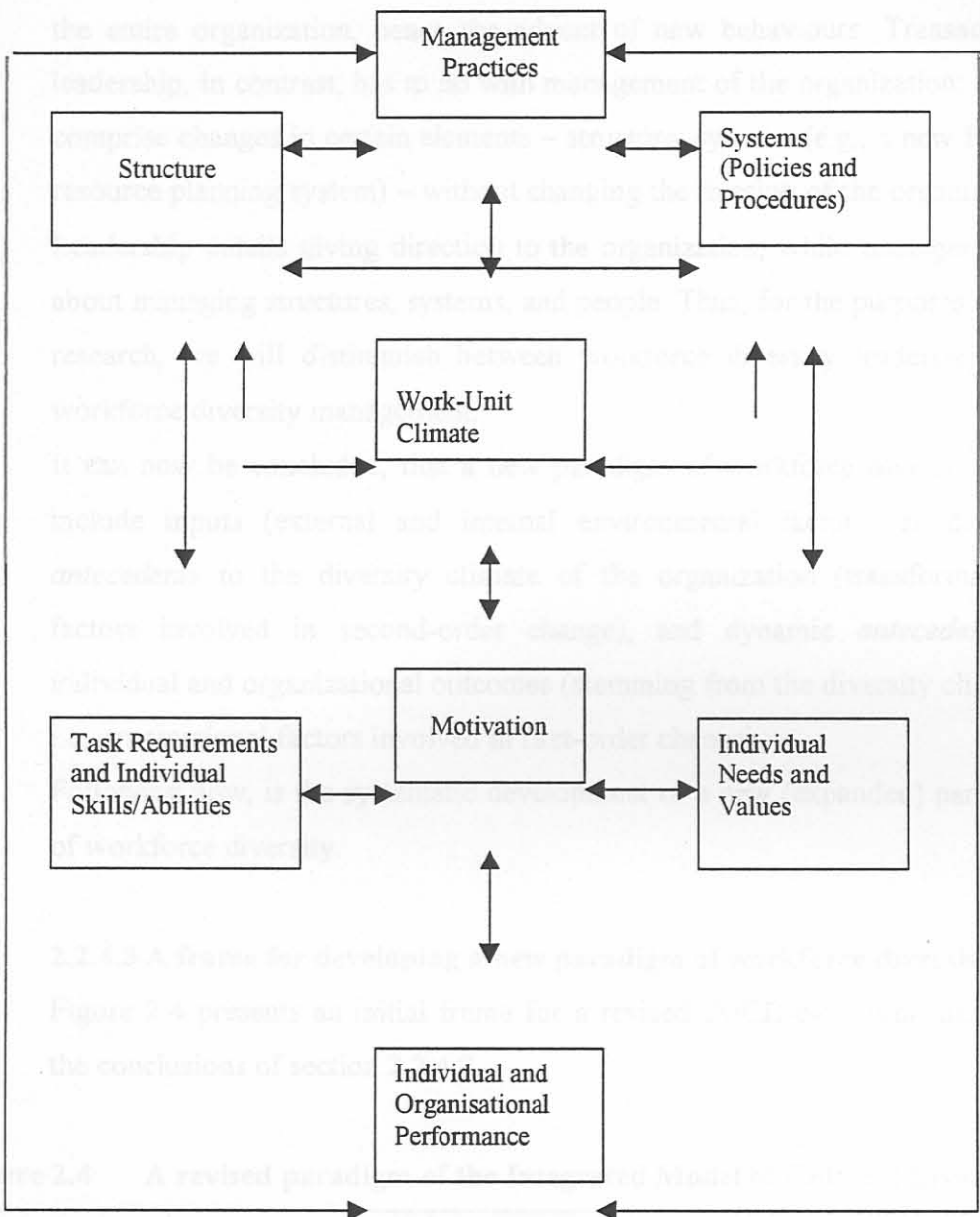
Figure 2.3(a). The Transformational Factors Involved in Second-Order Change



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

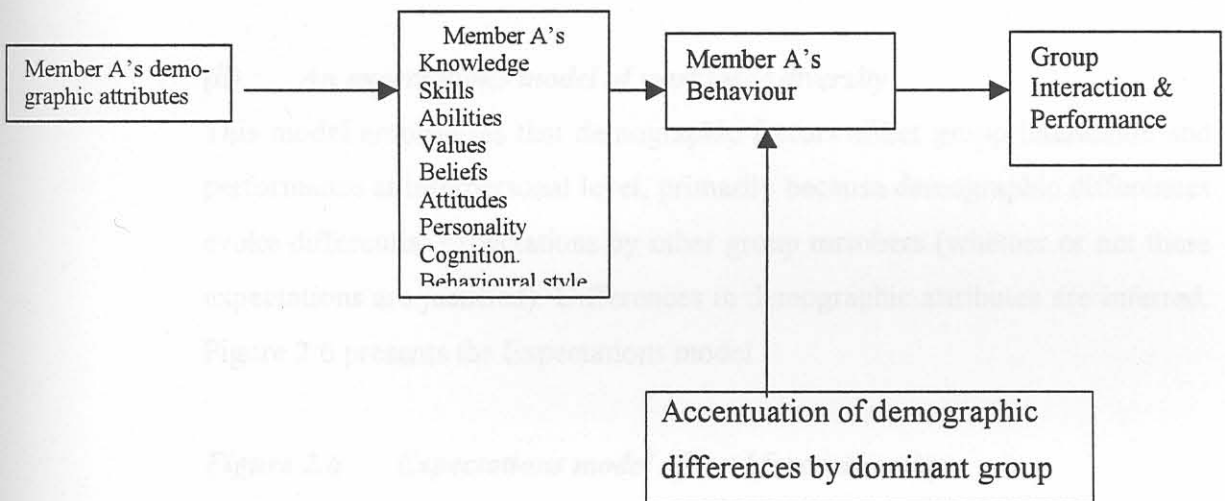
McGrath and Berdahl (in Ruderman and Jackson, 1996) provide models of workforce diversity that build on the two research perspectives that were used to explain the revised Cox-paradigm. These models offer descriptions of the dynamics that may be applicable in the revised paradigm (figure 2.4:47).

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

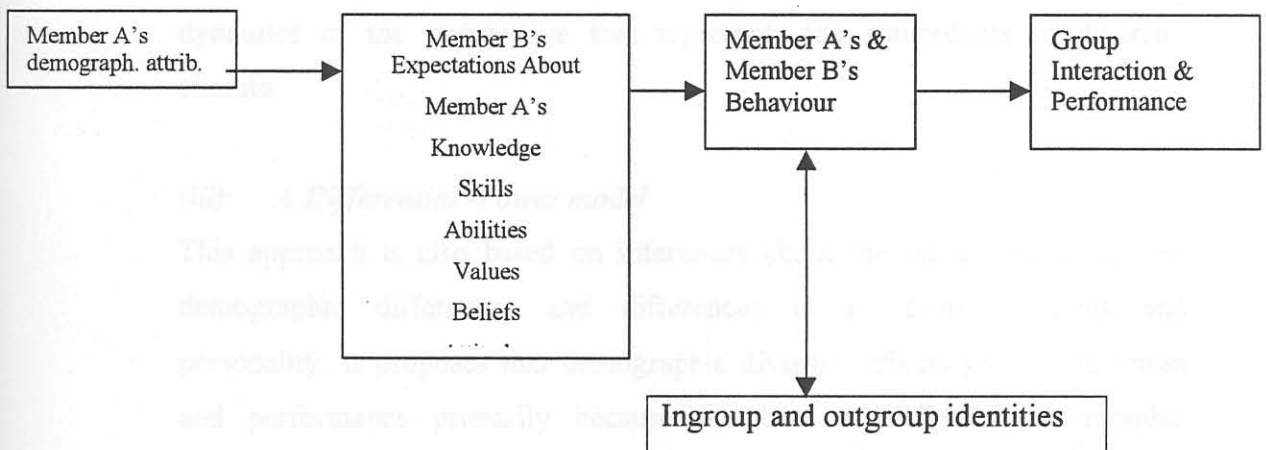
group of origin will influence differences in terms of relationship orientations. In South Africa Bantu (black) education was historically inferior to white education. Blacks have a higher need of affiliation than whites. Thus, these traits should influence tasks and relationships in South African organizations. 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.

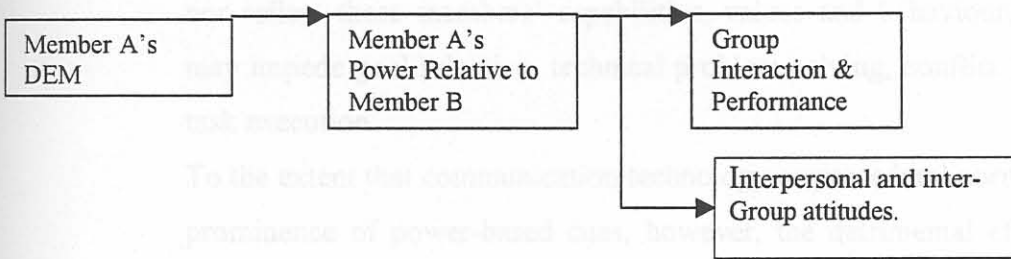
In sum, the expectations approach does not necessarily assert that demographic differences are linked to differences in underlying attributes, but rather that demographics are used to infer underlying attributes and subsequently shape the expectations for and behaviour toward group members. E.g., it 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

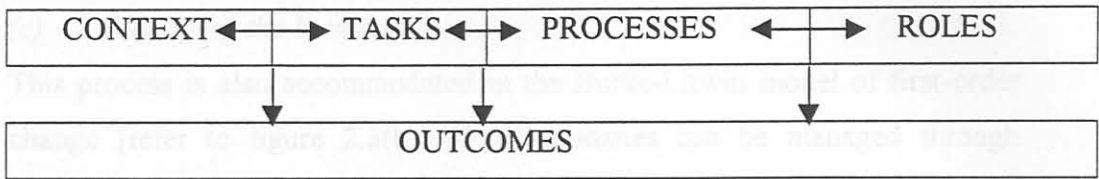
2.5.1 Introduction

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).

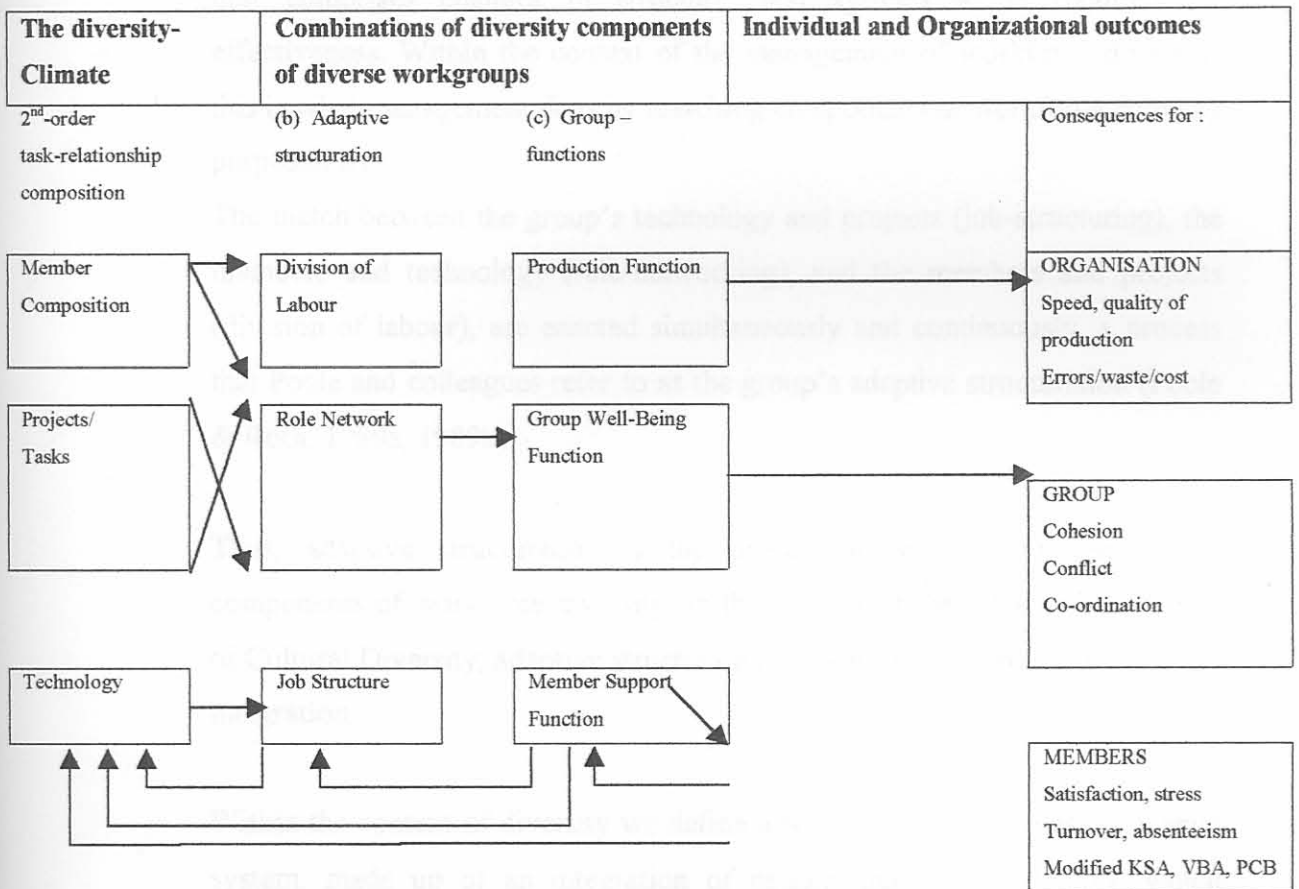
Division of labour refers to which members will carry out which parts of a set of tasks (e.g., for a marketing team, who will market and who will do selling in the field).

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

The 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

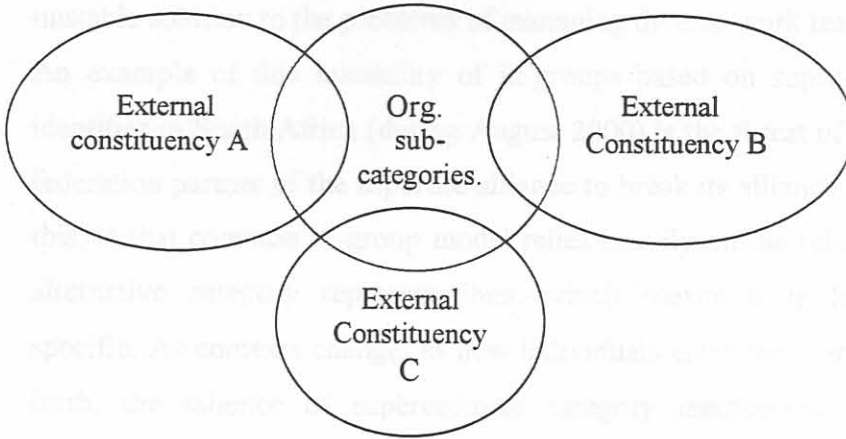
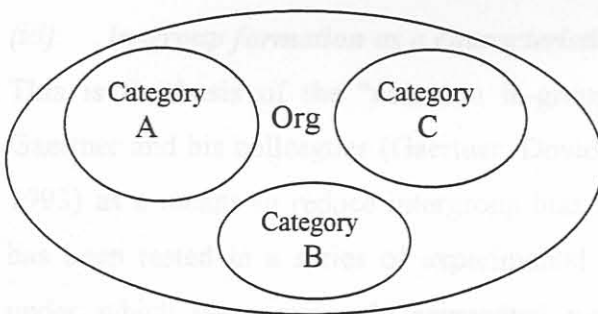


Figure 2.15 Hierarchical diversity



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.

CHAPTER 3 MANAGING WORKFORCE DIVERSITY

3.1 INTRODUCTION

The aim of the study in chapter 3 is to develop a theoretical model of workforce diversity that can be used to develop the correct research design in chapter 4. Such a model integrates second and first order change processes (figures 2.11 and 2.13). The result is a change model of workforce diversity that explains the roles of factors and dimensions of workforce diversity, i.e. the causes and effects of workforce diversity. This model is then used in the research design in chapter 4 to achieve the research objectives 1.4 (ii), (iii) and (iv). The management of workforce diversity is a pertinent issue in these objectives.

Managing workforce diversity is the management of diversity-related individual and organizational behaviour and its impact on organizational effectiveness. It is often construed as affirmative action or the valuing of workforce diversity. It is neither (Lynch, 1999:61).

Albertyn (1993:24) calls for a proper explanation of the concept, as it determines how policies and programmes can be implemented in an effective manner in South Africa.

To do this, requires that differences between affirmative action, valuing diversity and managing diversity be clarified. The intention of embracing diversity is not to replace affirmative action, but to build on the critical foundation laid by equity programmes.

3.2 MANAGING THE PARADIGM SHIFT FROM AFFIRMATIVE ACTION TO THE VALUING OF DIVERSITY

3.2.1 The role of affirmative action in the processes of workforce diversity

Managing workforce diversity is to make the paradigm shift from legalistic diversity (settings where affirmative action is employed amidst diversity-related problems), to valued diversity. Valuing differences in the organization requires the appreciation of differences and creating an environment in which everyone feels valued and accepted. Gardenswartz and Rowe (1996), asserts that valuing diversity brings with it a paradigm-shift, a new way of thinking about differences between people.

To make the required paradigm shift requires firstly the management of the impact of affirmative action in the first-order process of workforce diversity. Secondly, it requires the development of valuing diversity in the processes of workforce diversity.

Affirmative action emphasises achieving equality of opportunity in the work environment through the changing of organisational demographics.

An outcome of affirmative action in organizations is that workforce diversity is increased or if the workforce was homogeneous, diversity is introduced. When diversity increases, the components of workforce diversity (refer to 2.7.1(ii)(a-b): 87-90) may increase and change in varying ways. As new diverse employees are recruited, membership diversity in workgroups increases, and the diversity in member-task combinations may increase. The number of combinations in informal role-networks can increase. The nature of departments may change and functional work areas may also increase.

It can be concluded that when diversity increases, the components of diversity increase in varying ways, which can result in diversity-related problems, which need to be managed. Thus, the influence of affirmative action is felt mainly in the first-order process of diversity. For example, employment equity laws mandate reports on plans and statistical goals for designated groups. It is advisable that the goals are spread across different functional areas. Plans may require introduction of new members in the areas of purchasing, production-supervision, marketing, etc.

It is clear that such interventions as the latter introduces not only new members, but new and differing attributes of capabilities and cultural values. These changes also influence the components of projects and technology, so workforce diversity can become very complex [refer to 2.2.4.2 (par 5:40-41)]. Complexity is a function of the number of components involved and the degree of variability of the types of diversity (Thomas, 1996: 9-10). Put simpler, it relates to how many components one has to work with, and how different they are from one another. The number of components and their differences can be determined in terms of role-networks, the division of labour and job-structures. Figure 3.1 presents the diversity-complexity relationship.

Figure 3.1 The diversity-complexity relationship

Moderate complexity	High complexity South Africa
Low complexity	High complexity
Low	Moderate High

Variability among types of diversity

Source: Adapted from Thomas (1996:9-10)

If diversity-related problems exist in the organization prior to the introduction of affirmative action (as in South Africa), then one can anticipate an increase in diversity-related problems. In South Africa the complexity of workforce diversity is high.

It can be concluded that the increase of diversity that results from affirmative action in South Africa, will lead to the following organizational consequences if the ideal informal and structural integration is not realised through adaptive structuration:

An increase in inter-group conflict if the practice of not changing the membership characteristics to fit task and relationship requirements persists, e.g. dominant members should learn to value diversity, rather than engage in social category differentiation. Inter-group conflict can lead to solidarity amongst members with grievances to promote absenteeism and turnover, ignore creativity and problem-solving and do the minimum work required.

Further declines in productivity levels in South Africa, because of 'forced' membership-technology and membership-project matches that are inappropriate when the array of skills and relationship requirements are not met. Adaptive structuration has to include specific training and development programmes for members that match the technology and the projects.

It can thus be concluded that affirmative action, if not implemented and managed in the context of the management of diversity, can have consequences for organizational performance which are not necessarily managed in an organization. Thus, affirmative action is not synonymous with the management of workforce diversity.

The discussion of affirmative action above is in the context of the human behaviour that results from differences between employees in organizations. Many practitioners of human resource management view affirmative action and the management of diversity as administrative functions of human resource management.

In small and medium sized companies it may be sensible to have this view due to cost considerations, provided that the human resource practitioners understand where affirmative action and the management of workforce diversity fit in the big human behaviour picture.

The appropriate fit of affirmative action and the management of workforce diversity are in the area of organization development. Plans and strategies on the implementation of affirmative action and diversity management have to emerge from behavioural science research, practice research and practice theory. Human resource practices can then be translated from the latter.

Affirmative action is remedial. Specific target groups benefit as past wrongs are remedied. Previously excluded groups have an advantage. Affirmative action has not yet been analysed in the context of its implications for organizational behaviour.

This statement is based on the fact that from a management point of view, it is assumed that groups brought into an organizational system will adapt to existing organisational norms. From an organizational behaviour point of view, such an assumption leads in practice to assimilation of new groups into the organization culture. Assimilation in an undesirable diversity climate can lead to acculturation, i.e., conformance to the dominant culture in the organization that can in time present more diversity-related problems.

Affirmative action affects hiring and promotion decisions. Dominant groups can have resistance to perceived limits to autonomy in decision making and perceived fears of reverse discrimination.

It can be concluded from the above that human resource management practices do not incorporate the acknowledgement of the components of diversity in workgroups and its complexity. It addresses the development of employees in traditional key-performance areas without cognisance of the impact of diversity on tasks and relationships. The training and development in workgroups do not take into consideration diversity in task and relationship values, which may influence work, learning and relational styles.

3.2.2 The influence of the valuing of diversity in the processes of workforce diversity

Valuing diversity is the antithesis of social category differentiation. Criggs and Louw (1995:6) state: “It is enlightened self-interest that constitutes the only sound reason why people value diversity. For many the main reasons for engaging in the valuing diversity process are to reverse past wrongs, to assuage guilt, to act affirmatively or ensure equal opportunity just because it is “fair”. The first differences to be valued are one’s own differences with others. It is critical to understand that valuing one’s own differences compared to valuing the differences of others does not mean is not based on perceptions of superiority or inferiority. Once people can do this, it becomes easy to recognise that someone else’s uniqueness also requires full expression.

Griggs and Louw further states: “Both democracy and free enterprise which are the most radically progressive and liberal systems on earth – are intended to be fully inclusive and participatory.”

To manage the transformation from a legalistic diversity paradigm to a valuing diversity paradigm, include the management of social boundaries of diverse groups, to reduce and possibly eliminate social category differentiation. Managing these boundaries, require the management of adaptive structuration through management procedures and systems [see figure 2.3(b)]. Leadership-based interventions are required to influence the development of the valuing diversity paradigm.

Thus, it can be concluded that the required paradigm shift is based on managing social category boundaries and leadership. It is reasonable then, to refer to the valuing diversity paradigm as the management of diversity paradigm.

Where organizations embark on change interventions to develop the valuing of diversity, dominant groups harbour resistances due to fear of change, discomfort with differences, and a desire for return to “good old days”.

How much diversity is valued can be monitored by organisational surveys focused on attitudes and perceptions. Moral and ethical imperatives drive this culture change. Valuing diversity is idealistic - everyone benefits. Everyone feels valued and accepted in an inclusive environment. Valuing diversity assumes that groups will retain their own characteristics and shape the organisation as well as be shaped by it, creating a common set of values. Valuing diversity is necessary to manage workforce diversity.

3.2.3 Variables of a process for the management of workforce diversity

The extent of diversity-related problems in an organization as a result of how it is managed largely determines how such an organization is described in diversity-terms, as organization types.

Undesirable diversity-related behaviour in organizations can lead to diversity-related problems that influence individual and organizational outcomes, which in turn result in organizations that are not effective.

Managing the influence of workforce diversity with special reference to affirmative action and valuing diversity determines the extent of diversity-related problems.

3.2.3.1 The diversity-related types of organizations as an outcome of the management of workforce diversity

Organizations can be classified as three types, as a result of the status quo of the management of diversity in an organization (Gardenswartz and Rowe, 1993). These types are also referred to as diversity-related organization forms (Cox, 1993); mono-cultural, non-discriminatory and multicultural (Gardenswartz and Rowe, 1993). Each organizational form is a reflection of the status quo of the management of diversity in an organization. The status quo of the management of workforce diversity includes the status of all diversity-related aspects of the organization:

(i) *Dimensions of diversity*

For the purposes of this research a distinction must be drawn between general dimensions of diversity and dimensions of workforce diversity.

Dimensions of diversity refer to differences and similarities between people in general, and in general settings. It is the dimensions that can describe any person anywhere at anytime. For example, the diversity or similarity of a person one meets for the first time at a foreign airport (e.g., a woman), will have the dimensions of age (39yrs old), ethnicity (Croatian), gender (female), physical and intellectual ability (mid-sized brunette with high IQ and low EQ), race (Caucasian). These are primary dimensions. The secondary dimensions of the woman's diversity or similarity are her geographic location, income, marital status, parental status, religious beliefs, and so forth.

Dimensions of workforce diversity refers to the dimensions of diversity (categories of effects) that results from the interaction of different (diverse) or/and similar people (homogeneous) in an organization with a specific organizational culture.

Thus, it can be concluded that the dimensions of workforce diversity are the outcome of the interaction of general diversity within groups and the organizational culture in an organization. For example, resistance to diversity in an organization can be viewed as a dimension of workforce diversity, that is the outcome of the interaction of the characteristics (e.g. prejudice) of the historical general dimensions and the organizational culture (e.g. managers also have the characteristics of prejudice which influence human resource systems).

On the basis of the above statements, it is reasonable to conclude that there can at any time exist many dimensions of workforce diversity. At the universal level there can be many. At the cultural specific (country) level there should be many more than at the universal level, and at the specific organizational level it can be countless, because the organizational culture influence of the founders of the organization are also relevant.

If one adds dimensions as components of workforce diversity to this study, then the workforce diversity in South Africa becomes very complex.

(ii) *The relationship between dimensions of workforce diversity and diversity related organization forms*

Dimensions of workforce diversity are useful in identifying an organization's diversity-related organization form. A significant aspect of the organization form, is that its identification in an organization is a powerful instrument for managing workforce diversity. However, there are inherent problems in using the dimensions in the Cox-model for predicting organization form. Cox's dimensions cannot be distinguished from contextual factors, and can therefore take on universal (etic), as well as cultural-specific (emic) characteristics. Such a situation may not be problematic when determining the emic or cultural-specific dimensions of an organization in a specific country, but then the results cannot be used for etic comparisons.

This problem with dimensions of diversity is recognised by Buchner (1999:11), who asserts that dimensions of diversity is not always clear-cut or easily defined, because diversity means different things to different people. For example, skin colour is a common but unreliable indicator of race. A Brazilian may be viewed as a coloured person in South Africa. Outside South Africa this statement may not make any sense but inside the country it may have repercussions for the Brazilian if people he or she interacts with do not know of his or her origins. Thus, the concept of dimensions of diversity is in constant flux (Buchner, 1999), because of contingent changes in perceptions. This presents a problem.

This problem becomes a dilemma when one attempts to determine the organization form of an organization where affirmative action is being implemented. Because of affirmative action the components of workforce diversity may change, and therefore the dimensions need to be specified (Thomas, 1996).

Ideally, dimensions should transcend universal (etic) and cultural-specific (emic) influences. A resourceful way to achieve etic and emic “resistant” dimensions, is to identify a single dimension that fully predict diversity-related organization form in non-etic and non-emic terms. One can then identify the dimensions that lead to this “coherent” dimension. For the purposes of this research, it is reasonable to believe that such a dimension can be found in the status quo of the management of diversity in an organization.

Gardenswartz and Rowe (1993) identify several dimensions and isolate the status quo of the management of diversity as the coherent or super-ordinate dimension.

For the purposes of this research the following Gardenswartz dimensions are appropriate and adequate as determinants of the status quo of the management of workforce diversity:

- The extent of organizational change.
- How much diversity is valued in the organization.
- How diversity is managed in the organization.
- The extent of diversity-related problems in the organization.

3.2.3.2 Dimensions of diversity in the processes of workforce diversity

The four dimensions stated above that determine the status quo of the management of diversity can be reconciled with the impact of workforce diversity on organizational performance.

(i) Dimensions of diversity in the second order process of workforce diversity

The dimensions of diversity in this process consist of contextual factors of workforce diversity that impact on the tasks and relationships in the general organization and between groups in the organization. The relevant dimensions are the extents of organizational change, and how much diversity is valued in the organization.

Openness to change include the readiness of an organization to implement affirmative action and equal employment measures and to deal with the changes it can make to the components of diversity in workgroups. How much diversity is valued include estimation of interpersonal attitudes that can lead to adverse diversity effects or the diversity-climate. Together these two dimensions, through their contextual factors, “cause” the nature of ingroup-outgroup processes, which lead to social identities. The outcomes of these dimensions can be the diversity effects of prejudice, stereotypes, ethnocentricity and cultural differences, which constitute the diversity-climate. Cox refers to these as factors of the diversity-climate. The factors of the diversity climate influence the process of first-order impact in a causal way.

Thus, the diversity effects of the second-order process become causal factors of the first-order impact.

(ii) Dimensions of diversity in the first-order process of workforce diversity

The dimensions of diversity in this process consist of contextual factors that impact on tasks and relationships within groups in functional work areas. The relevant dimensions are the extent of diversity related problems and how diversity is managed in the organization.

Diversity-related problems are caused by the influence of factors of the diversity climate (prejudice, stereotypes and ethnocentricity), in the ways that components of workforce diversity combine within groups in functional work areas, i.e., areas where employees have to interact directly.

If diversity is not managed, sub-group differentiation within a workgroup can take place, with the concomitant differentiation of the factors of diversity-climate into discrimination on the grounds of negative stereotypes relating to task and relationship competencies. What this means is that in the absence of the management of diversity, the out-groups to the groups discriminated against (in-groups), has non-sanctioned ability to ignore certain employees (the formation of unhealthy role-networks), and assign employees similar to themselves to tasks and projects (unhealthy division of labour).

Such unmanaged workforce diversity can lead to diversity-related problems, like inter-group conflicts and assimilation, which have adverse consequences for individual career and organizational outcomes.

When managers knowingly match components of workforce diversity (wrongly or rightly), it amounts to adaptive structuration.

Table 3.1 has been adapted from the “Cox-model (1993), table 14.1:226.”

Table 3.1 The relationship between the diversity-related organization form and dimensions of diversity-climate

Status quo regarding the management of workforce diversity in the organization			
Dimension	Monolithic	Plural	Multicultural
Extent of organizational change	The organization is not adapting to change. It does not understand the value of change	The organization understands the reality of change, but needs to harness it and implement it quicker	The culture of the organization is open to change and the organization reacts and adapts quickly.
How much diversity is valued	Ignores or actively discourages diversity	Ignores or tolerates diversity	Values diversity
How diversity is Managed	Significant institutional bias in Human resource systems Minimal structural Integration Minimal informal integration	Institutional bias in Human resource systems is prevalent Partial structural integration Limited informal integration	Institutional bias in Human resource systems is minimised or eliminated Full structural integration Full informal integration
Extent of diversity-related problems	Assimilation Minimal inter-group conflict due to homogeneity	Assimilation Significant inter-group conflict	Pluralism Minimal inter-group conflict

Source: Adapted from Cox (1993:226) and Gardenswartz and Rowe (1993)

Table 3.1 represents an adaptation of Cox’s six-factor framework to describe the three organization types. For the purposes of this research the types of organizations based on the status quo of its management is studied in the context of the effects of Cox’s diversity climate, consisting of six factors that “cause” the different types of organization forms.

The discussion of the dimensions of workforce diversity above has to further include the complexity of workforce diversity discussed in 3.2.2 (figure 3.1). Some causes and effects of workforce diversity appear across dimensions, which have consequences for the management of workforce diversity. This characteristic of workforce diversity is referred to as the multi-dimensionality of workforce diversity.

3.2.3.3 The multidimensionality of diversity

To understand the concept of the multi-dimensionality of diversity, requires acknowledging the uniqueness of each dimension of diversity, while also identifying effects and relationships that occur across many dimensions (McGrath, Berdahl and Arrow (in Ruderman and Jackson et al., 1996). They point out that diversity is more than demographic differences and that not all effects of diversity are generic.

Their discussion of the distinctions among the clusters of diversity immediately leads us into the difficulty of dealing adequately with the overlap among the dimensions. For example, they treat organisational status, culture and demography as separate dimensions of diversity, yet there is considerable evidence to suggest that demographic categories (such as gender and national origin) also differentiate people in terms of status and culture within specific social contexts.

The importance of the interrelationships among diversity dimensions is also explicitly addressed by Northcraft, Polzer, Neale and Kramer (in Ruderman and Jackson et al., 1996). These authors argue that the effect of cognitive diversity on the performance of work teams is more potent than the effect of demographic diversity, but at the same time they note that the latter often acts as a surrogate for the former.

One way in which this surrogate effect occurs is that members assume or expect certain qualities to be present in others on the basis of these physical or other types of differences (e.g., female, Asian, an accountant). These

expectations become determinants of the effects of diversity, regardless of the extent to which they are accurate.

Northcraft et al (in Ruderman and Jackson et al, 1996), illustrated this point in their discussion of the potential effects of diversity on the process of negotiation. For example, they pointed out that the quality of negotiations is often impaired because stereotypic thinking leads each party to exaggerate the extent to which the other party's interests are in conflict with their own (i.e., there is a false presumption of distributiveness).

The fact that diversity has many overlapping dimensions, raises the following question:

Which types of diversity have effects on which organisational outcomes?

There is some indication that many "diversity effects" have wide application.

For example, McLeod, Lobel and Cox (in Ruderman and Jackson et. al., 1996,) found that ethnic diversity could enhance creative performance by teams, at least for identity-relevant tasks such as developing marketing strategies in a global context.

Likewise, creativity and innovation have been shown to be positively related to diversity of cognition (Amabile, 1983), age, organisational tenure, functional area and education (e.g., Bantel & Jackson, 1989; Murray, 1989).

From table 3.1 it is inferred that the dimensions can be interrelated, as it appears that some effects occur across dimensions.

(i) Cross-cutting of dimensions

It can thus be concluded that the variables in a process of diversity-management are the dimensions of openness to change and the valuing of diversity (second-order), and diversity-related problems and how diversity is managed (first-order). The effects of the interaction of all these, is reflected in the organization form.

Each of the above dimensions consists of contextual factors discussed in 2.7.4.3(ii):128-129.

(ii) *The status quo of the management of diversity as the coherent or super-ordinate dimension of workforce diversity*

The status quo of the management of diversity in an organization reflects the leadership of the organization in the context of the second-order impact of workforce diversity, as well as the management of diversity in the first-order impact.

The cause-and-effect dynamics of the second-order and first-order dimensions lead to the status quo of the management of diversity, which in turn is reflective of the diversity-related organization form.

Thus, it can be concluded that the organization form reflects the leadership and management of workforce diversity in an organization. Gardenswartz and Rowe (1993) states that managing workforce diversity emphasizes the building of specific skills and creating policies, which get the best from every employee. The latter is synonymous with the activity modes discussed in chapter 2.

Gardenswartz and Rowe (1993), uses aggregate evaluations of management-opinions gathered on the status quo of diversity-management in their organizations as predictors and indicators of the diversity-related organization form of their companies.

3.2.4 Operationalizing the new management of diversity paradigm

To arrive at recommendations on how to manage workforce diversity requires that the new paradigm of workforce diversity developed be operationalized. This requires translation of the theory contained in this behavioural science research into practice research. Such translation requires two stages:

- (i) Empirical *identification* of the following in South Africa:
 - (a) The typical diversity-related organization form.
 - (b) Dimensions of workforce diversity.
 - (c) Specific factors of workforce diversity (contextual).
 - (d) A statistical model of workforce diversity.

This stage is accomplished in the research design (chapter 4), and the results reported in chapter 5. The research design is based on the method for determining dimensions of workforce diversity as espoused by Gardenswartz and Rowe (1993).

In sub-section 3.2.4.1 a second South African pilot study is discussed that illustrates the appropriateness of using the method of Gardenswartz and Rowe to determine relevant dimensions of workforce diversity.

- (ii) Comparison of the theoretical change-model and the statistical model for the purposes of:
 - (a) More specific determination of the dimensions and contextual factors of workforce diversity in South Africa. This is to be achieved from comparisons drawn between the theoretical change-model and the statistical model.
 - (b) An intermediate scale for the determination of variables (factors) of workforce diversity in South Africa.

3.2.4.1 Research perspectives of workforce diversity in South Africa

To date, the most relevant research with respect to the work of Cox (diversity-climate) and Gardenswartz (dimensions of workforce diversity), have been captured in two studies that can be viewed as pilot-studies. The first study was discussed in 2.7.4.2:108-114 in the context of adaptive structuration in South Africa.

The second pilot-study (on diversity management at a South African university) examines the applicability of the dimensions of diversity as espoused by Gardenswartz and Rowe (1993), against the background of results produced by their diversity opinion survey in Australia. This study is useful for validating the applicability of the Gardenswartz dimensions in the revised IMCD in South Africa. This exercise is vital, as the research design for determining factors in South Africa uses covariance patterns of the dimensions identified in this study.

A Pilot-study to determine the progress in the management of workforce diversity at a South African university

A study was done by Strydom and Erwee (1997a) on diversity management at a South African university.

The purpose of the analysis of this pilot-study is to:

- Validate the applicability of the Gardenswartz dimensions in the revised Cox-paradigm of workforce diversity in South Africa.
- Identify the possible dimensions of workforce diversity in South Africa and the organizational form it leads to.
- Validate the applicability of the research method employed in the research design of this study.

A sample of 25 employees, selected to reflect gender, race and hierarchical level in the largest residential university in South Africa completed a diversity audit. A high number of symptoms of diversity-related problems are perceived and respondents believed that the university is relatively unresponsive to the need to change.

The university was believed to be in a monocultural stage of development and barriers to developing into a multicultural organisation were identified.

Respondents did report a very positive attitude towards diversity, but perceived that certain procedures are not supportive.

Due to the case study approach and small size of sample, the findings could not be generalised to the country at large. Similar trends were noted in a sample of 25 public and private sector companies in the first pilot-study. Tertiary institutions in South Africa and especially universities are facing a transformation wave as they are influenced by society, the business community and government.

The University has approximately 27000 students and a personnel corps of 5445. Education and training are the main tasks of the university with research second, and community service third.

At the time this study was conducted, some important developments at the university were: a) two black councillors were appointed; b) a black deputy for the Dean of students was appointed; c) a Centre for Reconstruction and Development was founded with a black female as director; d) a student profile of approximately 27000 of whom 5310 are black, e) a Broad Transformation Forum was established in July 1996, whose powers include participation in the selection process of vice chancellors and vice rectors. The university has decided not to formulate official policy on affirmative action regarding personnel.

A draft and final copy of the questionnaire (Diversity Audit) was developed by adapting existing questionnaires of Gardenswartz and Rowe. The diversity audit include the aim of the survey, definitions of concepts, biographical data, perceptions on symptoms of diversity related problems; openness to change of the university; the status quo regarding diversity management; organisational barriers to diversity; the valuing of diversity; and the management of diversity by managers or supervisors.

A four point Likert scale was used and the values are changed continuously to avoid response set.

Data collection

A case approach using 25 respondents representative of the organisational level, gender, race and line versus staff ratios in the university, was developed to complete the questionnaire.

The sample consisted of 55% males and 45% females; 80% whites and 20% blacks; 80% Afrikaans speakers and 20% black language speakers; 20% senior managers 50% middle managers and 30% lower level staff respondents; 80% married and 20% unmarried or divorced respondents; 60% with post graduate degrees, 20 % with first degrees and 20% with diploma or school certificates.

(i) Results

Symptoms of diversity related problems

The respondents are requested to indicate whether a specific symptom is applicable or present in their working environment. Of the 16 symptoms that are associated with diversity problems, the following are present in the university, reflecting 63% of symptoms: a) a lack of diverse staff at all levels; b) difficulty in communicating due to heavily accented language; c) ethnic, racial or gender jokes; d) complaints about discrimination in promotion, pay and performance reviews; e) lack of social interaction between members of diverse groups and f) increase in grievances by members of minority groups.

Openness of the university culture to change

The arithmetic means of the respondents' score on this dimension were obtained: the highest score is 52 and the lowest score is with a means of $X = 38$ ($38/60 = 63\%$). Given the smallness of the sample, it seems as if the respondents perceive the university culture as not sensitive enough to the fact that change does exist.

- *Gender*

The relevant means for gender groups are as follows: Female: $X = 38.5$; Male $X = 37.7$, indicating no significant difference between the scores of men and women regarding the university's openness to change.

- *Race*

The means for racial groups are: Black: $X = 31.8$; White: $X = 39.7$, which suggests a relatively significant difference between the scores of whites and blacks. Where the means for blacks lies at the bottom end of the category, implying perception that the university understands the value of change, but does not accept its reality, whites feel that the university is almost in the category in which change is being seen as a reality that has to be accepted.

- *Hierarchy*

The relevant means for different levels of the hierarchy are: Higher level managers: $X = 38.6$; Lower level workers: $X = 40.27$, indicating that there is no significant difference between the scores.

Status quo at the university regarding diversity management

The arithmetic means of the respondents for each of the stages were translated to a percentage: 41.2% of the respondents indicated that the university is in the monocultural stage; 32.3% of the respondents indicated that the university is in the non-discriminatory stage; and 26.54% of the respondents indicated that the university is in the multicultural stage.

These results support the findings of the first pilot-study.

- *Gender*

Both the male and female respondents believe that the university is primarily in the monocultural phase. Firstly, female respondents felt very strongly about it (45% of females versus males 37%) and secondly where less males feel that the university is non-discriminating (males 31%; females 34%), less females felt that the university does not have a multicultural orientation (females 23%; males 33%).

- *Race*

Both the white and black respondents indicate that the university is primarily in the monocultural phase. The black respondents (blacks 54%; whites 38%), felt strongly about this dimension and both groups argue that the university does not have a multicultural orientation (blacks 15%; whites 29%).

- *Hierarchy*

A total of 48% of the higher level manager's think that the university is already in the non-discriminatory phase. The lower level worker group is ambivalent about which phase the university's is in can be seen in the equal distribution of responses across the categories.

Identifying organisational barriers to diversity

Respondents were asked to rank-order eight potential organisational barriers to diversity with 1 being the most important obstacle and 8 being the least important obstacle. The arithmetic means of the respondents' results, with a weight being added to it for statistical purposes, for each of the barriers, are calculated.

The three most important barriers as prioritised by the respondents are: No perceived need to dismantle existing systems to accommodate diversity; strong belief in a system that favours merit; annoyance at reverse discrimination. No significant differences occurred among the gender, race and hierarchical groups.

How much is diversity valued at the university

Multicultural view	:	32.8/40 (82.0%)
Monocultural view	:	- 24.3/40 (60.7%)
Aggregate: is diversity valued:	:	+ 8.5 (21.3%)

The score of multicultural items seems to suggest that the respondents perceive the university to have a culture which value diversity. A dissenting

view is evident in the high score on the monocultural items. A truly diverse culture will (ideally) score 0 (nil) on the monocultural items which will mean that the score below the line, reflecting the diversity valuing culture, totals 40 (in this case 32.8). In the gender, race groups and hierarchical levels, the monocultural views still received very high scores in relation to the ideal 0 (nil).

How is diversity managed in your environment

The way in which diversity is actually managed, as perceived by respondents is assessed by analysing three sub-components, which add-up to an aggregate score, indicating the organisation's overall level of diversity management.

Individual attitudes and beliefs	:	12.56
Organisational values and norms	:	6.92
Management and policies	:	<u>7.64</u>
Total aggregate score	:	<u>27.12</u>

Out of a possible 56, the score achieved indicates that the university is only 48% effective in managing diversity – “Only when all three of the levels of organisation functioning work in concert, diversity is effectively managed as a corporate asset”.

Males and females perceive individual attitudes and beliefs to be the strongest developed of the diversity components. Organisational values and norms are significantly underdeveloped and management practices and policies are also very low, with males scoring these slightly higher.

The total in both cases, expressed as effectiveness percentages, are 47.93% and 48.92% respectively, both gender groups show that diversity as corporate asset is not being managed optimally. These results also apply to hierarchical levels and race groups, except for the fact that blacks consistently scored

lower. The low score of blacks regarding management practices (21% effectivity) is significant.

The findings in this section have to be interpreted against the background of the extent to which diversity is valued and status quo regarding the management of diversity. It must also account for the findings of the results below.

(ii) Findings

These results as well as those on the 'status quo', to a large degree present the picture of monocultural organizational forms at individual and inter-group levels.

The findings cannot be generalised in terms of table 3.1, but possible trends on workforce diversity in South Africa can be made on the basis of the small sample.

The perceptions of organizations being monolithic, lead to the following conclusions:

- (a) It appears that diversity may be ignored, and that diversity may not be valued as it can be.
- (b) Negative diversity effects may be characteristic of the diversity climate. It cannot be concluded that forms of discrimination may be prevalent at inter-group level.
- (c) There is a minimal level of structural and informal integration.

The information presented above reflect respondents' subjective perceptions regarding specific questions. The following proportions, relative to a total of 5445 employees, emerged: Gender: Men: n=3048 (59.95%); Women: n=2397 (44.02%); Race: Blacks: n=1068 (19.61%); Coloureds: n=12 (0.22%); Indians: n=4 (0.07%); Whites n=4351 (80.01%). The distribution of people of colour along organisational level was not available.

- (d) There appears to be institutional bias in human resource systems.
- (e) It seems as though inter-group conflict is present. It is reasonable for one to attribute this to the fact that blacks anticipate future increases in diversity due to statutory affirmative action, reducing fear levels that may have been present prior to the country's transition to democracy in 1994.

Within the context of socio-political changes currently being experienced and managed in South Africa, it is expected of all tertiary institutions to become multicultural. The largest residential university has only recently embarked on this journey towards creating a diverse workforce.

A frequency distribution of the potential symptoms of diversity-related problems shows that 11 of the symptoms are applicable. Due to this high number of symptoms being present at the university, the issue of diversity should receive serious attention.

The results suggested that the university is relatively unresponsive towards the necessity for change and the barriers that are preventing the university from changing into a multicultural organisation are:

A belief that no need exists to accommodate diversity.

A strong belief in a system that favours merit and

Annoyance at reverse discrimination.

These barriers are possibly symptoms of the strongly embedded monocultural stage at the university, exacerbated by its unresponsiveness regarding change.

Almost half of the respondents indicated that the university is still in the *monocultural* stage.

The conclusion from the valuing diversity section of the results is that employees' personal attitudes are supportive of the concept of affirmative action, equal employment opportunity and diversity management.

The concepts which drive procedures and policies are values and norms and in that respect the respondents' score is extremely low, signifying a vacuum in the base structure required for establishing a multicultural organisation, i.e. a diverse workforce. This statement is supported by the test of the university's structural integration.

(iv) Conclusions on the South African research perspectives

(a) The first pilot-study

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 diversity climate. This suggests that it would also be indicated by a diversity climate constituted of the dimensions of Gardenswartz and Rowe.

(b) The second pilot-study

The Gardenswartz dimensions are applicable in the revised Cox-paradigm of workforce diversity in South Africa. The findings of this pilot-study coincide with that of the first pilot-study.

It can also be assumed that the research method pertaining to the research instrument, i.e., the diversity audit questionnaire of this pilot-study is applicable in the research design of this research.

3.2.4.2 Conclusions on the extent to which the findings can be integrated with the revised Cox-paradigm of workforce diversity

It is reasonable to conclude that the dimensions of workforce diversity identified in the second pilot-study and the contextual factors of workforce diversity identified in 2.7.4.2:108-117, can be integrated into the second and first-order processes of workforce diversity.

Figure 3.2 outlines the relationship between dimensions and processes of workforce diversity.

Figure 3.2 Dimensions in the processes of workforce diversity in South Africa

SECOND-ORDER PROCESS			FIRST-ORDER PROCESS	
<u>Dimensions:</u> Openness to change Valuing diversity Leadership			<u>Dimensions:</u> Diversity-related problems Status quo of the management of diversity How diversity is managed	
1 Demographic diversity	2 Individual differences in cognition, values, and behaviour.	3 Diversity - Effects. Inter-personal and role relations.	4 Interaction of diversity components of workgroups. Job-structuring.	5 Individual career outcomes
Organizational diversity.	Stereotype and status expectancies.	Task performance	Activity modes Role-networks Informal integration.	Organizational effectiveness.
Personal identity structures.	Ingroup-Outgroup Processes.	Inter-group attitudes and perceptions.	Division of labour. Structural integration.	Organizational performance.

Source: Adaptation of the incorporation of table 3.1:132 into figure 2.13:91.

The detail of the dimensions and organization form in this chapter, and that of the factors of diversity-climate and contextual factors in chapter 2, can now be integrated into the relevant columns of figure 3.2, to construct a change-model of workforce diversity.

The first stage of the operationalization of the new paradigm of workforce diversity can now be completed. In section 3.3 a change-model of workforce diversity is constructed, based on the construct validity of the constructs in South Africa, as found in the first and second pilot-studies.

3.2.5 Conclusion: A change model of workforce diversity

The results of the theoretical model building that progressed through chapters 2 and 3, can now be consolidated into a *Change- model of workforce diversity* (see figure 3.3:156).

- (i) The diversity-climate that was determined in the first pilot-study, as manifested in first, second and third level factors of diversity-climate. The diversity climate is therefore represented by column 3 in figure 3.2.
- (ii) Dimensions identified in the second pilot-study are placed (in the model as described in 3.2.4.2) in the context of the first and second-order processes. Second-order dimensions are openness to change, and how much diversity is valued in the organization. First-order dimensions are diversity-related problems, and how is diversity managed in the organization.
- (iii) The coherent dimension is the status quo regarding the management of diversity in the organization (refer to 3.2.3.2:131-133). It reflects the type of diversity-related organization form of the organization, e.g. whether it is mono-cultural (characteristics of homogeneity), or non-discriminatory (characteristic of organization in transition from mono-cultural to multicultural), or multicultural (characteristics of heterogeneity).
- (iv) The contextual factors that constitute the dimensions of workforce diversity are assigned on the basis of the process in which the dimensions are most dynamic.

In the second-order process the factors of openness to change are workforce composition, the types of diversity, and the organizational types of diversity.

The factors for how much diversity is valued are organizational culture, identity structures, power relationships and social identities. In the first-order process the factors of diversity-related problems are the individual-level factors of diversity-climate, the group-level diversity-climate and the organizational-level climate. The factors of how is diversity managed, are issues pertaining to adaptive structuration. These are job-structuring, social category boundaries, informal integration through role-networks, and structural integration through division of labour.

Source: Adapted from the description of figure 3.2 and table 3.1 into figure 3.2

Individual-level	Group-level	Organizational-level	Structural	Process
<p>Individual-level diversity climate</p> <p>Attitudes and intentions, e.g. discrimination, exclusion, harassment, etc.</p> <p>Individual-level diversity climate</p>	<p>Group-level diversity climate</p> <p>Group-level diversity climate</p> <p>Group-level diversity climate</p>	<p>Organizational-level diversity climate</p> <p>Organizational-level diversity climate</p> <p>Organizational-level diversity climate</p>	<p>Job structuring</p> <p>Structural integration</p> <p>Structural integration</p>	<p>Informal integration through role-networks</p> <p>Structural integration through division of labour</p>

Figure 3.3 A Change- Model of workforce diversity

SECOND ORDER TRANSFORMATIONAL FACTORS OF CHANGE <u>DIMENSIONS</u> <i>Openness to change.</i> <i>How much diversity is valued.</i>			FIRST ORDER TRANSACTIONAL FACTORS OF CHANGE <u>DIMENSIONS</u> <i>Diversity-related problems.</i> <i>How diversity is managed</i>		
1 Environmental factors	2 Social categorization	3 Diversity-climate	4 Adaptive structuration	5 Organizational outcomes	Organizational form
Individual level <i>Workforce composition</i> <i>Types of diversity</i> Demographic diversity. Knowledge, skills, abilities Values, beliefs, attitudes Personality, cognition	Identity structures	Diversity-related individual attitudes and perceptions, e.g., prejudice, stereotypes.	Tasks, technology <i>Job-structuring</i> Activity mode issues <i>Social categories</i> Boundaries	<u>First level factors</u> Individual career outcomes Attendance Turnover Productivity Work Quality Recruiting success	Multi-cultural or
Group level <i>Organizational culture</i> <i>Organizational types of diversity in tasks and relationships.</i> Status in embedded org.	Ingroup/outgroup processes <i>Power relationships</i>	Diversity-related inter-personal attitudes and perceptions, e.g., discrimination, ethnocentricity, cultural differences <i>Inter-group conflict</i> <i>assimilation</i>	Tasks, relationships <i>Informal integration through informal networks</i> Activity mode issues Social category differentiation.	Creativity/innovation Problem solving Workgroup-cohesiveness and communication.	Non-discriminatory or
<u>Organizational level</u> <i>Organizational diversity</i>	Social identities	<i>Acculturation</i> <i>Bias in Human resource systems</i>	Projects, tasks <i>Structural integration through division of labour</i> Activity mode issues Social category differentiation.	<u>Second level factors</u> Market share Profitability Achievement of formal organization goals	Monocultural

Source: Adapted from the incorporation of figure 2.2 and table 3.1 into figure 3.2

Thus, against the background of the dimensions of workforce diversity in this chapter, it can be concluded that nature of current adaptive structuration in South Africa is characterised by:

- (i) Changes in the division of labour that is to the advantage of dominant employees, when non-dominant employees do not have the required task-relationship attributes. Very seldom does one find change-interventions that are aimed at developing the required attributes in the context of workforce diversity.
- (ii) The role requirements remain the same or change, but the nature of membership relationship skills does not change for employees that are prejudiced. 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 (2.2.4:37-38), can be viewed in three contexts. Firstly, the influence of diversity on teams; secondly, adaptive structuration; and thirdly, in the context of diversity related problems. The issues of workforce diversity in South Africa can now be dealt with against the background of the first and second-order processes of workforce diversity as outlined in figure 3.3.

(a) *Personal level organizational behaviour*

Traits are based on value judgements and as a result regarded as positive or negative demographic or organizational diversity. Figure 2.8 shows the traits that are based on value judgements, and are interpreted as positive or negative in the development of stereotypes and status expectancies.

Messages and judgements received about others, particularly those who are different racially and culturally, can be interpreted within the framework of the second-order contextual factors 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 ingroup-outgroup distinctions are engaged. These include ingroup loyalties and favouritism, implicit inter-group rivalries, negative stereotypes and distrust of outgroup (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 (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.

(b) 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 are the inputs to the component-matching processes.

At this stage one can observe the dynamics of the second-order diversity-related team process of component matching (see figure 2.13:85). 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.

(c) *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 ingroup-outgroup 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.

CHAPTER 4 THE RESEARCH DESIGN

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.

Following this stage of the operationalization of the new paradigm of workforce diversity, is the research design in chapter 4, for the empirical determination of the following in South Africa:

- (a) The typical diversity-related organization form.
- (b) Dimensions of workforce diversity.
- (c) Specific factors of workforce diversity (contextual).

A Statistical model of workforce diversity.

The research procedures in chapter 4 are designed to test the model in figure 3.3 and to provide the factors of workforce diversity that are relevant in South Africa.

CHAPTER 4 THE RESEARCH DESIGN

4.1 INTRODUCTION

To follow-up on the literature study (chapters 2 and 3) an empirical study was undertaken to determine the following:

- (a) The typical dimensions of workforce diversity and the resulting diversity-related structure or organization form that it leads to.
- (b) Specific factors of workforce diversity (contextual).
- (c) A statistical model of workforce diversity that can be used to make causal inferences about the interrelationships between the factors of workforce diversity. The dimensions of workforce diversity will be determined with the use of factor and item analysis of the sections B, C, D, E, F and G.

Theoretically each section represents a dimension. The diversity related structure or organization form will be determined with these of statistical conventions that are applicable to the diversity opinion questionnaire that will be used.

The specific factors of workforce diversity cannot be simply extracted from the relevant sections or dimensions that were determined. Traditional factor analysis can only indicate which factors actually measure the relevant dimension and which belong together. This research require statistical methods that can confirm or dispute the roles of the dimensions and factors in the casual pattern that is suggested by the revised interactional model of cultural diversity (IMCD) (see figure 3.3:150).

In figure 3.3 the revised IMCD is referred to as a change model of workforce diversity and consists of two parts. The first part represents second-order change factors that are dependent variables of the independent variables section F (how much is diversity valued), section C (extent of organizational change) and section D (status quo of the management of diversity). The second part represents first-order change factors that are variables of the independent variables section G (how is diversity managed) and section B (extent of diversity-related problems). Section D

also represents the diversity climate caused by both the second and first order change processes. Finally, the sections or dimensions act in the causal sequence of section F, section C, section D, section G to section B as dependent variables of the independent variable known as the diversity-related organization form. The organization form is reflected by the diversity climate. The sections or dimensions as dependent variables are referred to as latent variables in their relationship to the independent variable (section D – reflecting the organization form).

Thus, to determine the factors of workforce diversity, one has to test the causal pattern in figure 3.3 statistically. Any statistical method to be used must have the capacity to measure the extent to which the statistically determined causal associations fit the theoretical causal associations in figure 3.3. It is however, very difficult to prove equivalence between a theoretical model and a statistical model.

The finding of a “statistically significant” association in a particular study (no matter how well done) does not establish a causal relationship. Kleinbaum et al (1998:36) states: “To evaluate claims of causality, the investigator must consider criteria that are external to the specific characteristics and results of any single study.” The research strategy outlines a most appropriate statistical method.

4.2 PURPOSE OF THE EMPIRICAL STUDY

This empirical study has the following objectives:

- (i) The study of prior research in South Africa to guide the formalisation of the revised Cox-paradigm of workforce diversity as a change-model for managing workforce diversity, as well as empirical research. This is achieved with South African research perspectives that was discussed in section 3.2.4.
- (a) Empirical *identification* and *determination* of the following:

The typical diversity-related organization form. Dimensions of workforce diversity and associations between dimensions.

- (b) Specific factors of workforce diversity (contextual). A theoretical model of workforce diversity.
 - (c) More specific *determination* of the dimensions and contextual factors of workforce diversity in South Africa, based on the theoretical model.
- (ii) To construct a model of workforce diversity that can be used in a cultural specific context to determine the dynamics of workforce diversity in South Africa in any practical situation. Exploration of relevant literature (chapter 3) indicated that a valuing diversity paradigm was required for this purpose.
 - (iii) An interim scale for the determination of variables of workforce diversity in South Africa, based on the assumption that organizations are in a period of transition from monoculturalism to multiculturalism.

4.3 THE RESEARCH STRATEGY

The research strategy chosen is a survey. The reason for choosing the survey method is because managers across South Africa need to provide responses to specific questions on dimensions of workforce diversity. The survey method is the most versatile method to use in analysis of responses that are required to determine the factors of workforce diversity embedded in dimensions.

The design includes (i) a descriptive study to determine the sample statistics and (ii) a causal study to determine the factors that lead to the diversity-related organization structure or form.

The sample statistics will be used according to the conventions of the survey developed by Gardenswartz and Rowe (1993) to determine the relevant dimensions of workforce diversity. These dimensions must be viewed in the context of the

discussion in sub-section 3.2.3.2 (p. 134-136). It will also be used to determine the diversity-related organization structure or form, using the same conventions.

The determination of culture-specific relevant factors of workforce diversity is only meaningful and useful if a statistical pattern of causality can be established amongst the different dimensions. It is then also required that the “fit” of the dimensions is tested in the change-model of workforce diversity that was developed in chapters 2 and 3 (refer to figure 3.3:150).

A unique statistical method integrates the theory (chapters 2 and 3) with the results of the empirical study. Path analysis or structural equations modelling (Bollen, 1989), is a collection of procedures that enables one to make casual inferences. Structural equations modeling are a procedure for covariance analysis of the “structure” of statistical associations.

Covariance is a joint variation between pairs of variables. Covariance analysis of the diversity-related “structure” or “organization form” should reveal likely causal relationships between dimensions through the covariance of dimensions and factors.

The results from the analysis of covariance are then used to construct a casual “path diagramme”. For causal relationships to be proved between independent and dependent variables there must be covariance between them. In this study, the dimensions (sets B,C,D,F,G) are the independent variables and the factors (v12 – v114) are the dependent variables.

4.3.1 The measurement instrument

The measurement instrument is a diversity opinion questionnaire developed by Gardenswartz and Rowe (1993). It has already been tested in South Africa prior to the commencement of this study (refer to the pilot-study, p. 138), and is thus appropriate for this study.

4.3.1.1 The Diversity Opinion Survey

The Diversity Opinion Survey is attached as appendix 1.

Adapting existing questionnaires of Gardenswartz and Rowe who developed a draft copy of the questionnaire. The draft was circulated among a peer group of five Australian human resource and research methodology specialists to evaluate the format, language and concepts. The same exercise was done in South Africa. For example, the demographic characteristics of the respondents were changed to meet South African conventions.

A definition of diversity suitable for the South African context (that is congruent to the definition of Griggs and Louw) was added to the introduction and headings were changed.

Questionnaire design

The diversity survey includes the *aim* of the survey, *definitions* of concepts, and *demographic* data (represented by section A). It further includes *perceptions* (represented by sections B to G) on: extent of diversity related problems; extent of organizational change; the status quo at your company regarding diversity management; potential organizational barriers to diversity; how much is diversity valued in your company; and how is diversity managed in your company.

Each section (B to G) represents the relevant dimensions of workforce diversity.

- (i) In the section “*Symptoms of diversity related problems*” the respondents are requested to indicate whether a specific symptom is applicable or present in their working environment.

Scoring

Companies choosing 15-37 has a negative (monocultural) diversity climate.

Companies choosing 38-52 has a neutral (non-discriminatory) diversity climate,

Companies choosing 53-75 has a positive (multicultural) diversity climate.

- (ii) In the section “*Extent of organizational change*”, the scores of respondents measure how open the organization is to change.

Scoring

A score of 50 to 70 – the culture of the organization is open to change and the organization reacts and adapts quickly;

A score of 40 to 49 – the organization understands that change is a reality, is open to change, but has not yet fully embraced it, nor is it harnessing change to make it work for the organization;

A score of 30 to 39 – the organization understands the value of change but needs to be more open to its reality and quicker to the implementation process;

A score of 14 to 29 – if the organization does not get better at adapting, its longevity will be affected negatively.

- (iii) In the section “*Status quo in the company regarding diversity management*”, the diversity-related organization structure or form is determined. Jackson and Holvino (in Gardenswartz and Rowe, 1993:274) argue that organizations experience three stages in the evolution towards a diversity sensitive environment:

The monocultural stage: The organization acts as though all the employees are the same. There is an expectation to conform to a standard (for example a white male model) and success is achieved by following the expectations of this model. *Others* are expected to assimilate and adopt the dominant style of the organization,

The non-discriminatory stage: Usually as a result of government regulations or threats of employees’ grievances, organizations begin to adhere to affirmative action requirements and equal employment opportunity regulations. Much attention is given to meeting quotas in hiring and

promotions as well as removing roadblocks that inhibit equal advancement opportunities.

For employees of non-mainstream groups, there is a push-pull between the need to assimilate and a desire for the organization to accommodate their need. Compromise is usually the way to deal with conflict.

The multicultural stage: There is recognition that there are clear differences among people, culture, background, preferences and values. Assimilation is not seen as the way to deal with conflict, but rather the creation of new norms which allow scope for employees to do their own thing. Policies and procedures are flexible to be applicable to all and no one is exploited.

Scoring

All the “1” options indicate a monocultural diversity climate (mean = 11-16).

All the “2” options indicate a non-discriminatory diversity climate (mean = 17-26).

All the “3” options indicate a multicultural diversity climate (mean = 27-33).

- (iv) In the section “*How much is diversity valued in your company*” a respondent’s attitudinal predisposition towards or against diversity is assessed with 20 questions to obtain an indication to what extent diversity is either being valued or resisted. Responses are scored by adding the even and uneven items of their response. The even numbered items score the multicultural view that inter alia values diversity and the uneven numbered items score a monocultural view which inter alia resist diversity. The bigger the score the greater the acceptance or resistance of diversity factors with the maximum score being 50. The respondents’ scores are integrated and the uneven items are subtracted from the even items [as per prescribed procedure]
- (v) Respondents assess “*How is diversity managed in your environment*” by analysing three sub-components that add up to an aggregate score. Respondents are asked to rate statements on their individual attitudes and

beliefs; the organization's values and norms; and management practices and policies.

Scoring

The aggregate score should indicate the prevalent mode in which diversity is managed. For example, if the organization values and norms are prevalent, it is likely that individual differences may not be valued (may be resisted), resulting possibly in the negative effects as portrayed in the diversity climate (refer to figure 3.3:166). The opposite is also true.

4.3.1.2 The measurement scale

The population parameters are effects or dimensions of diversity that impact on organizational effectiveness. The scale used is an interval scale. The responses to the measurement variables in the questionnaire are opinions that reflect the perceptions that manager has on the management of workforce diversity. The measurement variables are the factors of workforce diversity relevant to each section or dimension.

Five point like scales are used for most sections except where the scoring key indicates the choice of a specific format. The form of statistical analysis most suited to the interval scale includes the following:

The arithmetic mean, as the measure of central tendency, and the standard deviation as a measure of dispersion of opinions. The statistical procedures of choice, are analysis of variances, parametric t-tests and F-tests, and product moment correlation. These are the standard procedures used testing significance among more than three samples and the data is measured on an interval ratio scale. In this study significance is tested within and between a criterion and reference group, as embedded in two demographic categories and five organizational diversity categories.

4.3.2 The target population

The relevant population consists of all South African distance learning MBA students enrolled at South African business schools.

The researcher chose this population for the following reasons:

- (i) The members of the population are managers with between three and twenty years experience.
- (ii) They are physically distributed in organizations across all the provinces of South Africa, which satisfies the requirement of generalizability of the results of the study.
- (iii) The data can be collected within a fixed time-period and venue.

4.3.2.1 The sample

The sample is a *convenience sample*, as it is a non-probability sample.

The *sampling frame* consists the list of units from which the sample will be drawn. These units are geographically dispersed throughout the nine provinces of South Africa and include: (i) The Northern region of South Africa, to make up 67 percent of the sample frame, based on the representatives of possible cases, (ii) The Southern region of South Africa, to make up 33 percent of the sample frame, also based on the representatives of cases. The Northern region consists of Gauteng, Northern Province, Mpumalanga, Free State Province and North West Province. The Southern region consists of Kwazulu Natal, the Western, Eastern and Northern Cape.

The *sample units* consist of units from two non-overlapping collections of cases from the population, being institutions, namely the UNISA School of Business Leadership (SBL), and the Post-graduate School of Management of the University of Pretoria (PSM).

The sample units have been chosen to consist of cases that are representative of the composition of the sampling frame, which will serve as a group that confers to the sample the designated specifications. This group will be referred to as the *criterion group*, selected from the SBL. Sampling units will also be selected from cases at the

PSM that confers only the designated specifications of management criteria. This group serves as a “control” group, from which results can be tested for generalizability to the constituency of the region that has the most cases. This group will be referred to as the reference group.

The Sampling distribution: This is the distribution of values of some statistics calculated for each possible distinguishable sample that could be drawn from a population. The *sample means* to estimate the populations mean the *sample standard deviation* to estimate the population standard deviation.

4.3.2 2 Sample size

The approach followed for determining the sample size was based on perceptions of what the population variance of the mean of the non-demographic sections of the survey questionnaire should be. The coefficient of variance for a similar accepted study in Australia ranged from .10 to .20 (Erwee and Innes, 1997). Pre-testing of data collection techniques with a sample of 159 from the criterion group, showed variance estimates of 0.14 – 0.24. It was then decided to obtain a sample that was approximately 30-40% of the sample frame. 500 cases from the SBL and 300 cases from the University of Pretoria.

The sampling frame was estimated to be approximately 1900 cases. The actual resulting sample size was 614 cases, consisting of 245 criterion cases, and 369 reference cases.

Foreign students have been deleted from the data set as contextual factors in other societies may influence the results.

Demographic data on gender, age, race, management level, private or public sector, industry sectors, type of occupation and size of company will be gathered.

4.3.3 Data collection.

The researcher gathered data from the following sources:

- (i) The March 1998 study school for first-year MBA students at the SBL

- (ii) The April 1998 study schools for second, third and fourth year MBA students at the SBL.
- (iii) All 1998 part-time MBA classes at the PSM. Data was collected by the (then) promoter of the author (¹Professor Ronel Erwee of the Human Resources department of the faculty of Economic and Management Sciences of the University of Pretoria).

4.3.3.1 Pretesting of data-collection techniques

The choice of the target population was in part based on the reduction or elimination of possible error sources that can result in measurement differences that are not attributable to the respondent.

Demographic data on gender, age, race, management level, private or public sector, industry sectors, type of occupation and size of company would be gathered, as outlined in 4.3.1(par 3).

The instrument was assessed as appropriate. Comments were invited on ambiguity of questions or statements, physical defects of the instrument that could compromise results, the relevance and importance of the survey sections and the nature of its variables. All respondents could not fault the sections on diversity, but a significant number felt that they were not happy with sub-section A9 (specification of racial categories), and sub-section A10 (specification of hierarchical level in organization). This incident introduced the risk that opinion differences will come from relatively stable characteristics of the respondent that can affect the scores. Sub-sections A9 and A10 was subsequently omitted from the instrument.

4.3.3.2 Description of the sample population

In the empirical research, the population is studied in the context of

¹ Professor Erwee was the promoter for this research, which was registered during July 1997, when Professor Erwee served as a visiting Associate Professor (from the UP), to the Human Resources department of the business school of the University of South Queensland in Australia. She relinquished the appointment during September 1998, due to UP regulations, as she accepted an appointment at USQ as full professor.

the diversity-related external and internal environment of the organization. The relevant category of the external environment is the demographic, and of the internal environment is the organizational. Below are the frequencies of the demographic and organizational categories, expressed in percentages of the total group. N = 614; Criterion group: Reference group = 41:59

Demographic diversity

Gender and age are the only demographic variables that were studied as elements of section A of the questionnaire. Race was left out, due to discomfort and resistance with its inclusion encountered during pretest of the survey instrument (refer to data collection: 171-172). The racial composition reported below, is the composition of the attendees at the various MBA study schools.

<u>Gender:</u>	Female: 23%	Male: 77%		
<u>Age:</u>	20s: 29%	30s: 46%	40s: 25%	
<u>Race:</u>	White: 60%	Black: 37%	Asian: 8%	Coloured: 5%

Organizational diversity

Tenure (length of current employment):

Tenure: 50% Yuppies: 50%.

(> 10yrs) (< 10yrs)

Economic sector: Private: 64% Public: 15% Other: 21%

Most of the respondents were from the private sector in the criterion group, whilst the reference group consisted of many public-sector respondents.

Nature of business (industry that describes employer's main operations).

Corporate commercial: 55% Parastatal: 45%

Most public-sector respondents identified with the corporate commercial sector.

Career type: Human Resource: 39% Quantitative function: 61%

Size of organization: Corporate: 51% Small and med. enterprize: 49%

Based on approx. no. employees: (> 500) (< 500).

4.3.4 Statistical methods for data analysis

Following is a discussion of the statistical methods to be used in the relevant data analysis for preliminary statistical procedures, as well as statistical procedures for the determination of dimensions, organization form and factors.

4.3.4.1 Determination of the diversity-related organization form of organizations in South Africa

Editing the data from initial computer runs to remove errors did preliminary statistical tests. This included frequency analysis followed by factor analysis and item analysis.

The full procedure is outlined in appendix 3(a). Sample statistics could be produced for the determination of the arithmetic mean, the standard deviation, the standard error of the mean, and the coefficient of variance of the mean.

The sample statistics were used to determine the dimensions and diversity-related organization form. The diversity-related organization form is determined with the use of the conventions of the diversity opinion survey that govern its determination. The

organization form is indicated mainly by section D – Status quo regarding the management of diversity in the organization.

The conventions include a score chart of the means determined for the variables of section D, and the mean-values and variances that indicate each organization form. It is further also indicated by sections F1 (multicultural statements on the valuing of diversity), and F2 (mono-cultural statements on the valuing of diversity), and section B (extent of diversity-related problems).

The score-conventions are specified in the section on the questionnaire design (4.3.1.1:159-162).

Following below are the hypotheses that are stated on the above sections. The hypotheses about the sample means of sections D, B, F, C and G are based on the findings of the literature study [(2.7.4.1:107-115) and (3.2.4.1:137-142)].

Hypotheses

The F-test is chosen for use in the analysis of variance, because we have k independent samples, accept the assumptions of analysis of variance, and have interval data. C = Criterion group,

R = Reference group.

The null hypotheses are for criterion and reference groups, with respect to VV7, VV8, VV3, VV4, VV5, VV6, VV7, V8, VV10.

The null-hypothesis is tested on the basis of the score conventions for sections in 4.3.1.2

Hypothesis 1

Null hypothesis. $H_0 : UC = UR = 17$

$H_A : UC \neq UR > 17$

The null hypothesis is that for the section status quo at your company re diversity management, the mean is less than 17, i.e., that the results indicate a monocultural diversity climate.

Hypothesis 2

Null hypothesis. $HO : UC = UR = 37$

$HA : UC \neq UR < 37$

The null hypothesis is that for the section “Extent of diversity related problems”, the mean is less than 37, i.e., it has in the context of this section, a negative diversity climate.

Hypothesis 3

Null hypothesis. $HO : UC = UR = 39$

$HA : UC \neq UR < 39$

The null hypothesis is that for the section “Extent of organizational change”, the mean is less than 39, i.e., that change should be implemented quicker.

Hypothesis 4

Diversity is not valued in South African organizations.

Scoring

Monocultural items (V62;V64) will have a positive correlation with monocultural items on D options “1”, and with low scores on section C and options “1” and “2” on section B.

Multicultural items (V63;V65) will have a positive correlation with multicultural items D3, and with high scores on section C and options “4” and “5” on B.

Hypothesis 5

In the section “How is diversity managed in your organization?” aggregate scores will show that organizations emphasize organization values, norms (OVN) and management practices and policies (MPP), and that they de-emphasize individual attitudes and beliefs (IAB).

Multivariate analysis of variance is used to determine if significant differences exist within the criterion and reference groups on the means of the sections on diversity. It employs sums of squares and cross-products (SSCP) matrices. The variance between

groups is determined by partitioning the total SSCP matrix and testing for significance.

Multivariate analysis of variance is used to determine if significant differences exist between groups in biographical and organizational categories of diversity.

4.3.4.2 Determination of the factors of workforce diversity in South Africa

The factors of workforce diversity are determined as follows:

A statistical analysis programme called structural equations modeling (SEM) or path analysis is used. Essentially, SEM consist of a collection of methods that assesses causality indirectly, by eliminating competing causal explanations via data analysis and finally arriving at an acceptable causal model that is not obviously contradicted by the data at hand. The methods cannot be used to establish a particular causal theory directly, but arrive at a final causal model through a process of elimination. Part of this elimination process involves the comparison of various estimated correlation (“path”) coefficients by means of data analysis.

The procedure followed is attached as Appendix 3(b).

The model in figure 3.3 (p 150) is used to predict the causal relationships among the sections or latent variables. This is done by outlining a “path” of causality referred to as a path diagramme.

The data obtained from the preliminary analysis (Appendix) is processed by a computer programme specifically developed for path analysis of interrelationships between latent variables. It determines the covariance between the dimensions and factors. It is called the SAS System’s CALIS procedure (SAS Institute Inc., 1989), and the models tested were covariance structure models with multiple indicators for all latent constructs.

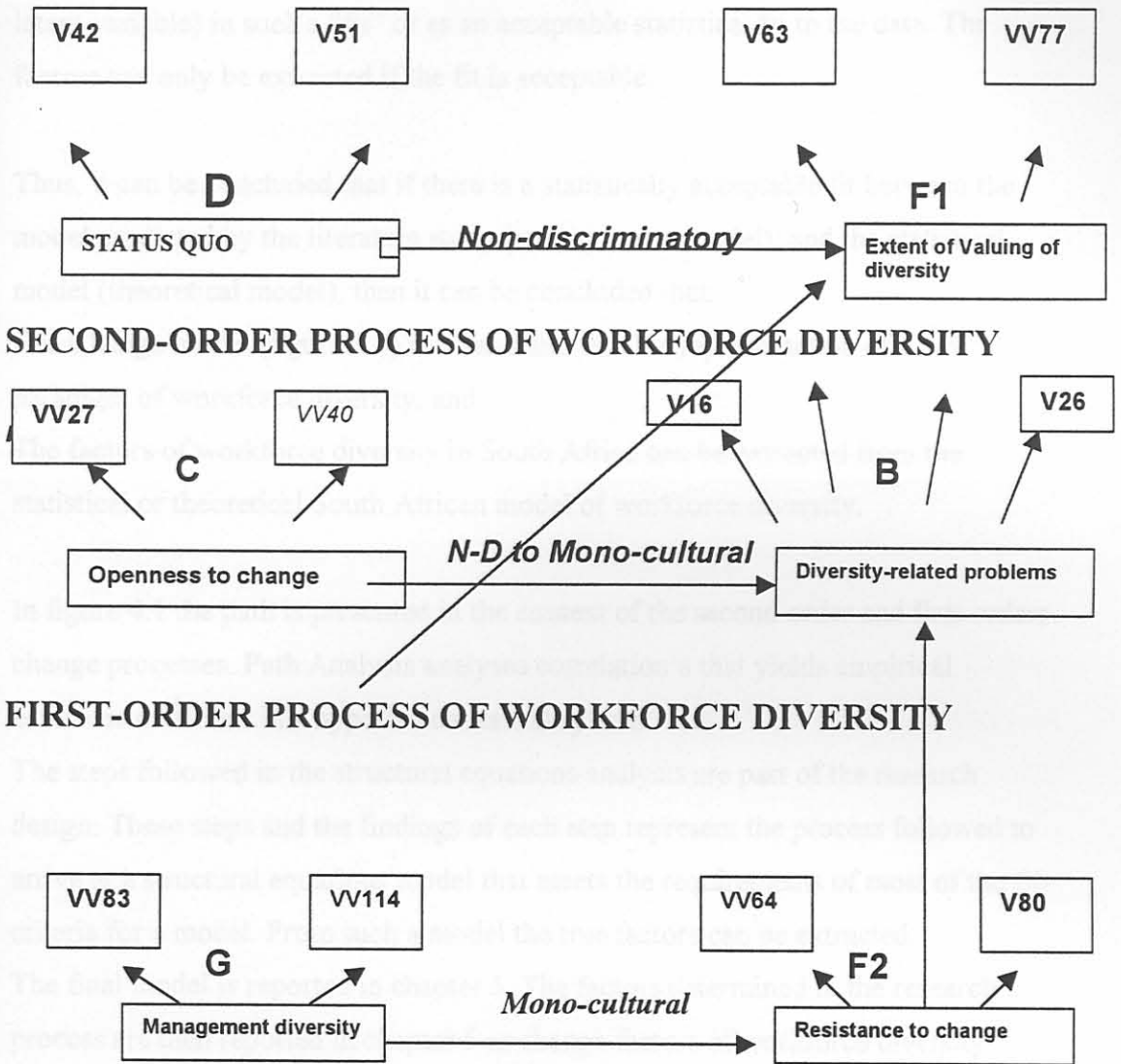
The analysis consisted of a two-step procedure based in part on an approach recommended by Anderson and Gerbing (1988). In the first step, a path diagramme was drawn on the basis of the causal patterns evident in figure 3.3. (p 150).

Confirmatory factor analysis was used to develop a measurement model that demonstrated an *acceptable* fit to the data is possible. In step two, the measurement model was modified so that it came to represent the theoretical (causal) model of interest. This theoretical model was then further revised and tested to find a theoretically meaningful and statistically acceptable model.



The purpose of a statistical model of workforce diversity in South Africa, is to firstly compare the congruence or "fit" of such a model to a predicted model derived from figure 3.1, which depicts the model of workforce diversity that was developed on the basis of the literature study covered by chapters 2 and 3. The model predicts that (i) second-order change will be indicated by dimensions of openness to change and the valuing of diversity, (ii) First-order change processes will be indicated by, two

Figure 4.1 Predicted Path diagramme of a theoretical model of workforce diversity in South Africa.



The purpose of a statistical model of workforce diversity in South Africa, is to firstly compare the congruence or “fit” of such a model to a predicted model derived from figure 3.3, which depicts the model of workforce diversity that was developed on the basis of the literature study covered by chapters 2 and 3; The model predicts that (i) second-order change will be indicated by dimensions of openness to change and the valuing of diversity. (ii) First-order change processes will be indicated by how

diversity is managed and diversity-related problems. (iii) The status quo of the management of diversity will essentially reflect the diversity climate. Secondly, to identify the factors of workforce diversity manifested (as dependent on a specific latent variable) in such a “fit” or as an acceptable statistical fit to the data. The factors can only be extracted if the fit is acceptable.

Thus, it can be concluded that if there is a statistically acceptable fit between the model predicted by the literature study (measurement model), and the statistical model (theoretical model), then it can be concluded that:

The Change model (figure 3.3) is a valid and reliable representation of a new paradigm of workforce diversity, and

The factors of workforce diversity in South Africa can be extracted from the statistical or theoretical South African model of workforce diversity.

In figure 4.1 the path is presented in the context of the second order and first orders change processes. Path Analysis analyses correlation's that yields empirical estimates of effects in a hypothetical causal system.

The steps followed in the structural equations analysis are part of the research design. These steps and the findings of each step represent the process followed to arrive at a structural equations model that meets the requirements of most of the fit-criteria for a model. From such a model the true factors can be extracted.

The final model is reported in chapter 5. The factors determined in the research process are then reported in chapter 5 as change factors of workforce diversity.

Step 1

An SAS Programme (PROC CALIS) was prepared to *estimate the initial theoretical model* as follows:

- (i) Patterns and initial values are determined by determining the number of endogenous and exogenous variables, manifest and latent. The programme uses the method of maximum likelihood estimation for:

- (c) The chi-square/df ratio should be less than 3.
- (a) The maximum likelihood (ML) function, and the estimated covariance matrix of estimators. This matrix has ML estimators appearing on the diagonal (endogenous variables) and estimated covariance's between pairs of estimators appearing off the diagramme (exogenous variables).
 - (ii) The initial variable equations are set and the variances of the exogenous variables determined.
 - (iii) The initial covariances of all factors are determined.
 - (iv) Covariance analysis to determine initial maximum likelihood's and predict.

A model matrix. Goodness of Fit indices are produced for the initial theoretical model.

The data of the results of (i) – (iv) are contained in a computer report of 213 pages and is available on request.

Assessment of theoretical models

Goodness of fit indices for the theoretical model are measures of how good the fit is between the data produced by the statistical estimation and the actual model derived from theory (figure 3.3:156). The model consists of a normal portion and a structural portion. The variables of the normal portion are referred to as exogenous variables. The goodness of fit indices for these variables are direct. The variables of the structural portion of the model are referred to as endogenous variables. The goodness of fit indices for these variables are relative.

When assessing a theoretical model in terms of the acceptability (idealness) of its fit to the measurement model, the following criteria have to be met.

The p value for the model chi-square test should be non-significant (should be greater than 0.05); the closer to 1.00, the better.

- (b) A chi-square difference test should reveal no significant difference between the theoretical model and the measurement model (also others). The observed chi-square difference should be less than the critical value, meaning that there is no significant difference in the fit provided by the two models.

- (c) The chi-square/df ratio should be less than 2.
- (d) The comparative fit index (CFI) and the non-normed fit index (NNFI) should both exceed 0.9; the closer to 1.00, the better.
- (e) The absolute value of the t-statistics for each factor loading and path coefficient should exceed 1.96, and the standard factor loading should be non-trivial in size (i.e., absolute values should exceed 0.05).
- (f) The Root-squared values for the latent endogenous variables should be relatively large, compared to what typically is obtained in research with these variables.
- (g) The distribution of normalized residuals should be symmetrical and centred on zero, and relatively few (or no) normalized residuals should exceed 2.0 in absolute value.

The combined models should demonstrate relatively high levels of parsimony and fit, as evidenced by the parsimony ratio (PR) and the parsimonious normed-fit index (PNFI). Parsimony is the measure of how carefully predictors of the organization form have been chosen. A few predictors will create a small ML model. A small ML model can have relatively high parsimony.

The structural portion of the model should demonstrate relatively high levels of parsimony and fit, as evidenced by the relative normed-fit index (RNFI), the relative parsimony ratio (RPR), and the relative parsimonious-fit index (RPFI).

Findings regarding the estimation of the initial theoretical model

Table 4.1 below presents the goodness of fit indices for the result of step 1 followed by a discussion of the combined and structural portions.

Table 4.1 Goodness of fit indices for the initial theoretical model (measurement model)

Fit Criterion	8.0694
Goodness of fit index (GFI)	0.7914
GFI adjusted for degrees of freedom (AGFI)	0.7776
Root mean square residual (RMR)	01244
Parsimonious GFI (Mulaik, 1989)	0.7649
CHI-SQUARE DF = 2073	4793-2070
NUL MODEL CHI-SQUARE DF = 2145	15818.8790
Probability of close fit	0.9983
ECVI ESTIMATE	8.9545
Bentler's comparative fit index	0.8011
Normal theory reweighted chi-square	5165-3635
Akaike's information criterion	647.2070
Bozdogan's (1987) CAIC	-10523.281
Schwartz's Bayesian criterion	-8450.2808
McDonald's (1989) centrality	0.1017
Bentler & Bonett's (1980) Non-normed index	0.7942
Bentler & Bonett's (1980) NFI	0.6970
James, Mulaik & Brett (1982) Parsimonious NFI	0.6736
Z-test of Wilson & Hilferty (1931)	31.1430
Bollen (1986) Non-Normed index RHOI	0.6865
Bollen (1988) Non-Normed index Delta 2	0.8021

The Combined model:

The comparative fit index = 0,8011; The NNFI = 0,7942; The goodness of fit index = 0,7914
The parsimonious GFI = 0,7649
The parsimonious norm-fit index = 0,6736

Structural portion of the model

The relative non-normed fit index = 0,6865. In the light of the PNFI it would be seen as though problems with fit may be in the structural part of the model.

Probability of dose fit = 0,9983.

Conclusions

The fit of the data resulting from the confirmatory factor analysis (initial statistical theoretical model) with the predicted theoretical model (fig 3.3:) is not ideal or close. (The probability of close fit = 0,9983). For the purpose of this research, the fit shall be deemed acceptable to good, if the probability to a close fit = 1,000, and the fit and parsimony of the structural part can be improved.

This model is therefore unacceptable. Anderson and Gerbing (1988) provide a decision-tree framework for a series of chi-square difference tests between pairs of these four models. The procedure results in the acceptance of a model that does not significantly differ from the measurement model, while at the same time is as parsimonious as possible. If none of the preceding models meets these criteria, the framework guides one through additional modifications (e.g. relaxing additional constraints) until an acceptable model is found. The authors point out that their approach shifts from being confirmatory to being increasingly exploratory as more modifications are made.

Following is a framework advanced by Anderson and Gerbing for modifying the initial model.

Carefully describe the limitations of the study

The sample is just about adequate ($n = 400$), and it has been established that data-driven modifications are particularly risky in small samples. (New Culture, Roznowski & Nicosia, 1992).

A Decision-Tree Framework for Modifying the initial theoretical Model to produce a measurement model

As complex as the concept of model modification has been so far, it becomes even more complex when the model to be modified is a theoretical model. In many cases, this task can be made easier by following a structured approach to model modification described by Anderson and Gerbing (1988). Some basic concepts are reviewed.

Essentially, the procedure involves performing a series of chi-square difference tests for four casual models:

M_t , the initial theoretical model

M_m , the measurement model

M_c , a constrained model

M_u , an unconstrained model

Three of these models have already been discussed: M_t , or the initial theoretical model, M_c , the constrained model, and M_m , the measurement model.

M_c is a *constrained model*. M_c is a constrained version of M_t , in the sense that one or more of the parameters (e.g., casual paths) in M_t is fixed at zero in M_c . Theoretical considerations determine which parameters should be fixed at zero. The fourth model is M_u , an *unconstrained model*. M_u is an unconstrained version of M_t , in that one or more parameters in M_t are freed to be estimated in M_u . Kleinbaum (1998) warns against the dangers of data-driven model modification when doing path analysis with manifest and latent variable models. He makes 5 recommendations.

Make few modifications.

Make only changes that can be meaningfully interpreted.

Follow a parallel specification search procedure.

Compare alternative a priori models.

Carefully describe the limitations of the study.

The sample is just about adequate ($N = 608$), and it has been established that data-driven modifications are particularly risky in small samples (MacCallum, Roznowski, & Necowitz, 1992).

Step 2

In this step a PRO CALIS programme was created to estimate the revised constrained model *The procedure is outlined in appendix 8*

Following in table 4.2 below are the results of the modification followed by a discussion on the combined and structural parts of the model

Table 4.2. Goodness of fit indices for the first modified initial theoretical model

Fit Function	6.6683
Goodness of fit index (GFI)	0.7968
GFI adjusted for degrees of freedom (AGFI)	0.7836
Root mean square residual (RMR)	0.0590
Parsimonious GFI (Mulaik, 1989)	0.7740
Chi-Square	3960.9560
Chi-Square DF	1662
Pr > Chi-Square	<.0001
Independence Model Chi-Square	14232
Independence Model Chi-Square DF	1711
RMSEA Estimate	0.0483
RMSEA 90% Lower Confidence Limit	0.0463
RMSEA 90% Upper confidence Limit	0.0502
ECVI Estimate	7.0728
ECVI 90% Lower Confidence Limit	6.7581
ECVI 90% Upper Confidence Limit	7.4019
Probability of Close Fit	0.9308
Bentler's Comparative Fit index	0.8164
Normal Theory Reweighted LS Chi-Square	4467.3167
Akaike's Information Criterion	636.9560
Bozdogan's (1987) CAIC	-8318.8330
Schwarz's Bayesian Criterion	-6656.8330
McDonald's (1989) Centrality	0.1449
Bentler & Bonett's (1980) Non-normed Index	0.8110
Bentler & Bonett's (1980) NFI	0.7217
James, Mulaik, & Brett (1982) Parsimonious NFI	0.7010
Z-Test of Wilson & Hilferty (1931)	29.0470
Bollen (1986) Normed Index Rhol	0.7135
Bollen (1988) Non-normed Index Delta2	0.8171
Hoelter's (1983) Critical N	265

Table 4.3, Good of fit indices for second modification of the initial theoretical model

Combined portion

Fit criterion: Not met

Goodness of fit index: 0.7968; Comparative fit index: = 0.8164; Parsimonious GF1: = 0.7740; Parsimonious NF1: = 0.7217

Structural Portion

Normed Index RHOI 0.7135; Probability dose fit = 0.9308

There are improvements in the structural portion of the model as well as the required of parsimony & fit (PNF1). However, the fit criterion is not met, and the probability of a close fit worsened. Thus this model is not acceptable.

Second modification of the initial theoretical model

The procedure is outlined in appendix 8:338.

The findings on the modification is shown in table 4.3 and is followed by a discussion of the combined and structural parts of the model.

Table 4.3. Good of fit indices for second modification of the initial theoretical model

Fit Criterion	7.6458
Goodness of fit index (GFI)	0.7969
GFI adjusted for degrees of freedom (AGFI)	0.7823
Root mean square residual (RMR)	0.0571
Parsimonious GFI (Mulaik, 1989)	0.7661
CHI-SQUARE = 4541.6080 DF = 2062	PROB>CH 2**
NUL MODEL CHI-SQUARE: DF = 2145	15818.8790
Probability of close fit	1.0000
ECVI ESTIMATE 8.2113 90%C.I. - 7.8768	8.5605
Bentler's comparative fit index	0.8187
Normal theory reweighted chi-square	5003.5541
Akaike's information criterion	417.5645
Bozdogan's (1987) CAIC	-10693.649
Schwartz's Bayesian criterion	-8631.6491
McDonald's (1989) centrality	0.1245
Bentler & Bonett's (1980) Non-normed index	0.8114
Bentler & Bonett's (1980) NFI	0.7129
James, Mulaik, & Brett (1982) Parsimonious NFI	0.6853
Z-test of Wilson & Hilferty (1931)	29.0135
Bollen (1986) Non-Normed index RHOI	0.7013
Bollen (1988) Non-Normed index Delta 2	0.8198
Hoelter's (1983) Critical N	285

The Combined model

Fit criterion = 7,6458; Goodness of fit index = 0,7969; Comparative fit index = 0,8187; Parsimonious CF1 = 0,7661; Parsimonious NF1 = 0,6853

Structural portion

Non-normed index RHO1B = 0,7013; Probability of close fit = 1,000

Conclusion

This model can be accepted on the grounds of the goodness of fit indices criteria and the probability of close fit that is = 1.000. This model can now serve as the measurement model, Mm.

4.3.5 Appropriateness of the research strategy in terms of the research project

A descriptive study concerns a univariate question or hypothesis about the size, form, distribution or existence of a variable. The research questions require implicitly (i) The determination of the existence of the dimensions (as identified in the second and first-order processes of workforce diversity) and dimension-variables (factors) of workforce diversity. (ii) The test of a hypothesis on the diversity-related organization form that reflects the coherent dimension (status quo of the management of diversity).

The descriptive study is extended to include measurements of association between sections to determine interrelationships. In addition to the above, is the Path analysis, and structural equations analysis to make causal inferences. The causal inferences are made from a structural equation model obtained from a PROC CALIS that processes the data obtain from the descriptive study.

4.3.6 Strengths and weaknesses of the research design

Strengths

The descriptive survey afforded the researcher the capacity to control the design for the optimum precision and unambiguous measurement of the variables of interest.

The choice of the target population was in part based on the reduction or elimination of possible error sources that can result in measurement differences that are not attributable to the respondent.

MBL students are mature or maturing managers for whom a two-weekly study-school at the business school's Midrand campus in Gauteng is compulsory, due to the distance-learning nature of the degree. The sample population is representative of all the geographic provinces of South Africa. Two second-year classes with a total number of 159 students pre-tested the diversity opinion survey during March 1998. The design includes the most appropriate methods of analysis that enhance the internal reliability and validity of results. The capacity to use the output-data of the descriptive part of the study, to infer causal relationships between the sections of the instrument. The use of structural equations analysis to construct a picture of the interrelationships between dimensions and the causal path of the relationships, affords one the ability to estimate the validity of the theoretical model constructed in figure 3.3.

(b) Weaknesses

The design has the capacity for the determination of dimensions as well as dimensions that may be significant. Therefore six dimensions are included in the causal study for the determination of factors. Six latent variables may have a negative impact on goodness of fit data, so that an ideal model is not achieved.

CHAPTER 5 RESULTS

5.1 INTRODUCTION

The results of the statistical analysis are presented under the headings of sections B, C, D, E, F and G. The format of the report was designed to make reading simple and clear, whilst providing the most relevant and important information for answering the research questions.

The information required to draw conclusions with in chapter 6 is as follows:

Section 5.2 provides the information required to answer research question 1.

The results of the hypothesis testing and the findings on the analysis of variance are reported under each section.

Section 5.3 provides the information used to do the structural equations analysis, as well as the structural equation model from which the factors are extracted. It also provides the extracted factors that are required to fit the new change model in chapter 6 as transformational and transactional factors of workforce diversity. Thus, this sub section will be used to answer research questions 2 and 3.

Summaries of the results of the statistical analysis for this report are found in appendix 4

The results on sample statistics in appendix 4 provide information as follows:

A description of the Criterion Group and the reference group based on demographic (DEM) and organisational (ORG) diversity. The descriptions provide information on possible differences and similarities in the means of sections between and within the two groups through the following: (a) the mean, (b) the F-Value and (c) $Pr > F$

5.2 THE DIMENSIONS OF WORKFORCE DIVERSITY

The demographic and organisational diversity is annotated as follows:

DEM (VV7) : Age of the observer. Categories are:

20 - 30 years; 31 - 40 years; 41 years and older

DEM (V8) : Gender of the observer. Categories are:

1 = female; 2 = male

ORG (VV3) : Length of service at present organisation.

Tenure vs. Yuppies (young professionals)

ORG (VV4) : Nature of the industry.

Corporate Commercial vs. Parastatal.

ORG (VV5) : Organisational category of work done by observer

Human resource function (PM) vs. Quantitative function (QF)

ORG (VV6) : Size of the organisation:

Corporate vs. small and medium sized organisations.

ORG (VV10) : Economic sector of the organisation.

Private, public or other.

5.2 THE DIMENSIONS OF WORKFORCE DIVERSITY IN SOUTH AFRICA

5.2.1 The Status quo regarding the management of diversity

Objectives of this section

The main objective of this section is to compare the results to the score-criteria of organization form, so that the organization form of South African organizations as perceived by the managers in the population sample of can be established. The tables of sample statistics appear in appendix 3 (b).

Findings on the sample Statistics

$N = 608$. The actual mean falls in the interval $17.85 \pm .18 = 17.67 - 18.03$.

(i) *The hypothesis*

The hypothesis is that for Section D, the mean is less than 17, i.e. the results would indicate a mono-cultural diversity climate.

As the actual sample mean = 17,85, the hypothesis have to be rejected. However, a monocultural climate is indicated by a sample mean of 11-16, and non-discriminatory by 17-26.

For the purposes of this research, the sample mean can be viewed as reflective of a mono-cultural organization form.

(ii) *Statistical differences in the mean within and between Criterion and Reference Groups based on demographic an rganizational diversity*

There is a significant difference within the reference group between varying age groups on Section D. The reference group was drawn from the University of Pretoria. In the results of the study of diversity at the University of Pretoria it was seen that 48% of higher-level management (HLM), thought that the university was in he non-discriminatory phase. It may be the case that in this study, older members of the

reference group share the same historical background as the higher-level management group in the pilot-study, contributing to the mean of 18.34, which is higher than the criterion group mean of 17.07.

There is no significant difference within the reference group between tenure and yuppies on Section D. One can thus conclude that there is no significant difference between variations in age and tenure.

There is no significant difference within and between groups, between Corporate Commercial and Parastatal.

There is no significant difference within and between groups, between Human Resource and Quantitative functions on Section D.

There is no significant difference within and between groups, between Corporate and SMMES on Section D.

There is no significant difference within and between groups, between private, public and others on Section D.

5.2.2 Extent of organizational change

Objectives of this section

To help an organization assess how open it is to change.

To identify places where an organization or groups are not open.

To determine what, if anything, needs to be done to make the culture of the organization more open.

Sample Statistics

$N = 608$. Sample mean = $41,39 \pm .40 = 40.99 - 41.79$

(i) *The hypothesis*

The hypothesis is that for Section C, the mean is less than 39, i.e. change should be implemented quicker. As the actual sample mean = 41,38, the hypothesis is rejected.

The organisations understand that change is a reality; and are open to change, but has

not fully embraced it, nor is it harnessing changes to make it work for the organisation.

The organisations understand that change is a reality; and are open to change, but has not fully embraced it, nor is it harnessing changes to make it work for the organisation.

It would seem that the variances in age and membership of private and public organizations are the sources of differences. The stereotypes developed by older people tend to be hardest to change. One of the hardest gaps to bridge is not one of culture or race, but one of age (Gardenswartz and Rowe, 1993:387).

Statistical differences in the mean within and between Criterion and Reference groups based on demographic and organizational diversity

There are significant differences between observers varying in age in the reference group on change. As in section D, it is likely that the older observers view current adaptations to change more positively, because of their historical background. If this assumption is true, then they may also represent higher management levels in their organizations. Their organization's culture will then be more permeable to change (Gardenswartz and Rowe: 232).

There are no significant differences between males and females in both groups, as well as between groups on change. There are significant differences within and between the two groups belonging to Corporate Commercial and Parastatal organisations on change. Parastatal organizations are situated mainly in Pretoria, and it is assumed that this population consists mainly of older observers. As with varying age, one can then expect these differences. The differences in the corporate section may be explained by migration of older people from parastatal organizations to corporate organizations as a result of affirmative action and assisted retirements.

There are no significant differences within and between groups in Human Resource or Quantitative functions on change.

There is a significant difference within the criterion group between corporate and SMMES on change. Small and medium-sized companies adapt quicker to change. This fact, together with the presence of more older people in corporate organizations, can explain the differences.

There are significant differences within and between groups, between private, public and other organisations on change. These differences can be explained in the same way as was done for corporate and parastatal organization.

5.2.3 How much is diversity valued in your organization

Objectives of this research

- (i) To assess attitudes about openness toward diversity.
- (ii) To identify possible sources of resistance to diversity.
- (iii) To uncover personal prejudices and feelings about diversity.

Sample Statistics

N = 608. Sample mean = 21,20 (F2); +- .14 = 20.06 – 21.34; 27,89 (F1), +- .17 = 27.72 – 28.06

(i) *Hypothesis*

Managers will perceive organizations to have a more mono-cultural view to workforce diversity.

Multicultural view:	8.2 / 612 (25%)
Mono-cultural view:	<u>-23.7 / 612 (75%)</u>
Aggregate: is diversity not valued	<u>-15.5 (50%)</u>

Thus, the hypothesis cannot be rejected. However, the mono-cultural items have a very high score, nearly three time as much as the score of the multicultural items. Thus, the view that workforce diversity is not being valued is very strong.

(ii) *Statistical differences in the mean between Criterion and Reference groups based on demographic and organizational differences*

There are no significant differences between the criterion and reference group with regard to any demographic or organisational characteristics on Section F1, which is the section that represents monocultural views. This is a very significant finding. It means that all observers perceive organizations in South Africa not to value diversity, and that this perception is quite strong.

There is a significant difference within the criterion group between the means of males and females on Section F2, which represents multicultural views on the valuing of workforce diversity. There is a significant difference within the criterion group between the means of tenure and yuppies on Section F2. The results till thus far have shown that older people may view organizations as being more multicultural than viewed by younger people.

There is a significant difference within the reference group between Corporate and SMME's on Section F2. The results till thus far point to the possibility that corporate organizations, due to its size, may have more older people, who may have a more multicultural view than younger people.

There is a significant difference within the reference group between Corporate and SMME's on Section F2. The results till thus far point to the possibility that corporate organizations, due to its size, may have more older people, who may have a more multicultural view than younger people.

Scoring:

The even-numbered items are opinions that represent a more mono-cultural view and resistance to diversity. The higher the total for these items, the stronger this view is held.

The odd-numbered items are opinions that represent a more multicultural view and a valuing of diversity. The higher the total of these items, the stronger this view is held.

An overall score for comparison purposes can be obtained by subtracting the odd

score from the even score. The result may be a positive or negative number. The higher the number on a positive scale, the greater the acceptance and receptivity to diversity.

Monocultural items (V62; V64) will have a positive correlation with mono-cultural items on D options “1” and with low scores on Section C and options “1” and “2” on Section B.

Multicultural items (V63; V65) will have a positive correlation with multicultural Items D3, and high scores on Section C and options “4” and “5” on Section B.

5.2.4 How is diversity managed in your organization?

Objectives of this section

Gardenswartz and Rowe (1993:270), state that the objectives of this section are the following:

To assess three levels of an organization’s effectiveness in managing a diverse workforce: individual beliefs and attitudes, organizational values and norms, and management practices and procedures.

To increase awareness and knowledge about aspects of managing workforce diversity.

To target areas of needed development.

Sample statistics

N = 608. Sample mean = 32,79 +- .30 = 32.49 – 33.09

(i) The hypothesis

The hypothesis is that aggregate will show that organisations emphasise organisation values and norms (OVN) and management practices and policies (MPP) and that they de-emphasise individual attitudes and beliefs (IAB).

The way, in which diversity is actually managed, as perceived by the observers, add up as following:

Individual attitudes and beliefs:	0.00
Organizational values and norms	16.30
Management practices and procedures:	17.44
Total aggregate score:	33.74

The actual results show that the hypothesis is true and cannot be rejected.

(ii) *Statistical differences in the mean between -Criterion and Reference Group based on demographic and organizational diversity*

There is a significant difference within the reference group between the means of different age groups on Section G.

There is a significant difference within the reference group between the means of tenure and yuppies on Section G.

There is a significant difference within the criterion group between Corporate Commercial and Parastatal on Section G.

Out of possible 56 points, the score of 33.74 indicates that organizations are 60.3% effective in managing workforce diversity.

Organizational values and norms contribute to $16.3/22 = 73\%$ of how workforce diversity is managed.

Management practices and procedures contribute to $17.44/22 = 88\%$ of how workforce diversity is managed.

5.2.5 Extent of diversity-related problems

Objectives of this section

Gardenswartz and Rowe (1993:273), state that the objectives of this section is:

- (i) To identify diversity-related problems within the organization.
- (ii) To raise awareness and spark discussion about such issues.
- (iii) To provide a jumping-off point for taking action to deal with diversity-related problems.

Sample statistics

$N = 608$, Mean = 45.10 \pm 0.46 = 44.64 – 45.56

(i) *Hypothesis*

The hypothesis is that for the Section B, the mean is less than 37, i.e., it has in the context of this section, a negative diversity climate.

As the actual sample mean = 45,10, it can be concluded that the diversity climate is neutral, i.e., it is neither negative nor positive.

(ii) *Statistical differences in the mean between Criterion and Reference groups based on demographic and organizational diversity*

There is no statistical difference between any males and females on the extent of diversity related problems.

There are no statistical differences between any observers of any age group.

There are significant differences Corporate Commercial and Parastatal.

There is no significant difference between PM-function and QF. There is a significant difference within the criterion group on Corporate and SMME. There is a significant difference within the reference group on Private, Public, Other.

5.3 RESULTS OF THE DETERMINATION OF THE FACTORS OF WORKFORCE DIVERSITY

5.3.1 Results of the association between sections

5.3.1.1 Introduction

The results on the associations between sections, are associations between latent variables, and will be used in covariance analysis to determine the factors (manifest) of workforce diversity.

Figure 5.3.1 The interdependence between the sections of the diversity opinion questionnaire

	Sorted rotated combined group
D Status quo re management of diversity in your organisation.	0.858
G How is diversity managed in your organisation.	0.828
C Extent of organisational change	0,743
B Extent of diversity-related problems	0,565
F1 (multicultural views) How much is diversity valued in your organisation.	-0,446
F2 (mono-cultural views) How much is diversity valued in your organisation	0,251

It is important not to ignore the factor loading of F2, the monocultural view of valuing diversity or the resistance to diversity. Reasons for this will be discussed in chapter 6.

The interrelationships between sections

There are no significant differences in the validity of the associations between sections or dimensions.

Differences between criterion and reference groups on extent of association of sections

There are significant differences between the criterion and reference group on the association between mono-cultural (F 2) and multicultural (F1) statements on the valuing of workforce diversity.

Extent of association of sections based on demographic and organizational diversity.

Association : based on demographic attributes Gender

(V8):

There are significant differences within the reference group on the association of multicultural statements on the valuing of diversity, with openness to change.

There are also differences within the reference group on the association of multicultural statements on the valuing of diversity with how diversity is managed.

Age (VV7):

There are differences within the reference group on the association of mono-cultural statements with multicultural statements on the valuing of diversity.

Association based on organisational attributes

Tenure (VV3):

There are differences within the reference group on the association of mono-cultural statements with multicultural statements on the valuing of diversity.

Nature of business (VV4):

There are differences within the reference group on the association of mono-cultural statements with multicultural statements on the valuing of diversity.

Career category (H.R. function vs. quantitative function) (VV5):

There are differences within the reference group on the association of mono-cultural statements with multicultural statements on the valuing of diversity.

Size of the organization (VV6):

There are differences within the reference group on the association of mono-cultural statements with multicultural statements on the valuing of diversity.

Economic sector of the organization (VV10):

There are differences within the reference group on the association of mono-cultural statements with multicultural statements on the valuing of diversity.

5.3.2 Results of the structural equations analysis

The results of this section have to be combined with that of the factor and item analysis of 5.2.1; 5.2.2; 5.2.3; 5.2.4; and 5.2.5. Structural equations analysis is confirmatory factor analysis in the context of major patterns of inferred causality based on the associations between sections or dimensions of workforce diversity.

The factors determined in the analysis of covariance are selected from the structural equations model that satisfy the minimum criteria for a good fit for a theoretical model. Figure 5.3.2 is the path diagramme or structural equations model model of workforce diversity in South Africa that needs to be assessed for acceptance as an interim or transitional model.

Figure 5.3.2 Path diagramme of the theoretical model of workforce diversity in South Africa

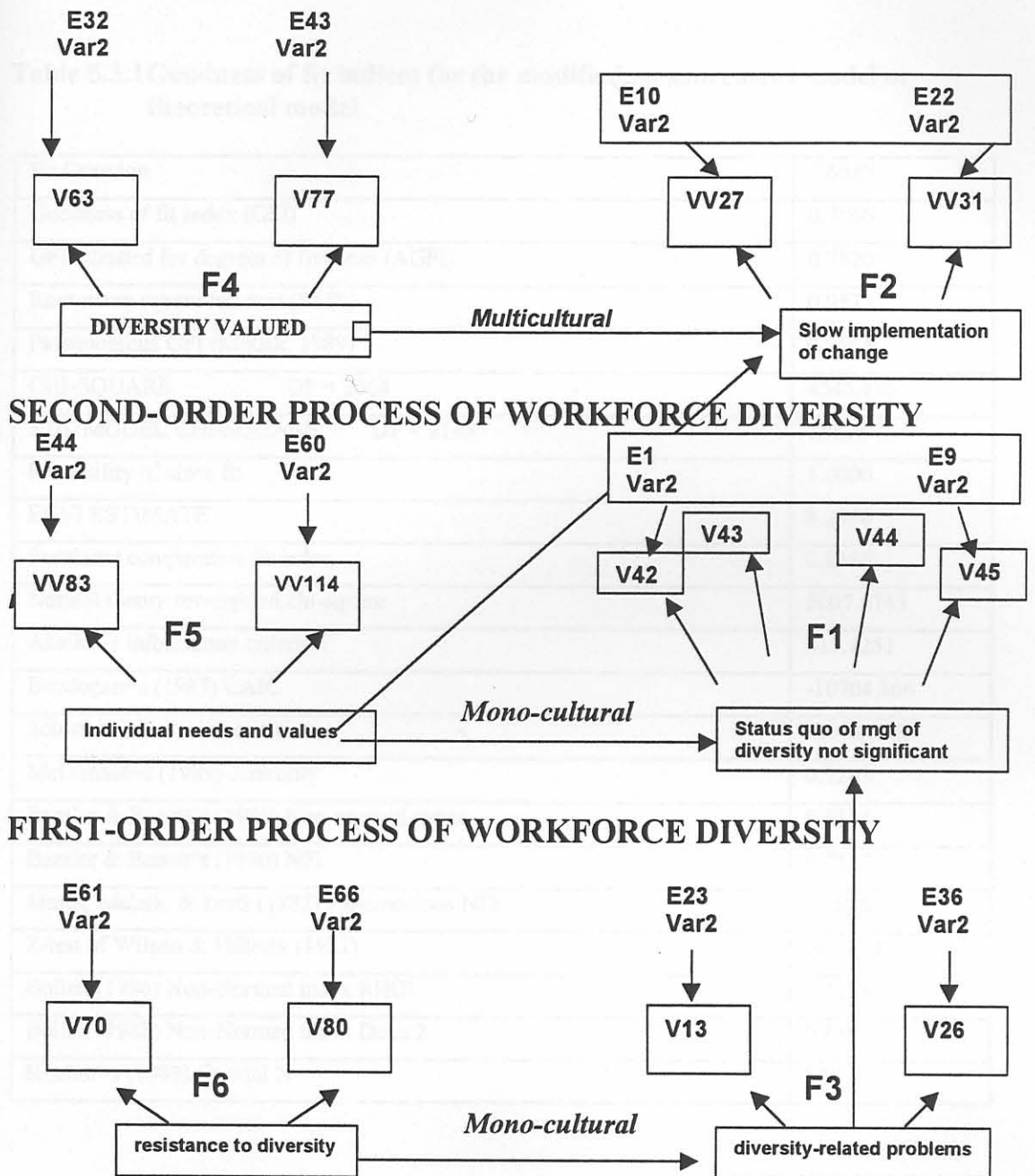


Table 5.3.1 presents the goodness of fit indices of the theoretical model in figure 5.3.2. These indices must be assessed with other characteristics of an ideal fit of the data with the predicted model, as outlined in step1 of the analysis.

Table 5.3.1 Goodness of fit indices for the modified measurement model or theoretical model

Fit Criterion	7.6517
Goodness of fit index (GFI)	0.7965
GFI adjusted for degrees of freedom (AGFI)	0.7820
Root mean square residual (RMR)	0.0572
Parsimonious GFI (Mulaik, 1989)	0.7664
CHI-SQUARE DF = 2064	4545.1251
NUL MODEL CHI-SQUARE: DF = 2145	15819
Probability of close fit	1.0000
ECVI ESTIMATE	8.2096
Bentler=s comparative fit index	0.8186
Normal theory reweighted chi-square	5007.8743
Akaike=s information criterion	417.1251
Bozdogan=s (1987) CAIC	-10704.866
Schwartz's Bayesian criterion	-8640.8656
McDonald=s (1989) centrality	0.1243
Bentler & Bonett's (1980) Non-normed index	0.8114
Bentler & Bonett's (1980) NFI	0.7127
James, Mulaik, & Brett (1982) Parsimonious NFI	0.6858
Z-test of Wilson & Hilferty (1931)	29.0194
Bollen (1986) Non-Normed index RHOI	0.7014
Bollen (1988) Non-Normed index Delta 2	0.8196
Hoelter=s (1983) Critical N	285

Extent to which criteria for determining the factors of workforce

Diversity is met

The tests show that the theoretical model provides a fit that is acceptable. Following are notes on the extent to which the fit-criteria are met.

The p value for the model chi-square test is $> .05$

(ii) *The Chi-square difference test:*

$$M_t - M_m = 4545 - 4541 = 4.$$

The chi-square difference value for this comparison is 4, which is quite close to the value that was predicted by the LaGrange multiplier test. The degrees of freedom for the test are equal to the difference between the degrees of freedom for the two models, i.e., $2064 - 2062 = 2$.

The critical value of chi-square with 2 degrees of freedom ($p < .001$) is 13.82. The observed chi-square difference value of 4 is less than this critical value, meaning that there is no significant difference in the fit provided by the two models.

(iii) The chi-square/df ratio should be less than 2

$$\text{The chi-square/df ratio} = 2.$$

(iv) The CFI and the NNFI should both exceed 0.9; the closer to 1.00, the better. The CFI = 0.82, and the NNFI = 0.82.

The absolute value of the t-statistics for each factor loading and path

coefficient exceed 1.96, and the standard factor loadings are non-trivial in size (i.e., absolute values should exceed 0.05).

(vi) The Root-squared values for the latent endogenous variables should be moderately large, compared to what typically is obtained in research with these variables.

The distribution of normalized residuals is symmetric and centred on zero. 48

[12(4)] normalized residuals exceed 2.0 in absolute value.

(viii) The combined models demonstrate very acceptable levels of

Parsimonious GFI and PNFI = 0.72

The structural portion of the model should demonstrate relatively high levels of parsimony and fit, as evidenced by the RNFI, the RPR, and the RPF1.

The structural portion demonstrate moderate levels of parsimony and fit = 0.70.

The ideal is very often not attained with real world data (Anderson and Gerbing, 1989).

Following now is the third stage of the operationalization of the new paradigm of workforce diversity:

Provision of an intermediary scale for the determination of variables of workforce diversity in South Africa.

5.3.3 The factors of workforce diversity in South Africa

Status quo regarding the management of diversity

- | | |
|-----|---|
| V43 | Newcomers are expected to adapt to existing norms, or
There is some flexibility to accommodate the needs of diverse staff, or
Norms are flexible enough to accommodate everyone. |
| V44 | Diversity is an issue that stirs irritation and resentment, or
Attention is paid to meeting equal employment opportunity guidelines, or
Working towards a diverse staff is seen as a strategic advantage. |
| V45 | Dealing with diversity is not a top priority, or
Dealing with diversity is the responsibility of the personnel department, or
Dealing with diversity is considered part of every manager's job. |
| V46 | People downplay or ignore differences among employees, or
People tolerate differences and the needs they imply, or
People value differences and want to see diversity cultivated. |
| V50 | Managers are held accountable for:
Maintaining a stable staff and maintaining existing norms, or
Meeting affirmative action goals and identifying promotable talent, or
Building productive work-teams with a diverse staff. |
| V51 | In our company it is an advantage:
To be a white male, or
Learning to be the old guard, or
To be unique and find new ways of doing things. |

- | | |
|-----|---|
| V47 | There is diversity in staff at lower levels, or
There is diversity among staff at lower and middle management levels, or
There is diversity among staff at all levels. |
| V42 | Family and parenting problems like day-care and care of aged relatives are treated as women's problems, or
There are flexible systems to accommodate the needs of diverse staff, or
Many options are available to support staff with children and dependants. |

Extent of openness to change

- | | |
|------|---|
| VV27 | Change is viewed as a challenge and opportunity |
| VV28 | Policies are reviewed annually |
| VV29 | Rewards are handed out to suit the preference of the person rewarded |
| VV30 | There is an openness to suggestions from all people in the company |
| VV31 | Our strategic plan is revised as needed |
| VV32 | "We have always done it this way", is a reflection of how our company responds to new ideas |
| VV33 | When problems emerge, there is a willingness to fix them |
| VV34 | Our training and services reflect awareness of a diverse customer base |
| VV35 | My supervisor values new ideas and implements them quickly |
| VV36 | Performance evaluation here measures staffs adaptation to change |
| VV37 | Our top managers are visionary and approachable |
| VV38 | We can bring about changes very easily |
| VV40 | People at all levels can build or refine structures |

How much is diversity valued in your organization

- | | |
|------|---|
| V63 | Diversity brings creativity and energy to a workgroup |
| V65 | Multicultural teams can be stimulating and productive |
| V68 | Diversity only brings unnecessary conflict and problems in a workgroup |
| V67 | Showing flexibility to people's individual needs increases commitment and motivation of employees. |
| V71 | People are motivated and productive when they feel they are accepted for who they are. |
| V74 | Minority groups tend to stick together. |
| VV73 | Stereotypes exist about minority groups. |
| VV75 | Differences often make people feel uncomfortable |
| V80 | People are reluctant to disagree with minority group employees for fear of being called prejudiced. |
| V72 | Women and minorities are over-sensitive to prejudice and discrimination. |
| VV64 | Minority group members should be expected to forsake their own cultures and adapt to our ways. |
| V77 | There should be no double standards – the rules should be the same for everyone. |

How is diversity managed in your organization

- | | |
|-------|--|
| VV113 | Top management backs up its value of diversity with action.
(Organization values and norms) |
| VV114 | Managers have effective strategies to use when one group refuses to work with another.
(Management practices and procedures) |
| VV104 | Policies are flexible enough to accommodate everyone.
(Organizational values and norms) |
| VV91 | Managers are flexible with structure benefits and rules that work for everyone.
(Management practices and procedures) |
| VV111 | Managers effectively use problem-solving skills to deal with language differences and other cultural clashes.
(Management practices and procedures) |
| VV108 | Multicultural work teams exist and are working harmoniously.
(Management practices and procedures) |
| VV110 | Resources are spent on diversity development
(Organizational values and norms) |
| VV84 | Managers have a track record of firing and promoting diverse staff.
(Management practices and procedures) |

CHAPTER 6 CONCLUSIONS AND RECOMMENDATIONS

VV87	Managers hold all people equally accountable. (Management practices and procedures)
VV105	Managers get active participation from all staff in meetings. (Management practices and procedures)
VV102	Managers give feedback and evaluate performance so staff does not lose face. (Management practices and procedures)
VV97	Members of minority groups feel that they belong. (Organizational values and norms)
VV94	There is a mentoring programme that identifies and prepares people of diverse backgrounds for promotion. (Organizational values and norms)
VV93	There is a mentoring programme that identifies and prepares women for promotion. (Organizational values and norms)
VV83	There is diverse staff at all levels. (Organizational values and norms)
VV95	Appreciation of differences can be seen in the rewards managers give. (Organizational values and norms)
VV98	One criterion of a manager's performance is developing the diversity of his/her staff. (Management processes and procedures)

Extent of diversity-related problems

V19	Lack of social interaction between members of diverse groups
V17	Ethnic, racial or gender slurs or jokes
V13	Complaints about staff speaking other languages at work
V2	Mistakes and productivity problems due to staff not understanding directions
V21	Difficulty in recruiting and retaining members of different groups
V16	Difficulty in communicating due to limited or heavily accented English

CHAPTER 6 CONCLUSIONS AND RECOMMENDATIONS.

6.2 RESEARCH QUESTION 1

6.1 INTRODUCTION

The research questions are answered in the conclusions that follow. The conclusions are reported in the order of the research questions as follows:

Conclusions on the diversity-related organization form. The conclusions answer research question 1.

Conclusions on the factors of workforce diversity. This is achieved by drawing conclusions the results of the structural equations model (197-200). The conclusions answer research question 2.

Conclusions on a Culture-specific or *emic*-model of workforce diversity in South Africa (fig.6.6), and how it differs from the universal or *etic*-model (fig. 3.3:150). The conclusions answer research question 3.

The recommendations include the operationalization of the determined factors to become change-factors of workforce diversity that can be translated to a workforce diversity scale for South Africa. Recommendations on strategies and interventions are brief and directional only, since the scope of this study is the determination of the factors of workforce diversity.

6.2 RESEARCH QUESTION 1

6.2.1 The diversity-related organization form of organizations in South Africa

The results reveal that managers in South Africa view organizations as having a mono-cultural organization form.

This means that the organisations act as though all the employees are the same. There is an expectation to conform to a standard. (for example a white, male model) and success is achieved by following the expectations and norms of this model. Others are expected to assimilate and adopt the dominant style of the organisation [Jackson and Holvino (in Gardenswartz & Rowe, 1993:274)].

The main contributing factor to the organization form in South Africa is the dimension of how diversity is managed in the organization. In the literature study it was assumed to be the status quo regarding the management of diversity (section D), Although section D has the highest factor loading, it is the path in which G is the independent latent variable that provides the most acceptable statistical model under the conditions of the convenience sample.

The extent of diversity-related problems (section B) is on the low end (.565). The status quo of the management of diversity in South Africa is perceived the same by all observers in the population sample, except within the reference group. There is a significant difference between observers with varying age. The reference group was drawn from the University of Pretoria.

In the results of the study of diversity at the University of Pretoria it was seen that 48% of higher-level management (HLM), thought that the university was in the non-discriminatory phase. It may be the case that in this study, older members of the

reference group share the same historical background as the higher-level management group in the pilot-study, contributing to the mean of 18.34, which is higher than the criterion group mean of 17.07. It may be that older members of the reference group view the progress made in the management of diversity more positive than others.

The contextual factors of this dimension contribute to the organization form identified, and can be viewed as transformational and transactional factors that can be identified as follows:

The factors of workforce diversity are those that are found after the combination of the results of the factor and item analysis with the results of the Structural equations analysis.

6.2.2 The extent of change in organizations

The organisations in South Africa understand that change is a reality; and are open to change, but has not fully embraced it, nor is it harnessing changes to make it work for the organisation.

The partial correlation coefficient of the correlation between the extent of change and the status quo regarding the management of workforce diversity in South Africa is 0.605. This can be viewed as a strong correlation, especially in the light of a sizeable variance in the mean of section C (extent of change). It can thus be concluded that the fact that change is not embraced, and not made to work for organizations, contribute to the mono-cultural organization form.

There are significant differences between observers varying in age in the reference group on change. As in section D, it is likely that the older observers view current adaptations to change more positively, because of their historical background. If this assumption is true, then they may also represent higher management levels in their organizations. Their organization's culture will then be more permeable to change (Gardenswartz and Rowe: 232).

There are significant differences within and between the two groups belonging to Corporate Commercial and Parastatal organisations on change. Parastatal organizations are situated mainly in Pretoria, and it is assumed that this population consists mainly of older observers. As with varying age, one can then expect these differences. The differences in the corporate section may be explained by migration of older people from parastatal organizations to corporate organizations as a result of affirmative action and assisted retirements.

There is a significant difference within the criterion group between corporate and small and medium enterprises on change. Small and medium-sized companies adapt quicker to change. This fact, together with the presence of more older people in corporate organizations, can explain the differences.

There are significant differences within and between groups, between private, public and other organisations on change. These differences can be explained in the same way as was done for corporate and parastatal organizations.

It would seem that the variances in age and membership of private and public organizations are the sources of differences in the means. The stereotypes developed by older people tend to be hardest to change. One of the hardest gaps to bridge is not one of culture or race, but one of age (Gardenswartz and Rowe, 1993:387).

There are no significant differences between males and females in both groups, as well as between groups. There are no significant differences within and between groups in Human Resource or Quantitative functions on change. The contextual factors of this dimension can be identified as transformational as well as transactional change factors that contribute to diversity-climate [refer to figure 2.3(a)]

The first key areas of the change-model [in figure 2.3(a)], to study in the context of the results, are the external environment and types of workforce diversity in South Africa (refer to table 2.1), (and the organizational culture of South African organizations (refer to table 2.2).

The second key area of the change model to study in the context of the results, is the impact of the types of workforce diversity and the organization culture on individual and organization performance. In the context of the change-framework (refer to figure 3.3:154), this impact is the resulting diversity climate and the possible consequences its has in interacting workgroups. This leads to the third key area, i.e., leadership.

Leadership in the context of workforce diversity, embraces change and promote the valuing of workforce diversity. These inclinations are evident in the fifth and final key areas, being mission and strategy in terms of institutionalizing openness to change and the valuing of workforce diversity, to the extent that the negative factors of the diversity-climate does not cause diversity-related problems in workgroups.

6.2.3 The valuing of workforce diversity

The results show that managers in South Africa have monocultural views. (resistance to diversity). The aggregate score of the dimension represents the mono-cultural view (value of - 15).

To gain a broader perspective on the valuing of diversity, one should study the correlation coefficients with other latent factors:

The resistance to diversity is prevalent in the specific workgroup areas (area of transactional change) managers are supposed to practice adaptive structuration.

Very little valuing of diversity takes place in the area of transformational change. The results show that the valuing of diversity is not reciprocal, but that resistance is. It can thus be concluded that the resistance by managers to diversity on a daily basis feed into the transformational area to sustain a mono-cultural diversity climate.

Contextual factors of this dimension can be identified as transactional change factors (resistance to diversity) that contribute to diversity-climate [refer to figure 2.3(a):45], whereas it should have been transformational factors (valuing diversity) that determined the climate.

6.2.4 How diversity is managed in the organization

The structural equations (fig. 5.3.2:206) model shows that this dimension primarily determines the mono-cultural organization form in South Africa, and that it leads to diversity related problems that feeds into the area of second order change. The very disturbing observation is that it inhibits the valuing of diversity and openness to change through the organizational culture that it creates.

The organizational culture is pervasively maintained by organizational values and norms, and management practices and procedures. Individual attitudes and behaviour is not recognised, confirming management's resistance to diversity. Assimilation and acculturation is present in organizations. In South Africa it is called the *oreo-effect*, named after the oreo biscuit that is black on the outside and white on the inside.

There is a strong correlation with how diversity is managed in South Africa and its status quo ($G:D = .672$). Thus, how diversity is managed has a strong correlation with the mono-cultural organization form.

The contextual factors identified in this section can be identified as transactional change factors that contribute directly to individual career outcomes and organizational outcomes due to its influence on diversity-related problems [refer to 2.3(b): 46].

The first key areas of study in the context of the results, is the work-unit-climate (diversity-climate), which impacts on task requirements and individual skills and abilities.

This is the first-order impact of workforce diversity at work. The second key area is the structure of workgroups in terms of the complexity of its workforce diversity and individual needs and values. Factors of diversity-climate complete the process of diverse attribute accentuations, so that individuals may now have “modified” knowledge, skills and abilities (new perceptions resulting from in-group/outgroup processes). Workgroups can now be split by individuals within a group having different social identities.

The third key area, consist of management practices, systems, policies and procedures. Managers use these for changing the structures of diversity components through appropriate measures of socialization, deculturation, pluralism and training. By doing this, they can change the cultural fit of the organization culture to what is required by multicultural organizations. This process of adaptive structuration should lead to the development of task and relationship competencies as well as motivation.

6.2.5 The extent of diversity-related problems

Diversity-related problems emerge mainly from how adaptive structuration is done in South African organizations. It has strong correlations with all latent variables, but none with F1 (Valuing diversity).

6.3 RESEARCH QUESTION 2

The determined factors of workforce diversity that have been reported in 5.3.3 can now be expressed as *second-order* (transformational), or *first-order* (transactional) change factors of workforce diversity.

The original number of factors was 114. The number extracted for this exercise is 64

Transformational and Transactional change factors

Let TR = transformational and TA = transactional.

The classification of factors as second or first order is done in the context of whether the factor relates more to leadership issues or more to management issues. Whether its impact is long-term (transformational), or whether it is short-term (transactional). *This is achieved by comparing figures 3.3 (p150) and 5.3.2 (p197).*

Table 6.1 Status quo regarding the management of diversity

V43	Newcomers are expected to adapt to existing norms, or There is some flexibility to accommodate the needs of diverse staff, or Norms are flexible enough to accommodate everyone.
TR	
V44	Diversity is an issue that stirs irritation and resentment, or Attention is paid to meeting equal employment opportunity guidelines, or Working towards a diverse staff is seen as a strategic advantage.
TR	
V45	Dealing with diversity is not a top priority, or Dealing with diversity is the responsibility of the personnel department, or Dealing with diversity is considered part of every manager's job.
TR	
V46	People downplay or ignore differences among employees, or People tolerate differences and the needs they imply, or
TA	People value differences and want to see diversity cultivated.
V50	Managers are held accountable for Maintaining a stable staff and maintaining existing norms, or Meeting affirmative action goals and identifying promotable talent, or
TA	Building productive work-teams with a diverse staff.
V51	In our company it is an advantage To be a white male, or Learning to be the old guard, or
TR	To be unique and find new ways of doing things

V47	There is diversity in staff at lower levels, or There is diversity among staff at lower and middle management levels, or There is diversity among staff at all levels.
TR	
V42	Family and parenting problems like day-care and care of aged relatives are treated as women's problems, or There are flexible systems to accommodate the needs of diverse staff, or Many options are available to support staff with children and dependants.
TA	

Table 6.2 Extent of openness to change

VV27	Change is viewed as a challenge and opportunity
VV28	Policies are reviewed annually
TA	
VV29	Rewards are handed out to suit the preference of the person rewarded
TA	
VV30	There is an openness to suggestions from all people in the company
TR	
VV31	Our strategic plan is revised as needed
TR	
VV32	"We have always done it this way", is a reflection of how our company responds to new ideas
TR	
VV33	When problems emerge, there is a willingness to fix them
TA	
VV34	Our training and services reflect awareness of a diverse customer base
TA	
VV35	My supervisor values new ideas and implements them quickly
TA	
VV36	Performance evaluation here measures staffs adaptation to change
TA	
VV37	Our top managers are visionary and approachable
TR	
VV38	We can bring about changes very easily
TA	
VV40	People at all levels can build or refine structures
TA	

Table 6.3 How much is diversity valued in your organization

V63 TA	Diversity brings creativity and energy to a workgroup
V65 TA	Multicultural teams can be stimulating and productive
V68 TA	Diversity only brings unnecessary conflict and problems in a workgroup.
V67 TA	Showing flexibility to people's individual needs increases commitment and motivation of employees.
V71 TR-TA	People are motivated and productive when they feel they are accepted for whom they are.
V74 TA	Minority groups tend to stick together.
VV73 TR	Stereotypes exist about minority groups.
VV75 TR	Differences often make people feel uncomfortable
V80 TR	People are reluctant to disagree with minority group employees for fear of being called prejudiced.
V72 TR	Women and minorities are over-sensitive to prejudice and discrimination.
VV64 TA	Minority group members should be expected to forsake their own cultures and adapt to our ways.
V77 TA	There should be no double standards – the rules should be the same for everyone.

Table 6.4 How is diversity managed in your organization

VV113 TR	Top management backs up its value of diversity with action. (Organization values and norms)
VV114 TA	Managers have effective strategies to use when one group refuses to work with another. (Management practices and procedures)
VV104 TA	Policies are flexible enough to accommodate everyone. (Organizational values and norms)
VV91 TA	Managers are flexible with structure benefits and rules that work for everyone. (Management practices and procedures)
VV111 TA	Managers effectively use problem-solving skills to deal with language differences and other cultural clashes. (Management practices and procedures)
VV108 TA	Multicultural work teams exist and are working harmoniously. (Management practices and procedures)
VV110 TR	Resources are spent on diversity development (Organizational values and norms)
VV84 TA	Managers have a track record of firing and promoting diverse staff. (Management practices and procedures)
VV87 TA	Managers hold all people equally accountable. (Management practices and procedures)
VV105 TA	Managers get active participation from all staff in meetings. (Management practices and procedures)
VV102 TA	Managers give feedback and evaluate performance so staff do not lose face. (Management practices and procedures)
VV97 TA	Members of minority groups feel that they belong. (Organizational values and norms)
VV94 TA	There is a mentoring programme that identifies and prepares people of diverse backgrounds for promotion. (Organizational values and norms)
VV93 TA	There is a mentoring programme that identifies and prepares women for promotion. (Organizational values and norms)
VV83 TR	There is diverse staff at all levels. (Organizational values and norms)
VV95	Appreciation of differences can be seen in the rewards managers give.

TA	(Organizational values and norms)
VV98	One criterion of a manager's performance is developing the diversity of his/her staff.
TA	(Management processes and procedures)

Table 6.5 **Extent of diversity-related problems**

V19 TA	Lack of social interaction between members of diverse groups
V17 TR	Ethnic, racial or gender slurs or jokes
V13 TR	Complaints about staff speaking other languages at work
V23 TA	Mistakes and productivity problems due to staff not understanding directions
V21 TA	Difficulty in recruiting and retaining members of different groups
V16 TR	Difficulty in communicating due to limited or heavily accented English

The results as outlined in chapter 5 reflect the multi-dimensionality of workforce diversity in South African organizations implied in the topic of this study. The partial correlation coefficients in appendix 7 and the goodness of fit indices (table 5.3.1:207), provide the evidence of the extent of overlapping or association of the relevant dimensions (latent variables) of the diversity, and by implication the multi-dimensionality.

The structural portion of the model demonstrate moderate levels of parsimony and fit, as evidenced by the relative normed index (RHOI = 0.7014) of Bollen (1986) in table 5.3.1. The moderate levels can be ascribed to the high number of latent variables entered in the PROC CALIS structural equation analysis.

It is assumed that systematic reduction of the latent variables based on the decision-tree method of Anderson and Gerbing (page 194), and information from a Wald step-

wise multivariate test and LaGrange multiplier test can improve the levels of relative parsimony and fit. The data for these tests are attached in Appendix 8.

It is not within the scope of this study to produce a model with fewer latent variables than the ones used. The purpose is to establish the manifest factors in these latent variables, as all of them really matter at the time of this research. The time period within this research was done, can be viewed as a period of political transition characterised by high levels of affirmative action, increasing the complexity of adaptive structuration in organizations. It is therefore not known how the relevance of any of the latent variables will change over the next ten to twenty years.

The next wave of research will hopefully be based on the findings and conclusions of this study, which, in the context of the unpredictability of the direction of adaptive structuration, limits the scope of this study. Recommendations for the next wave of research is included in 6.6.

6.4 RESEARCH QUESTION 3

The nature of the change model of workforce diversity in South Africa

The Structural equations model shows that a change model for South Africa is driven by transactional change factors. This is evidenced by the ratio of 21:43 of the frequencies of transformational to transactional factors (see table 6.6 below).

Table 6.6 Frequencies of transformational and transactional change factors in South factors

Dimensions or latent factors	Transform. factors	Transact. Factors
Status quo re management of diversity	5	3
Extent of openness to change	5	8
How much diversity is valued	5	8
How diversity is managed	3	14
Extent of diversity-related problems	3	10
TOTAL	21	43

Figure 6.1 shows the change model (figure 3.3:150) that has been revised in the context of the structural equations model. Figure 3.3 has been adapted on the basis of table 6.6, to figure 6.1.

Figure 6.1 A Cultural-specific change-model of workforce diversity in South Africa.

Second-order transformational factors of change <u>DIMENSIONS:</u> <i>Status quo regarding the management of diversity</i> <i>Openness to change.</i> <i>How much diversity is valued</i>			First-order transactional factors of change <u>DIMENSIONS:</u> <i>Openness to change; How much diversity is valued</i> <i>How diversity is managed; Diversity-related problems</i>		
1 Environmental factors	2 Social categorization	3 Diversity-climate	4 Adaptive structuration	5 Organizational outcomes	6 Organization form
Individual level <i>Workforce composition</i> <i>Types of diversity</i> Demographic diversity. Knowledge, skills, abilities Values, beliefs, attitudes Personality, cognition	IDENTITY STRUCTURES	Diversity-related individual attitudes and perceptions, e.g., <i>prejudice, stereotypes.</i>	Tasks Technology <i>Job-structuring</i> Activity mode issues <i>Social category</i> BOUNDARIES.	<u><i>First-level factors.</i></u> Individual career outcomes Attendance Turnover Productivity Work Quality Recruiting success	MONO – CULTURAL
Group level <i>Organizational culture</i> <i>Organizational types of diversity in tasks and relationships.</i> Status in embedded org.	IN-GROUP / OUTGROUP PROCESSES <i>Power relationships</i>	Diversity-related inter-personal attitudes and perceptions, e.g., <i>discrimination, ethnocentricity, cultural differences</i> <i>Inter-group conflict</i> <i>Assimilation</i>	Informal integration through informal networks Activity mode issues Social category differentiation.	Creativity/innovation Problem solving Workgroup-cohesiveness and communication.	NON – DISCRIMINATORY
Organizational level <i>Organizational diversity</i>	<i>Social identities</i>	<i>Acculturation</i> <i>Bias in Human resource systems</i>	<i>Structural integration through division of labour</i> Activity mode issues Social category differentiation.	<u><i>Second level factors</i></u> Market share Profitability Achievement of formal organization goals	MULTICULTURAL – TURAL

6.5 FINAL CONCLUSIONS

The inter-relatedness of the sections (factors of workforce diversity-climate), reveals that workforce diversity in South Africa is multi-dimensional (refer to 3.2.3.3). This multidimensionality has consequences for empirical research.

The easiest research is probably research on unit-dimensional concepts. Statistical methods cope well with these. It becomes more difficult with multi-dimensional concepts, and very difficult if the concept is diversity.

The first major problem is not with methods, but with the multicultural cognitive and opinion diversity of respondents to a questionnaire. In the case of this study, questions and scale are designed to predict one of three dimensions of organization form.

The reality of the matter is that questions on multi-dimensional concepts must predict a multi-dimensional organization form. Such a reality can create a dilemma for a researcher.

The correlation of the dimension “How much is diversity valued in your organization” with other dimensions in this study is very low. The correlation of “The extent of diversity-related problems” with other dimensions is much higher, but still on the low side.

(i) *The very low correlation of section F with other sections*

An observation in this study is that dimensions in which there is very little variance between the mean and the aggregate score, has high correlations for a study like this. For the dimension of the valuing of diversity, the aggregate score differs greatly from the mean, which is caused mainly by the multicultural view.

It is reasonable to look at probable reasons in the area of the concept of valuing diversity, and not in statistical error. Section F has the smallest variance around the

mean, and good construct validity, and there is practically no correlation between mono-cultural and multicultural views.

(a) *Characteristics of the respondents*

All sections have questions that can be restated for the different diversity-climate positions on its scale. A relevant question is whether questions stated for other sections in the mono-cultural and multicultural positions have congruence with valuing diversity questions in the sense of resisting diversity and valuing diversity.

It is reasonable to assume that responses to a question in section F (valuing diversity) could be different to responses in another section that is related (in its meaning) to the valuing of diversity. Even if people do resist diversity, they admit to it less readily in a culture where resistance is strongly discouraged (e.g., South Africa). Resistance can be detected more successfully in projections of it.

(b) *The non-statistical construct validity of valuing diversity in South Africa. Valuing diversity and respect for diversity.*

The variables of F4 (valuing diversity) and F6 (resisting diversity) have the least variance of all sections, yet its correlations are the lowest. It may be possible that *respect/disrespect* for diversity can have greater association with other sections.

6.6 RECOMMENDATIONS

6.6.1 Introduction

The recommendations are directed at a South African workforce that is homogeneous in some socio-economic and political contexts, non-discriminatory in other contexts, and heterogeneous in yet other contexts. Thus, it is a workforce with *relative diversity*.

The African South workforce diversity is diversity in transition, and reflects a society in search of an identity of differences, which may or may not be found. The status quo of such diversity is temporal, as reflected in the coefficients of covariance of the dimension of the status quo of the management of diversity.

6.6.2 Recommendations

6.6.2.1 Further research

It is recommended that further work on workforce diversity in South Africa be done in three phases:

Phase 1

(a) An interim workforce-diversity scale for South African organizations can be used as a diagnostic instrument for further research and consultation purposes. The scale is presented in 6.6.2.2 below.

Organization development interventions that are appropriate in bringing about first and second-order change can be adapted for application in diversity-related organizational behaviour problem areas. Three probable interventions are briefly discussed in 6.6.2.3

(ii) Phase 2

This research must be repeated with unrestricted probability samples, using systematic or stratified sampling techniques. The unrestricted non-probability convenience sample of this study does not provide estimates of precision.

This phase can run concurrently with phase 1.

(iii) Phase 3

Results from phases 1 and 2 can be used to revise the interim- workforce-diversity scale and organization development interventions.

6.6.2.2 An Interim Workforce-diversity scale for South African organizations

The following are the factors that were extracted from the theoretical model (figure 5.3.1). The factors are now presented as factors of the diversity-related team processes of South African organizations, i.e.; they are presented as transformational or transactional factors. The factors retain their dimension-identity.

(i) Transformational factors of workforce diversity

Status quo regarding the management of diversity

V43

New comers are expected to adapt to existing norms, or
There is some flexibility to accommodate the needs of diverse staff, or
Norms are flexible enough to accommodate everyone.

V44

Diversity is an issue that stirs irritation and resentment, or attention is paid to meeting equal employment opportunity guidelines, working towards a diverse staff is seen as a strategic advantage.

V45

Dealing with diversity is not a top priority, or dealing with diversity is the responsibility of the personnel department, or dealing with diversity is considered part of every manager job.

V51

In our company it is an advantage to be a white male, or learning to be the old guard, or to be unique and find new ways of doing things.

V47

There is diversity in staff at lower levels, or there is diversity among staff at lower and middle management levels, or there is diversity among staff at all levels.

Extent of openness to change

VV27

Change is viewed as a challenge and opportunity.

VV30

There is openness to suggestions from all people in the company.

VV31

Our strategic plan is revised as needed

VV32

“We have always done it this way”, is a reflection of how our company responds to new ideas.

VV37

Our top managers are visionary and approachable.

How much is diversity valued in your organization

V71

People are motivated and productive when they feel they are accepted for who they are.

VV73

Stereotypes exist about minority groups.

VV75

Differences often make people feel uncomfortable

V80

People are reluctant to disagree with minority group employees for fear of being called prejudiced.

V72

Women and minorities are over-sensitive to prejudice and discrimination.

How is diversity managed in your organization?

VV113

Top management backs up its value of diversity with action.

VV110

Resources are spent on diversity development.

VV83

There is diverse staff at all levels.

Extent of diversity-related problems

V17

Ethnic, racial or gender slurs or jokes

V13

Complaints about staff speaking other languages at work.

V16

Difficulty in communicating due to limited or heavily accented English

(ii) Transactional factors of workforce diversity

Status quo regarding the management of diversity

V46

People downplay or ignore differences among employees, or people tolerate differences and the needs they imply, or people value differences and want to see diversity cultivated.

V50

Managers are held accountable for maintaining a stable staff and maintaining existing norms, or meeting affirmative action goals and identifying promotable talent or, building productive work-teams with diverse staff.

V42

Family and parenting problems like day-care and care of aged relatives are treated as women's problems, or there are flexible systems to accommodate the needs of diverse staff, or many options are available to support staff with children and dependants. Managers are held accountable for motivating staff to increase productivity, or avoiding equal opportunity and discrimination grievances, or working effectively with a diverse staff.

Extent of openness to change

VV28

Policies are reviewed annually.

VV29

Rewards are handed out to suit the preference of the person rewarded.

VV33

When problems emerge, there is a willingness to fix them.

VV34

Our training and services reflect awareness of a diverse customer base.

VV35

My supervisor values new ideas and implements them quickly.

VV36

Performance evaluation here measures staff's adaptation to change.

VV38

We can bring about changes very easily.

VV40

People at all levels can build or refine structures.

How much is diversity valued in your organization

V63

Diversity brings creativity and energy to a workgroup.

V65

Multicultural teams can be stimulating and productive.

V67

Showing flexibility to people's individual needs increases commitment and motivation of employees.

V71

People are motivated and productive when they feel they are accepted for who they are.

V68

Diversity only brings unnecessary conflict and problems in a workgroup.

V74

Minority groups tend to stick together.

VV64

Minority group members should be expected to forsake their own cultures and adapt to our ways.

V77

There should be no double standards – the rules should be the same for everyone.

How is diversity managed in your organization?

VV114

Managers have effective strategies to use when one group refuses to work with another.

VV104

Policies are flexible enough to accommodate everyone.

VV91

Managers are flexible with structure benefits and rules that work for everyone.

VV111

Managers effectively use problem-solving skills to deal with language differences and other cultural clashes.

VV108

Multicultural work teams exist and are working harmoniously.

VV84

Managers have a track record of firing and promoting diverse staff.

VV87

Managers hold all people equally accountable.

VV105

Managers get active participation from all staff in meetings.

VV102

Managers give feedback and evaluate performance so staff do not lose face.

VV97

Members of minority groups feel that they belong.

VV94

There is a mentoring programme that identifies and prepares people of diverse backgrounds for promotion.

VV93

There is a mentoring programme that identifies and prepares women for promotion.

VV95

Appreciation of differences can be seen in the rewards managers give.

VV98

One criterion of a manager's performance is developing the diversity of his/her staff.

Extent of diversity-related problems

V26

Frustrations resulting from cultural differences.

V24

Exclusion of people who are different from others.

V20

Increase in grievances by members of minority groups

V25

Barriers in promotions for diverse employees

V18

Complaints about discrimination in promotions, pay and performance reviews.

V14

Resistance to working with other groups (ethnic, gender, and physical ability).

V22

Open conflict between groups or individuals from different groups.

V19

Lack of social interaction between members of diverse groups.

V23

Mistakes and productivity problems due to staff not understanding directions.

V21

Difficulty in recruiting and retaining members of different groups.

Workforce-diversity interventions

It is also recommended that organizational development interventions are used or developed that are directed at achieving second-order (transformational), and first-order (transactional changes).

Three major “families” of organizational development interventions can be relevant (French and Bell, 1999:151-153):

- (i) Interventions aimed at understanding and managing individual and group boundaries. (Management processes).

(a) Process Consultation Activities

In this approach an organization gains insight into the human processes in organizations and learns skills in diagnosing and managing them. Primary emphasis is on processes such as communications, leader and member roles in groups, problem solving and decision making, group norms and group growth, leadership and authority, and inter-group co-operation and competition.

(b) *Techno structural or structural activities*

These are activities designed to improve the effectiveness of organizational structures and job-designs. It is the broad class of interventions or change efforts aimed at improving organizational effectiveness through changes in task, structural, and technological subsystems. Included in these activities are job-enrichment, management by objectives, socio-technical systems, collateral organizations, and physical settings interventions.

- (ii) Interventions aimed at transforming the organization (Leadership processes).

Organizational Transformational activities

These are activities that involve large-scale system change - activities designed to fundamentally change the nature of the organization. Almost everything about the organization is changed – structure, management philosophy, reward systems, the design of work, mission, values, and culture. Total quality programmes are transformational; so are programmes to create high performance organizations or high performance work systems.

Systems theory and open systems planning provide the basis for such activities.

The intervention chosen must be adapted to the requirements of the leadership and management processes in figure 2.9:69

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DIVERSITY SURVEY

Adapted from Gardenswartz & Rowe (1993)

APPENDIX 1

This survey is based on international studies on the perceptions of managers of how the management of diversity among employees have evolved in their companies. The aim of the Diversity survey is to establish your perceptions of the present level of diversity management in your company.

THE DIVERSITY OPINION QUESTIONNAIRE

Definition of Diversity: any visible or non-visible factors causing differences between people, e.g. gender, religion, physical disability and characteristics, family situation and status, sexual orientation, class, ethnicity, age, race, marital and status, language, education, profession and lifestyle. To manage diversity means planning and implementing organisational systems and practices that recognise diversity so that the potential advantages are maximised and the potential disadvantages minimised. Managing diversity in an organisation goes beyond affirmative action and equal Employment Opportunity guidelines.

Your participation is highly appreciated. Please complete the survey and return it to the administrator on the specified date. (There are no right or wrong answers.)

DATE: / /

Return to:

Card number:

A. DEMOGRAPHICS

A. How long have you worked for your employer?
(Please tick one box)

Less than 1 year

2 - 5 years

6 - 10 years

More than 10 years

Self-employed

Unemployed

DIVERSITY SURVEY

Adapted from Gardenswartz & Row (1993)

This survey is part of international studies on the perceptions of managers of how the management of diversity among employees have evolved in their companies. The aim of the Diversity survey is to establish your perceptions of the present level of diversity management in your company.

Definition of Diversity: any visible or non-visible factors causing differences between people, e.g. gender, religion, physical disability and characteristics, family situation and status, sexual orientation, class, ethnicity, age, race, hierarchical status, language, education, profession and lifestyle. To *manage diversity* means planning and implementing organisational systems and practices to manage people so that the potential advantages are maximised and the potential disadvantages minimised. Managing diversity in an organisation goes beyond adhering to Affirmative Action and Equal Employment Opportunity guidelines.

Your participation is highly appreciated. Please complete the survey and return it to the administrator on the specified date. (There are no right or wrong answers.)

		OFFICE USE
Respondent number		V1 <input type="text"/> <input type="text"/> <input type="text"/> 1-3
Card number		V2 <input type="text"/> 4
A. DEMOGRAPHICS		
A ₁ How long have you worked for your employers? (Please tick one box)		
Less than 1 year	<input type="checkbox"/>	1
2 - 5 years	<input type="checkbox"/>	2
6 - 10 years	<input type="checkbox"/>	3
More than 10 years	<input type="checkbox"/>	4
Self-employed	<input type="checkbox"/>	5
Unemployed	<input type="checkbox"/>	6
		V3 <input type="text"/> 5

A₂ Which industry describes your employer's main operation?

- Agriculture, forestry, fishing
- Mining
- Manufacturing
- Electricity, gas, water supply
- Construction
- Wholesale trade
- Retail
- Hospitality, cafes and restaurants
- Transport, Storage
- Communications
- Business services, property
- Government administration/ defence
- Education
- Health, community services
- Cultural and recreational services
- Personal services
- Other (Please specify)

	1
	2
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	15
	16

V4 6-7

A₃ In what area do you mainly work?

- Distribution
- Engineering
- Finance/accounting
- General management
- HRM/personnel
- Information systems
- Marketing/sales
- Office administration
- Production/operations
- Purchasing
- Research and development/design
- Training/education
- Other

	1
	2
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	7
	8
	9
	10
	11
	12
	13

V5 8-9

A₄ Approximately how many employees does your company have?

Less than 10	<input type="checkbox"/>	1	V6 <input type="text"/> 10
10 - 50	<input type="checkbox"/>	2	
51 - 100	<input type="checkbox"/>	3	
101 - 500	<input type="checkbox"/>	4	
501 - 1000	<input type="checkbox"/>	5	
1001 - 5000	<input type="checkbox"/>	6	
Over 5000	<input type="checkbox"/>	7	
Don't know	<input type="checkbox"/>	8	

A₅ What is your age group?

Less than 25 years	<input type="checkbox"/>	1	V7 <input type="text"/> 11
25 - 30 years	<input type="checkbox"/>	2	
31 - 40 years	<input type="checkbox"/>	3	
41 - 50 years	<input type="checkbox"/>	4	
51 - 60 years	<input type="checkbox"/>	5	
More than 60 years	<input type="checkbox"/>	6	

A₆ What is your gender?

Female	<input type="checkbox"/>	1	V8 <input type="text"/> 12
Male	<input type="checkbox"/>	2	

A₇ What is your course description? (Please tick one box)

MBL	<input type="checkbox"/>	1	V9 <input type="text"/> 13
Graduate Diploma in Management	<input type="checkbox"/>	2	
Other degree (PhD, DBL, DBA)	<input type="checkbox"/>	3	

A₈ In which sector are you currently employed?

Private sector	<input type="checkbox"/>	1	V10 <input type="text"/> 14
Public sector - department	<input type="checkbox"/>	2	
Public sector - government-business enterprise	<input type="checkbox"/>	3	
Public sector other (school, hospital)	<input type="checkbox"/>	4	
Non-profit organisation	<input type="checkbox"/>	5	

A₉ What is the management level of your current position?

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Chief Executive officer

Manager reporting to CEO

Senior manager

Middle manager

First line supervisor/manager

Other (please specify)....

	1
	2
	3
	4
	5
	6

V11

15

B. EXTEND OF DIVERSITY - RELATED PROBLEMS

Evaluate each of the following statements by ticking the box which best reflects your opinion of the specific statement (Please tick one box for each, if not applicable, write NA in column 5)

OFFICE USE

In our organisation or company these is:		Present everywhere	Present to a certain extent	Neutral	Not really present	Not present at all		
B ¹	Diversity in the staff composition	1	2	3	4	5	V12	16
B ²	Complaints about staff speaking other languages at work	1	2	3	4	5	V13	17
B ³	Resistance to working with other groups (ethnic, gender, physical ability)	1	2	3	4	5	V14	18
B ⁴	Difficulty in communicating due to limited or heavily accented foreign language	1	2	3	4	5	V15	19
B ⁵	Difficulty in communicating due to limited or heavily accented English	1	2	3	4	5	V16	20
B ⁶	Ethnic, racial or gender slurs or jokes	1	2	3	4	5	V17	21
B ⁷	Complaints about discrimination in promotions, pay and performance reviews	1	2	3	4	5	V18	22
B ⁸	Lack of social interaction between members of diverse groups	1	2	3	4	5	V19	23
B ⁹	Increase in grievances by members of minority groups	1	2	3	4	5	V20	24
B ¹⁰	Difficulty in recruiting and retaining members of different groups	1	2	3	4	5	V21	25
B ¹¹	Open donflict between groups or individuals from different groups	1	2	3	4	5	V22	26
B ¹²	Mistakes and productivity problems due to staff not understanding directions	1	2	3	4	5	V23	27
B ¹³	Exclusion of people who are different from others	1	2	3	4	5	V24	28
B ¹⁴	Barriers in promotion for diverse employees	1	2	3	4	5	V25	29
B ¹⁵	Frustrations resulting from cultural differences	1	2	3	4	5	V26	30

C. EXTENT OF ORGANISATIONAL CHANGE?

Evaluate each of the following statements by ticking the box which best reflects your opinion on the specific statement (Please tick one box for each, of Not Applicable, write NA in column 5)

OFFICE USE

In our organisation or company:		Almost always	Often to a large extent	Neutral	Seldom	Almost never			
C ¹	Change is viewed as a challenge and opportunity	1	2	3	4	5	V27		31
C ²	Policies are reviewed annually	1	2	3	4	5	V28		32
C ³	Rewards are handed out to suit the preference of the person rewarded	1	2	3	4	5	V29		33
C ⁴	There is an openness to suggestions from all people in the company	1	2	3	4	5	V30		34
C ⁵	Our strategic plan is revised as needed	1	2	3	4	5	V31		35
C ⁶	"We have always done it this way" is a reflection of how our company responds to new ideas	1	2	3	4	5	V32		36
C ⁷	When problems emerge, there is a willingness to fix them	1	2	3	4	5	V33		37
C ⁸	Our training and services reflect awareness of a diverse customer base	1	2	3	4	5	V34		38
C ⁹	My supervisor values new ideas and implements them quickly	1	2	3	4	5	V35		39
C ¹⁰	Performance evaluation here measures staffs adaptation to change	1	2	3	4	5	V36		40
C ¹¹	Our top managers are visionary and approachable	1	2	3	4	5	V37		41
C ¹²	We can bring about changes very easily	1	2	3	4	5	V38		42
C ¹³	There is little variation in style of dress among staff	1	2	3	4	5	V39		43
C ¹⁴	People at all levels can build or refine structures	1	2	3	4	5	V40		44

D. STATUS QUO AT YOUR COMPANY RE-DIVERSITY MANAGEMENT?

In each set of three possibilities, please select the alternative (1 or 2 or 3) that is true of your company

OFFICE USE

In our company or organisation:

D ¹ There is a standard way to dress and look <i>or</i> There is no dress code but most staff dress within a conventional range <i>or</i> There is much variety in employee's style of dress	1	V41	<input type="checkbox"/>	45
	2			
	3			
D ² Family and parenting problems like day-care and care of aged relatives are treated as women's problems <i>or</i> There are flexible systems to accommodate the needs of diverse staff <i>or</i> Many options are available to support staff with children and dependants	1	V42	<input type="checkbox"/>	46
	2			
	3			
D ³ Newcomers are expected to adapt to existing forms <i>or</i> There is some flexibility to accommodate the needs of diverse staff <i>or</i> Norms are flexible enough to include everyone	1	V43	<input type="checkbox"/>	47
	2			
	3			
D ⁴ Diversity is an issue that stirs irritation and resentment <i>or</i> Attention is paid to meeting equal employment opportunity guidelines <i>or</i> Working towards a diverse staff is seen as a strategic advantage	1	V44	<input type="checkbox"/>	48
	2			
	3			
D ⁵ Dealing with diversity is not a top priority <i>or</i> Dealing with diversity is the responsibility of the Personnel Department <i>or</i> Dealing with diversity is considered part of every manager's job	1	V45	<input type="checkbox"/>	49
	2			
	3			
D ⁶ People downplay or ignore differences among employees <i>or</i> People tolerate differences and the needs they imply <i>or</i> People value differences and want to see diversity cultivated	1	V46	<input type="checkbox"/>	50
	2			
	3			
D ⁷ There is diversity among staff at lower levels <i>or</i> There is diversity among staff at lower and middle levels <i>or</i> There is diversity among staff at all levels	1	V47	<input type="checkbox"/>	51
	2			
	3			
D ⁸ motivating staff to increase productivity <i>or</i> avoiding equal opportunity and discrimination grievances <i>or</i> working effectively with a diverse staff	1	V48	<input type="checkbox"/>	52
	2			
	3			
D ⁹ <i>Managers are held accountable for</i> motivating staff to increase productivity <i>or</i> avoiding equal opportunity and discrimination grievances <i>or</i> working effectively with a diverse staff	1	V49	<input type="checkbox"/>	53
	2			
	3			

OFFICE USE

D ¹⁰ <i>Managers are held accountable for</i> maintaining a stable staff and maintaining existing norms <i>or</i> meeting affirmative action goals and identifying promotable talent <i>or</i> building productive work teams with a diverse staff			
	1	V50	<input type="text"/> 54
	2		
3			
D ¹¹ <i>In our company it is an advantage</i> to be a white male <i>or</i> learning to be like the old guard <i>or</i> to be unique and find new ways of doing things			
	1	V51	<input type="text"/> 55
	2		
3			

E. POTENTIAL ORGANISATIONAL BARRIERS TO DIVERSITY

This list includes potential obstacles that are often found in organisations. Rank the obstacles as they may occur in your company. Use the box to indicate the ranking. the scale is:

Most important obstacle = 1

Least important obstacle = 8

OFFICE USE

OBSTACLES	RANK		
E ¹ Cost of implementation of diversity management system		V52	<input type="text"/> 56
E ² Fear of hiring unskilled, uneducated employees		V53	<input type="text"/> 57
E ³ Strong belief in a system that favours merit		V54	<input type="text"/> 58
E ⁴ Annoyance at reverse discrimination		V55	<input type="text"/> 59
E ⁵ Perception that there is a lot of progress		V56	<input type="text"/> 60
E ⁶ Diversity is not seen as top-priority issue		V57	<input type="text"/> 61
E ⁷ The need to dismantle existing systems to accommodate diversity		V58	<input type="text"/> 62
E ⁸ The size of our company		V59	<input type="text"/> 63

OFFICE USE

Respondent number	V60	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1-3
Card number	V61	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4

F. HOW MUCH IS DIVERSITY VALUED IN YOUR COMPANY?

Evaluate each of the following statements to indicate the extent to which you agree with the statement as it applies to your company (Please tick one box for each)

OFFICE USE

In our organisation or company:		Strongly disagree	Disagree	Neutral	Agree	Strongly agree			
F ¹	Every staff member should be required to speak English	1	2	3	4	5	V62	<input type="checkbox"/>	5
F ²	Diversity brings creativity and energy to a workgroup	1	2	3	4	5	V63	<input type="checkbox"/>	6
F ³	Minority group members should be expected to forsake their own cultures and adapt to our ways	1	2	3	4	5	V64	<input type="checkbox"/>	7
F ⁴	Multi-cultural teams can be stimulating and productive	1	2	3	4	5	V65	<input type="checkbox"/>	8
F ⁵	People should leave their differences at home and conform to company standards at work	1	2	3	4	5	V66	<input type="checkbox"/>	9
F ⁶	Showing flexibility to people's individual needs increase commitment and motivation of employees	1	2	3	4	5	V67	<input type="checkbox"/>	10
F ⁷	Diversity only brings unnecessary conflict and problems in a work group	1	2	3	4	5	V68	<input type="checkbox"/>	11
F ⁸	Women are under-represented at higher levels in the company	1	2	3	4	5	V69	<input type="checkbox"/>	12
F ⁹	People of different ethnic groups are under-represented at higher levels in the company	1	2	3	4	5	V70	<input type="checkbox"/>	13
F ¹⁰	People are motivated and productive when they feel they are accepted for who they are	1	2	3	4	5	V71	<input type="checkbox"/>	14
F ¹¹	Women and minorities are oversensitive to prejudice and discrimination	1	2	3	4	5	V72	<input type="checkbox"/>	15
F ¹²	Stereotypes exist about minority groups	1	2	3	4	5	V73	<input type="checkbox"/>	16
F ¹³	Minority groups tend to stick together	1	2	3	4	5	V74	<input type="checkbox"/>	17
F ¹⁴	Differences often make people feel uncomfortable	1	2	3	4	5	V75	<input type="checkbox"/>	18
F ¹⁵	Some minority groups are more suited for certain jobs	1	2	3	4	5	V76	<input type="checkbox"/>	19

F ¹⁶	There should be no double standards - the rules should be the same for everyone	1	2	3	4	5	V77		20
F ¹⁷	This country would be a better place if people would assimilate into one culture	1	2	3	4	5	V78		21
F ¹⁸	This country would be a better place if people were allowed to preserve their own cultures	1	2	3	4	5	V79		22
F ¹⁹	People are reluctant to disagree with minority group employees for fear of being called prejudiced	1	2	3	4	5	V80		23
F ²⁰	Training is needed to help employees understand each other and overcome communication barriers	1	2	3	4	5	V81		24

G. HOW IS DIVERSITY MANAGED IN YOUR COMPANY?

Evaluate each statement by ticking the box which best reflects your opinion of that statement.

Use the scale: True = 1 Neither true nor untrue = 2 not true = 3

OFFICE USE

In this company or organisation		Very true	Neither true nor untrue	Not true		
G ¹	I am at ease with people of diverse backgrounds	1	2	3	V82	25
G ²	There is diverse staff at all levels	1	2	3	V83	26
G ³	Managers have a track record of hiring and promoting diverse staff	1	2	3	V84	27
G ⁴	In general I find change stimulating, exciting and challenging	1	2	3	V85	28
G ⁵	Gender, ethnic and racial jokes are tolerated in informed groups	1	2	3	V86	29
G ⁶	Managers hold all people equally accountable	1	2	3	V87	30
G ⁷	I know about the cultural norms of different groups	1	2	3	V88	31
G ⁸	The formation of female only groups is encouraged	1	2	3	V89	32
G ⁹	The formation of ethnic groups is encouraged	1	2	3	V90	33
G ¹⁰	Managers are flexible and structure benefits and rules that work for everyone	1	2	3	V91	34
G ¹¹	I am afraid to disagree with members of other groups for fear of being called prejudiced	1	2	3	V92	35
G ¹²	There is a mentoring programme that identifies and prepares women for promotion	1	2	3	V93	36
G ¹³	There is a mentoring programme that identifies and prepares people of diverse backgrounds for promotions	1	2	3	V94	37

OFFICE USE

G ¹⁴	Appreciation of differences can be seen in the rewards managers give	1	2	3	V95		38
G ¹⁵	I feel there is more than one right way of doing things	1	2	3	V96		39
G ¹⁶	Members of minority groups feel that they belong	1	2	3	V97		40
G ¹⁷	One criterion of a manager's performance is developing the diversity of his/her staff	1	2	3	V98		41
G ¹⁸	I think that different points of view create diversity	1	2	3	V99		42
G ¹⁹	There is a high turnover among women	1	2	3	V100		43
G ²⁰	There is a high turnover among people of diverse backgrounds	1	2	3	V101		44
G ²¹	Managers give feedback and evaluate performance so staff do not lose face	1	2	3	V102		45
G ²²	I am aware of my own assumptions and stereotypes	1	2	3	V103		46
G ²³	Policies are flexible enough to accommodate everyone	1	2	3	V104		47
G ²⁴	Managers get active participation from all staff in meetings	1	2	3	V105		48
G ²⁵	There is enough common ground to hold staff together	1	2	3	V106		49
G ²⁶	Speaking a language other than English is frowned upon	1	2	3	V107		50
G ²⁷	Multi-cultural work teams exist and are working harmoniously	1	2	3	V108		51
G ²⁸	Staff spend their lunch hour and breaks in mixed groups	1	2	3	V109		52
G ²⁹	Resources are spent on diversity development	1	2	3	V110		53
G ³⁰	Managers effectively use problem-solving skills to deal with language differences or other culture clashes	1	2	3	V111		54
G ³¹	Working in a diverse group enriches me	1	2	3	V112		55
G ³²	Top management backs up its value on diversity with action	1	2	3	V113		56
G ³³	Managers have effective strategies to use when one group refuses to work with another	1	2	3	V114		57

NAME OF EMPLOYER

APPENDIX 2

Extent of diversity related problems

RESULTS OF FREQUENCY ANALYSIS

COL PCT.	1	2	3	4	5	TOTAL
Criterion	78	123	11	20	9	241
	42.86	39.64	35.71	32.79	56.25	40.10
Reference	104	190	37	41	23	395
	57.14	60.32	64.29	67.24	47.75	60.00
TOTAL	182	315	47	61	32	637
	29.55	51.34	6.83	9.90	5.260	100.00

Factor V13 – Complaints about staff speaking other languages at work

FREQUENCY						TOTAL
COL PCT.	1	2	3	4	5	TOTAL
Criterion	18	55	31	83	59	246
	55.25	31.54	27.39	41.39	44.07	40.00
Reference	14	100	32	119	75	340
	43.75	64.36	32.65	47.51	59.74	44.12
TOTAL	32	154	63	202	134	585
	5.20	26.67	13.33	32.82	21.79	100.00

The purpose of the frequency analysis is to enable the researcher to determine the sample statistics, from which the organization form can be established as required by research question 1.

SECTION B : *Extent of diversity related problems*

Factor V12 – Diversity in the staff composition

FREQUENCY						TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	78	125	15	20	9	247
	42.86	39.68	35.71	32.79	56.25	40.10
Reference	104	190	27	41	7	369
	57.14	60.32	64.29	67.21	43.75	59.90
TOTAL	182	315	47	61	16	616
	29.55	51.14	6.82	9.90	2.60	100.00

Factor V13 – Complaints about staff speaking other languages at work

FREQUENCY						TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	18	55	31	83	59	246
	56.25	33.54	37.35	41.09	44.03	40.00
Reference	14	109	52	119	75	369
	43.75	66.46	62.65	58.91	55.97	60.00
TOTAL	32	164	83	202	134	615
	5.20	26.67	13.50	32.85	21.79	100.00

Factor V14 – Resistance to working with other groups

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	13	60	38	83	53	247
	52.00	37.74	39.58	38.79	43.44	40.10
Reference	12	99	58	131	69	369
	48.00	62.26	60.42	61.21	56.56	59.90
TOTAL	25	159	96	214	122	616
	4.06	25.81	15.58	34.74	19.81	100.00

Factor V15 – Difficulty in communicating due to limited or heavily accented foreign language

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	7	31	30	92	85	245
	70.00	40.79	48.39	40.17	35.86	39.90
Reference	3	45	32	137	152	369
	30.00	59.21	51.61	59.83	64.14	60.10
TOTAL	10	76	62	229	237	614
	1.63	12.38	10.10	37.30	38.60	100.00

Factor V16 – Difficulty in communicating due to limited or heavy accented

English

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	8	43	28	95	71	245
	80.00	44.33	46.67	37.70	36.41	39.90
Reference	2	54	32	157	124	369
	20.00	55.67	53.33	62.30	63.59	60.10
TOTAL	10	97	60	252	195	614
	1.63	15.80	9.77	41.04	31.76	100.00

Factor V17 – Ethnic, racial or gender slurs or jokes

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	14	66	43	88	34	245
	56.00	31.88	49.43	43.14	37.36	39.90
Reference	11	141	44	116	57	369
	44.00	68.12	50.57	56.86	62.64	60.10
TOTAL	25	207	87	204	91	614
	4.07	33.71	14.17	33.22	14.82	100.00

Factor V18 – Complaints about discrimination in promotions, pay and performance reviews

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	54	77	37	49	28	245
	50.06	31.95	43.53	39.20	40.00	39.90
Reference	39	264	48	76	42	369
	41.94	68.05	56.47	60.80	60.00	60.10
TOTAL	95	241	85	125	70	616
	15.15	39.25	13.84	20.36	11.40	100.00

Factor V19 – Lack of social interaction between members of diverse groups

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	54	104	28	43	17	246
	45.00	38.66	34.15	41.75	41.46	40.00
Reference	66	165	54	60	24	369
	55.00	61.34	45.85	58.25	58.54	60.00
TOTAL	120	269	82	103	41	615
	19.51	43.74	13.33	16.75	6.67	100.00

Factor V20 – Increase in grievances by members of minority groups

FREQUENCY						TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	28	61	49	74	33	245
<i>Reference</i>	56.00	38.61	35.25	41.57	37.08	39.90
Reference	22	97	90	104	56	369
<i>TOTAL</i>	44.00	61.39	64.75	58.43	62.92	60.10
TOTAL	50	158	139	178	89	614
	8.14	25.73	22.64	28.99	14.50	100.00

Factor V21 – Difficulty in recruiting and retaining members of different groups

FREQUENCY						TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	37	84	38	54	33	246
<i>Reference</i>	41.57	38.53	37.62	39.71	46.48	40.00
Reference	52	134	63	82	38	369
<i>TOTAL</i>	58.43	61.47	62.38	60.29	53.52	60.00
TOTAL	89	218	101	136	71	615
	14.47	35.45	16.42	22.11	11.54	100.00

Factor V22 – Open conflict between groups or individuals from different groups

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	13	54	35	87	56	245
	68.42	46.96	36.84	36.71	37.84	39.90
Reference	6	61	60	150	92	369
	31.58	53.04	63.16	63.29	62.16	60.10
TOTAL	19	115	95	237	148	614
	3.09	18.73	15.47	38.60	24.10	100.00

Factor V23 – Mistakes and productivity problems due to staff not understanding directions

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	19	85	46	76	20	246
	67.86	37.61	39.32	41.30	33.33	40.00
Reference	9	141	71	108	40	369
	32.14	62.39	60.68	58.70	66.67	60.00
TOTAL	28	226	117	184	60	615
	4.55	36.75	19.02	29.92	9.76	100.00

Factor V24 – Exclusion of people who are different from others

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	22	57	38	79	50	246
	59.46	39.86	33.93	38.54	42.37	40.00
Reference	15	86	74	126	68	369
	40.54	60.14	66.07	61.46	57.63	60.00
TOTAL	37	143	112	205	118	615
	6.02	23.25	18.21	33.33	19.19	100.00

Factor V25 – Barriers in promotion for diverse employees

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	32	68	33	64	48	245
	55.17	42.50	36.67	34.04	40.68	39.90
Reference	26	92	57	124	70	369
	44.83	57.50	43.33	65.96	59.32	60.10
TOTAL	58	160	90	188	118	614
	9.45	26.06	14.66	30.62	19.22	100.00

Factor V26 – Frustrations resulting from cultural differences

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	29	78	44	63	32	246
	45.31	38.05	37.61	40.13	44.44	40.00
Reference	35	127	73	94	40	369
	54.69	61.95	62.39	59.87	55.56	60.00
TOTAL	64	205	117	157	72	615
	10.41	33.33	19.02	25.53	11.71	100.00

SECTION C : *Extent of organisational change*

Factor V27 – Change is viewed as a challenge and opportunity

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	35	89	49	65	12	250
	33.02	38.36	42.24	46.10	52.17	40.45
Reference	71	143	67	76	11	368
	66.98	61.64	57.76	53.90	47.83	59.55
TOTAL	106	232	116	141	23	618
	17.15	37.54	18.77	22.82	3.72	100.00

Factor V28 – Policies are reviewed annually

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	34	65	50	73	28	250
	37.78	35.91	40.65	43.71	49.12	40.45
Reference	56	116	73	94	29	368
	62.22	64.09	59.35	56.29	50.88	59.55
TOTAL	90	181	123	167	57	618
	14.56	29.29	19.90	27.02	9.22	100.00

Factor V29 – Rewards are handed out to suit the preference of the person rewarded

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	17	34	63	84	52	250
	53.13	31.19	37.28	42.42	47.71	40.52
Reference	15	75	106	114	57	367
	46.88	68.81	62.72	57.58	52.29	59.48
TOTAL	32	109	169	198	109	617
	5.19	17.67	27.39	32.09	17.67	100.00

Factor V30 – There is an openness to suggestions from all people in the company

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	30	73	59	60	28	250
	35.29	33.33	43.48	45.11	60.87	40.39
Reference	55	146	77	73	18	369
	64.71	66.67	56.62	54.89	39.13	59.61
TOTAL	85	219	136	133	46	619
	13.73	35.38	21.97	21.49	7.43	100.00

Factor V31 – Our strategic plan is revised as needed

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	42	81	45	54	28	250
	36.21	33.75	30.14	54.55	62.22	40.45
Reference	74	159	73	45	17	368
	63.79	66.25	61.86	45.45	37.78	59.99
TOTAL	116	240	118	99	45	618
	18.77	38.83	19.09	16.02	7.28	100.00

Factor V32 – “We have always done it this way” is a reflection of how our company responds to new ideas

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	32	67	41	79	31	250
	58.18	44.08	34.75	37.62	36.90	40.39
Reference	23	85	77	131	53	369
	41.82	55.92	65.25	62.38	63.10	59.61
TOTAL	55	152	118	210	84	615
	8.89	24.56	19.06	33.93	13.57	100.00

Factor V33 – When problems emerge, there is a willingness to fix them

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	49	108	55	34	4	250
	31.61	38.57	53.40	49.28	33.33	40.39
Reference	106	172	48	35	8	369
	68.39	61.43	46.60	50.72	66.67	59.61
TOTAL	155	280	103	69	12	619
	25.04	45.23	16.64	11.15	1.94	100.00

Factor V34 – Our training and services reflect awareness of a diverse customer base

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	36	84	61	46	23	250
	38.30	37.33	38.13	46.94	57.50	40.52
Reference	58	141	99	52	17	367
	61.70	62.67	61.88	53.06	42.50	59.48
TOTAL	94	225	160	98	40	617
	15.24	36.47	25.93	15.88	6.48	100.00

Factor V35 – My supervisor values new ideas and implements them quickly

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	33	84	63	48	22	250
	28.70	37.17	42.86	49.48	68.75	40.52
Reference	82	142	84	49	10	367
	71.30	62.83	57.14	50.52	31.25	59.48
TOTAL	115	226	147	97	32	617
	18.64	36.63	23.82	15.72	5.19	100.00

Factor V36 – Performance evaluation here measures staff's adaptation to change

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	9	47	76	65	53	250
	36.00	30.52	38.97	45.14	53.54	40.52
Reference	16	107	119	79	46	367
	64.00	69.48	61.03	54.86	46.46	59.48
TOTAL	25	154	195	144	99	617
	4.05	24.96	31.60	23.34	16.05	100.00

Factor V37 – Our top managers are visionary and approachable

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	36	91	49	46	28	250
	30.77	41.18	38.28	43.40	60.87	40.45
Reference	81	130	79	60	18	368
	69.23	58.82	61.72	56.60	39.13	59.55
TOTAL	117	221	128	106	46	618
	18.93	35.76	20.71	17.15	7.44	100.00

Factor V38 – We can bring about changes very easily

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	9	52	78	75	36	250
	21.95	31.14	45.61	42.37	58.06	40.45
Reference	32	115	93	102	26	368
	78.05	68.86	54.39	57.63	41.94	59.55
TOTAL	41	167	171	177	62	618
	6.63	27.02	27.67	28.64	10.03	100.00

Factor V39 – There is little variation in style of dress among staff

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	30	88	63	43	26	250
	41.10	52.07	35.20	32.33	41.27	40.52
Reference	43	81	116	90	37	367
	58.90	47.93	64.80	67.67	58.73	59.48
TOTAL	73	169	179	133	63	617
	11.83	27.39	29.01	21.56	10.21	100.00

Factor V40 – People at all levels can build or refine structures

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	10	37	61	79	63	250
	31.25	28.68	40.13	42.70	53.39	40.58
Reference	22	92	91	106	55	366
	68.75	71.32	59.87	57.30	46.61	59.42
TOTAL	32	129	152	185	118	616
	5.19	20.94	24.68	30.03	19.16	100.00

SECTION D : Status Quo at your company re Diversity Management?

Factor V41

1. There is a standard way to dress and look *or*
2. There is no dress code but most staff dress within a conventional range *or*
3. There is much variety in employee's style of dress

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	78	115	56	249
	39.00	42.59	37.84	40.29
Reference	122	155	92	369
	61.00	57.41	62.16	59.71
TOTAL	200	270	148	618
	32.36	43.69	23.95	100.00

Factor V42

1. Family and parenting problems like day-care and care of aged relatives are treated as women's problems, *or*
2. There are flexible systems to accommodate the needs of diverse staff *or*
3. Many options are available to support staff with children and dependants

FREQUENCY	1	2	3	TOTAL
COL PCT	1	2	3	TOTAL
Criterion	131	91	27	249
<i>Reference</i>	42.81	36.49	43.55	40.29
Reference	175	159	35	369
<i>TOTAL</i>	57.19	63.60	56.45	59.71
TOTAL	306	250	62	618
	49.51	40.45	10.03	100.00

Factor V42

Factor V43

1. Newcomers are expected to adapt to existing forms *or*
2. There is some flexibility to accommodate the needs of diverse staff *or*
3. Norms are flexible enough to include everyone

FREQUENCY	1	2	3	TOTAL
COL PCT	1	2	3	TOTAL
Criterion	151	54	44	249
<i>Reference</i>	46.18	36.00	31.43	40.36
Reference	176	96	98	368
<i>TOTAL</i>	53.82	64.00	68.57	59.64
TOTAL	327	150	140	617
	53.00	24.31	2.69	100.00

Factor V44

1. Diversity is an issue that stirs irritation and resentment *or*
2. Attention is paid to meeting equal employment opportunity guidelines *or*
3. Working towards a diverse staff is seen as a strategic advantage

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	73	110	64	247
	46.20	39.71	35.36	40.10
Reference	85	167	117	369
	53.80	60.29	64.64	59.90
TOTAL	158	277	181	616
	25.65	44.97	29.38	100.00

Factor V45

1. Dealing with diversity is not a top priority *or*
2. Dealing with diversity is the responsibility of the Personnel Department *or*
3. Dealing with diversity is considered part of every manager's job

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	79	48	120	247
	50.32	48.48	33.33	40.10
Reference	78	51	240	369
	49.68	51.52	66.67	59.90
TOTAL	157	99	360	616
	25.49	16.07	58.44	100.00

Factor V46

More time is spent on training programs to help employees

Factor V46 is our company's culture to learn the way to do things here in

1. People downplay or ignore differences among employees *or*
2. People tolerate differences and the needs they imply *or* *real barriers*
3. People value differences and want to see diversity cultivated

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	85	128	34	247
	49.71	39.75	27.64	40.10
Reference	86	194	89	369
	50.29	60.25	72.36	59.90
TOTAL	171	322	123	616
	27.76	52.27	19.97	100.00

Factor V47

1. There is diversity among staff at lower levels *or*
2. There is diversity among staff at lower and middle levels *or*
3. There is diversity among staff at all levels

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	68	86	93	247
	41.98	39.09	39.91	40.16
Reference	54	134	140	368
	58.02	60.91	60.09	59.84
TOTAL	162	220	233	615
	26.34	35.77	37.89	100.00

Factor V48

More time is spent on training programs to help employees:

1. adapt to our company's culture to learn the way to do things here *or* develop diverse staff's ability to move up the company ladder
2. *or* communicate effectively across gender and cultural barriers
3. There is much variety in employee's style of dress

FREQUENCY COL PCT	1	2	3	TOTAL
Criterion	112	88	48	248
	39.16	39.46	45.28	40.33
Reference	174	135	58	367
	60.84	60.54	54.72	59.67
TOTAL	286	223	106	615
	46.50	36.26	17.24	100.00

Factor V49

Managers are held accountable for:

1. motivating staff to increase productivity *or*
2. avoiding equal opportunity and discrimination grievances *or*
3. working effectively with a diverse staff

FREQUENCY COL PCT	1	2	3	TOTAL
Criterion	142	35	70	247
	41.40	46.05	35.90	40.23
Reference	201	41	125	367
	58.60	53.95	64.10	59.77
TOTAL	343	76	195	614
	55.86	12.38	31.76	100.00

Factor V50

Managers are held accountable for:

1. maintaining a stable staff and maintaining existing norms *or*
2. meeting affirmative action goals and identifying promotable talent *or*
3. building productive work teams with a diverse staff

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	101	51	95	247
	45.29	33.77	39.58	40.23
Reference	122	100	145	367
	54.71	66.23	60.42	59.77
TOTAL	223	151	240	614
	36.32	24.59	39.09	100.00

Factor V51

In our company it is an advantage:

1. to be a white male *or*
2. learning to be like the “old guard” *or*
3. to be unique and find new ways of doing things

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	57	73	118	248
	50.89	47.71	33.62	40.26
Reference	55	80	233	368
	49.11	52.29	66.38	59.74
TOTAL	112	153	351	616
	18.18	24.84	56.98	100.00

SECTION E : Potential Organisational barriers to Diversity

SECTION E : Potential Organisational barriers to Diversity

Factor V52 – Cost of implementation of diversity management system

FREQUENCY								
COL PCT	1	2	3	4	5	6	7	8
Criterion	27	24	34	21	34	31	26	40
	36.49	36.92	46.58	25.93	50.00	42.47	33.77	47.62
Reference	47	41	39	60	34	42	51	44
	63.51	63.08	53.42	74.07	50.00	57.53	66.23	52.38
TOTAL	74	65	73	81	68	73	77	84
	12.44	10.92	12.27	13.61	11.43	12.27	12.94	14.12

Factor V53 – Fear of hiring unskilled, uneducated employees

FREQUENCY								
COL PCT	1	2	3	4	5	6	7	8
Criterion	65	36	31	23	14	18	17	35
	39.39	37.11	41.33	41.07	33.33	41.86	37.17	46.05
Reference	100	61	44	33	28	25	30	41
	60.61	62.89	58.67	58.93	66.67	58.14	63.83	53.95
TOTAL	165	97	75	56	42	43	47	76
	27.45	16.14	12.48	9.32	6.99	7.15	7.82	12.65

Factor V54 – Strong belief in a system that favours merit

FREQUENCY										
COL PCT	1	2	3	4	5	6	7	8	TOTAL	
Criterion	42	37	34	28	25	22	25	27	240	
	46.15	42.53	38.64	35.90	35.21	33.85	39.06	48.21	40.00	
Reference	49	50	54	50	46	43	39	29	360	
	53.85	57.47	61.36	64.10	64.79	66.15	60.94	51.79	60.00	
TOTAL	91	87	88	78	71	65	64	56	600	
	15.17	14.50	14.46	13.00	11.83	10.83	10.67	9.33	100.00	

Factor V55 – Annoyance at reverse discrimination

FREQUENCY									
COL PCT	1	2	3	4	5	6	7	8	TOTAL
Criterion	42	28	28	31	28	22	27	30	236
	52.50	40.58	33.73	31.00	38.89	34.38	40.30	49.18	39.60
Reference	38	41	55	69	44	42	40	31	360
	47.50	59.42	66.27	69.00	61.11	65.63	59.70	50.82	60.40
TOTAL	80	69	83	100	72	64	67	61	596
	13.42	11.58	13.93	16.78	12.08	10.74	11.24	10.23	100.00

Factor V56 – Perception that there is a lot of progress

FREQUENCY COL PCT	1	2	3	4	5	6	7	8	9	TOTAL
Criterion	25	34	32	29	36	24	24	33	0	237
	48.08	55.7	45.0	32.95	39.5	26.6	37.5	41.25	0.00	39.63
Reference	27	27	39	59	55	66	40	47	41	361
	51.92	44.2	54.9	67.05	60.4	73.3	62.5	58.75	100.0	60.37
TOTAL	52	61	71	88	91	90	64	80	1	598
	8.70	10.2	11.8	14.72	15.2	15.0	10.7	13.38	0.17	100.00

Factor V57 – Diversity is not seen as top-priority issue

FREQUENCY COL PCT	1	2	3	4	5	6	7	8	TOTAL
Criterion	39	24	29	33	24	29	20	42	240
	46.43	40.68	39.73	41.77	34.78	36.71	28.57	48.28	40.00
Reference	45	35	44	46	45	50	50	45	360
	53.57	59.32	60.27	58.23	65.22	63.29	71.43	51.72	60.00
TOTAL	84	59	73	79	69	79	70	87	600
	14.00	9.83	12.17	13.17	11.50	13.17	11.67	14.50	100.00

Factor V58 – The need to dismantle existing systems to accommodate diversity

FREQUENCY									
COL PCT	1	2	3	4	5	6	7	8	TOTAL
Criterion	35	29	19	35	27	31	27	35	238
	40.23	38.16	33.33	43.75	34.18	41.89	39.13	46.67	39.87
Reference	52	47	38	45	52	43	42	40	359
	59.77	61.84	66.67	56.25	65.82	58.11	60.87	53.33	60.13
TOTAL	87	76	57	80	79	74	69	75	597
	14.57	12.73	9.55	13.40	13.23	12.40	11.56	12.56	100.00

Factor V59 – The size of our company

FREQUENCY									
COL PCT	1	2	3	4	5	6	7	8	TOTAL
Criterion	38	25	15	20	20	22	36	62	238
	43.18	39.06	36.59	46.51	35.09	51.16	51.43	32.12	39.73
Reference	50	39	26	23	37	21	34	131	361
	56.82	60.94	63.41	53.49	64.91	48.84	48.57	67.88	60.27
TOTAL	88	64	41	43	57	43	70	193	599
	14.69	10.68	6.84	7.18	9.52	7.18	11.69	32.22	100.00

SECTION F : *How much is Diversity valued in your Company?*

Factor V62 – Every staff member should be required to speak English

FREQUENCY						TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	15	19	24	78	108	244
	34.88	31.15	34.29	39.80	44.63	39.87
Reference	28	42	46	118	134	368
	65.12	68.85	65.71	60.20	55.37	60.13
TOTAL	43	61	70	196	242	612
	7.03	9.97	11.44	32.03	39.54	100.00

Factor V63 – Diversity brings creativity and energy to a work group

FREQUENCY						TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	10	23	51	105	55	244
	50.00	51.11	46.36	36.46	36.91	39.87
Reference	10	22	59	183	94	368
	50.00	48.89	53.64	63.54	64.09	60.13
TOTAL	20	45	110	288	149	612
	3.27	7.35	17.97	47.06	24.35	100.00

Factor V64 – Minority group members should be expected to forsake their own many standards at work

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	60	109	46	23	6	244
	38.46	38.65	42.99	45.10	37.50	39.87
Reference	96	173	61	28	10	368
	61.54	61.35	57.01	54.90	62.50	60.13
TOTAL	156	282	107	51	16	612
	25.49	46.08	17.48	8.33	2.61	100.00

Factor V65 – Multi-cultural teams can be stimulating and productive

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	4	23	51	122	44	244
	33.33	60.53	41.80	38.98	34.65	39.87
Reference	8	15	71	191	83	368
	66.67	39.47	58.20	61.02	65.35	60.13
TOTAL	12	38	122	313	127	612
	1.96	6.21	19.93	51.14	20.75	100.00

Factor V66 – People should leave their differences at home and conform to company standards at work

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	8	46	46	94	50	244
	34.78	43.81	48.42	38.52	34.48	39.87
Reference	15	59	49	150	95	368
	65.22	56.19	51.58	61.48	65.52	60.13
TOTAL	23	105	95	244	145	612
	3.76	17.16	15.52	39.87	23.69	100.00

Factor V67 – Showing flexibility to people's individual needs increase commitment and motivation of employees

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	7	12	33	127	65	244
	63.64	52.17	51.56	39.94	33.16	39.87
Reference	4	11	31	191	131	368
	36.36	47.83	48.44	60.06	66.84	60.13
TOTAL	11	23	64	318	196	612
	1.80	3.76	10.46	51.96	32.03	100.00

Factor V68 – Diversity only brings unnecessary conflict and problems in a work group

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	48	118	46	25	7	244
	35.83	38.19	45.54	46.30	50.00	39.87
Reference	86	191	55	29	7	368
	64.18	61.81	54.46	53.70	50.00	60.13
TOTAL	134	309	101	54	14	612
	21.90	50.49	16.50	8.82	2.29	100.00

Factor V69 – Women are under-represented at higher levels in the company

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	8	37	30	100	698	244
	34.78	40.66	39.47	41.32	38.33	39.87
Reference	15	54	46	142	111	368
	65.22	59.34	60.53	58.68	61.67	60.13
TOTAL	23	91	76	242	180	612
	3.76	14.87	12.42	39.54	29.41	100.00

Factor V70 – People of different ethnic groups are under-represented at higher levels in the company

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	11	37	35	95	66	244
	42.31	31.15	34.29	39.80	44.63	39.87
Reference	15	67	51	140	95	368
	57.69	64.42	59.30	59.57	59.01	60.13
TOTAL	26	104	86	235	161	612
	4.25	16.99	14.05	38.40	26.31	100.00

Factor V71 – People are motivated and productive when they feel they are accepted for who they are

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	5	7	19	133	80	244
	50.00	43.75	46.34	40.55	36.87	39.87
Reference	5	9	22	195	137	368
	50.00	56.25	53.66	59.45	63.13	60.13
TOTAL	10	16	41	328	217	612
	1.63	2.61	6.70	53.59	35.46	100.00

Factor V72 – Women and minorities are oversensitive to prejudice and discrimination

FREQUENCY	1	2	3	4	5	TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	11	48	68	88	29	244
	44.00	34.04	40.96	40.37	46.77	39.87
Reference	14	53	98	130	33	368
	56.00	65.96	59.04	59.63	53.23	60.13
TOTAL	25	141	166	218	62	612
	4.08	23.04	27.12	35.62	10.13	100.00

Factor V73 – Stereotypes exist about minority groups

FREQUENCY	1	2	3	4	5	TOTAL
COL PCT	1	2	3	4	5	TOTAL
Criterion	6	27	57	116	38	244
	75.00	30.34	37.50	41.28	46.34	39.87
Reference	2	62	95	165	44	368
	25.00	69.66	62.50	58.72	53.66	60.13
TOTAL	8	89	152	281	82	612
	1.31	14.54	24.84	45.92	13.40	100.00

Factor V74 – Minority groups tend to stick together

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	6	17	23	155	43	244
	66.67	36.17	28.40	40.68	45.74	39.87
Reference	3	30	58	226	51	368
	33.33	63.83	71.60	59.32	54.26	60.13
TOTAL	9	47	81	381	94	612
	1.47	7.68	13.24	62.25	15.36	100.00

Factor V75 – Differences often make people feel uncomfortable

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	6	19	50	144	25	244
	60.00	35.85	45.05	38.81	37.31	39.87
Reference	4	34	61	227	42	368
	40.00	64.15	54.95	61.19	62.69	60.13
TOTAL	10	53	111	371	67	612
	1.63	8.66	18.14	60.62	10.95	100.00

Factor V76 – Some minority groups are more suited for certain jobs

FREQUENCY	1	2	3	4	5	TOTAL
COL PCT						
Criterion	43	74	59	48	20	244
	49.43	42.77	44.03	26.67	52.63	39.87
Reference	44	99	75	132	18	368
	50.57	57.23	55.97	73.33	47.37	60.13
TOTAL	87	173	134	180	38	612
	14.22	28.27	21.90	29.41	6.21	100.00

Factor V77 – There should be no double standards – the rules should be the same for everyone

FREQUENCY	1	2	3	4	5	TOTAL
COL PCT						
Criterion	6	15	13	81	129	244
	54.55	41.67	37.14	39.90	39.45	39.87
Reference	5	21	22	122	198	368
	45.45	58.33	62.86	60.10	60.55	60.13
TOTAL	11	36	35	203	327	612
	1.80	5.88	5.72	33.17	53.43	100.00

Factor V78 – This country would be a better place if people would assimilate into one culture

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	60	95	41	33	15	244
	36.14	37.70	42.27	50.00	48.39	39.87
Reference	106	157	56	33	16	368
	63.86	62.30	57.73	50.00	51.61	60.13
TOTAL	166	252	97	66	31	612
	27.12	41.18	15.85	10.78	5.07	100.00

Factor V79 – This country would be a better place if people were allowed to preserve their own cultures

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	10	13	49	121	51	244
	52.63	36.11	43.36	39.67	36.69	39.87
Reference	9	23	64	184	88	368
	47.37	63.89	56.64	60.33	63.31	60.13
TOTAL	19	36	113	305	139	612
	3.10	5.66	18.46	49.84	22.71	100.00

Factor V80 – People are reluctant to disagree with minority group employees for fear of being called prejudiced

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	13	46	72	88	25	244
	54.17	32.86	40.45	39.46	53.19	39.87
Reference	11	94	106	135	22	368
	45.83	67.14	59.55	60.54	46.81	60.13
TOTAL	24	140	178	223	47	612
	3.92	22.88	29.08	36.44	7.68	100.00

Factor V81 – Training is needed to help employees understand each other and overcome communication barriers

FREQUENCY						
COL PCT	1	2	3	4	5	TOTAL
Criterion	6	8	28	104	98	244
	85.71	36.36	43.75	36.36	42.06	39.87
Reference	1	14	36	182	135	368
	14.29	63.64	56.25	63.64	57.94	60.13
TOTAL	7	22	64	286	233	612
	1.14	3.59	10.46	46.73	38.07	100.00

SECTION G : *How is Diversity managed in your Company?*

Factor V82 – I am at ease with people of diverse backgrounds

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	175	55	13	243
	38.21	42.31	56.52	39.77
Reference	283	75	10	368
	61.79	57.69	43.48	60.23
TOTAL	458	130	23	611
	74.96	21.28	3.76	100.00

Factor V83 – There is diverse staff at all levels

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	83	59	100	242
	40.89	37.11	40.32	39.67
Reference	120	100	148	368
	59.11	82.89	59.68	60.33
TOTAL	203	159	248	610
	33.28	26.07	40.66	100.00

Factor V84 – Managers have a track record of hiring and promoting diverse staff

FREQUENCY				TOTAL
COL PCT	1	2	3	TOTAL
Criterion	52	102	87	241
	41.27	38.06	40.47	39.57
Reference	74	166	128	368
	58.73	61.94	59.53	60.43
TOTAL	126	268	215	609
	20.69	44.01	35.30	100.00

Factor V87 – Managers hold all people equally accountable

Factor V85 – In general, I find change stimulating, exciting and challenging

FREQUENCY				TOTAL
COL PCT	1	2	3	TOTAL
Criterion	197	35	11	243
	38.86	39.77	68.75	39.77
Reference	310	53	5	368
	61.14	60.23	31.25	60.23
TOTAL	507	88	16	611
	82.98	14.40	2.62	100.00

Factor V86 – Gender, ethnic and racial jokes are tolerated in informal groups

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	94	93	55	242
	42.15	37.65	39.29	39.67
Reference	129	154	85	368
	57.85	62.35	60.71	60.33
TOTAL	223	247	140	610
	36.56	40.49	22.95	100.00

Factor V87 – Managers hold all people equally accountable

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	99	61	83	243
	37.36	38.36	44.39	39.77
Reference	166	98	104	368
	62.64	61.64	55.61	60.23
TOTAL	265	159	187	611
	43.37	26.02	30.61	100.00

Factor V88 – I know about the cultural norms of different groups

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	90	99	54	243
	43.27	34.49	46.55	39.77
Reference	118	188	62	368
	56.73	65.51	53.45	60.23
TOTAL	208	287	116	611
	34.04	46.97	18.99	100.00

Factor V89 – The formation of female only groups is encouraged

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	13	65	162	243
	33.33	37.36	41.01	39.47
Reference	26	109	233	368
	66.67	62.64	58.99	60.53
TOTAL	39	174	395	608
	6.41	28.62	64.97	100.00

Factor V90 – The formation of ethnic groups is encouraged

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	13	70	157	240
	41.94	37.84	40.05	39.47
Reference	18	115	235	368
	58.06	62.16	59.95	60.53
TOTAL	31	185	392	608
	5.10	30.43	64.47	100.00

Factor V91 – Managers are flexible and structure benefits and rules that work for everyone

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	68	90	82	240
	33.83	37.82	48.52	39.47
Reference	133	148	87	368
	66.17	62.18	51.48	60.53
TOTAL	201	238	169	608
	33.06	39.14	27.80	100.00

Factor V92 – I am afraid to disagree with members of other groups for fear of being called prejudiced

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	31	65	144	240
	40.79	41.67	38.30	39.47
Reference	45	91	232	368
	59.21	58.33	61.70	60.53
TOTAL	76	156	376	608
	12.50	25.66	61.84	100.00

Factor V93 – There is a mentoring programme that identifies and prepares women for promotions

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	15	51	174	240
	27.27	35.17	42.65	39.47
Reference	40	94	234	368
	72.73	64.83	57.35	60.53
TOTAL	55	145	408	608
	9.05	23.85	67.11	100.00

Factor V94 – There is a mentoring programme that identifies and prepares people of diverse backgrounds for promotions

FREQUENCY				TOTAL
COL PCT	1	2	3	TOTAL
Criterion	46	56	138	240
	33.33	32.00	46.78	39.47
Reference	92	119	157	368
	66.67	68.00	53.22	60.53
TOTAL	138	175	295	608
	22.70	28.78	48.52	100.00

Factor V95 – Appreciation of differences can be seen in the rewards managers give

FREQUENCY				TOTAL
COL PCT	1	2	3	TOTAL
Criterion	21	98	120	239
	25.30	38.13	44.94	39.37
Reference	62	159	147	368
	74.70	61.87	55.06	60.63
TOTAL	83	257	267	607
	13.67	42.34	43.99	100.00

Factor V96 – I feel there is more than one right way of doing things

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	200	29	12	241
	40.98	35.80	30.00	39.57
Reference	288	52	28	368
	59.02	64.20	70.00	60.43
TOTAL	488	81	40	609
	80.13	13.30	6.57	100.00

Factor V97 – Members of minority groups feel that they belong

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	58	132	50	240
	39.19	38.48	42.74	39.47
Reference	90	211	67	368
	60.81	61.52	57.26	60.53
TOTAL	148	343	117	608
	24.34	56.41	19.24	100.00

Factor V98 – One criterion of a manager’s performance is developing the diversity of his/her staff

FREQUENCY	1	2	3	TOTAL
COL PCT	1	2	3	TOTAL
Criterion	96	73	70	239
	32.99	40.78	51.09	39.37
Reference	195	106	67	368
	67.01	59.22	48.91	60.63
TOTAL	291	179	137	607
	47.94	29.49	22.57	100.00

Factor V99 – I think that different points of view create diversity

FREQUENCY	1	2	3	TOTAL
COL PCT	1	2	3	TOTAL
Criterion	165	49	26	240
	38.64	41.53	41.27	39.47
Reference	262	69	37	368
	61.36	58.47	58.73	60.53
TOTAL	427	118	63	608
	70.23	19.41	10.36	100.00

Factor V100 – There is a high turnover among women

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	22	102	115	239
	36.67	37.64	41.67	39.37
Reference	38	169	161	368
	63.33	62.36	58.33	60.63
TOTAL	60	271	276	607
	9.88	44.65	45.47	100.00

Factor V101 – There is a high turnover among people of diverse backgrounds

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	63	91	85	229
	37.50	36.69	44.50	39.37
Reference	105	157	106	368
	62.50	63.31	55.50	60.63
TOTAL	168	248	191	607
	27.68	40.86	31.47	100.00

Factor V102 – Managers give feedback and evaluate performance so staff do not lose face

FREQUENCY	1	2	3	TOTAL
COL PCT	1	2	3	TOTAL
Criterion	73	89	74	236
	36.87	36.63	45.40	39.37
Reference	125	154	89	368
TOTAL	63.13	63.37	54.60	60.63
TOTAL	198	243	163	607
	32.78	40.23	26.99	100.00

Factor V103 – Managers get active participation from all staff in meetings

Factor V103 – I am aware of my own assumptions and stereotypes

FREQUENCY	1	2	3	TOTAL
COL PCT	1	2	3	TOTAL
Criterion	161	60	16	237
	38.52	38.71	50.00	39.17
Reference	257	95	16	368
TOTAL	61.48	61.29	50.00	60.83
TOTAL	418	155	32	605
	69.09	25.62	5.29	100.00

Factor V104 – Policies are flexible enough to accommodate everyone

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	92	75	69	236
	36.80	35.89	47.59	39.07
Reference	158	134	76	368
	63.20	64.11	52.41	60.93
TOTAL	250	209	145	604
	41.39	34.60	24.01	100.00

Factor V105 – Managers get active participation from all staff in meetings

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	78	71	86	235
	42.62	34.63	40.00	38.97
Reference	105	134	129	368
	57.38	65.37	60.00	61.03
TOTAL	183	205	215	603
	30.35	34.00	35.66	100.00

Factor V106 There is enough common ground to hold staff together

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	107	77	51	235
	37.94	35.48	49.04	38.97
Reference	175	140	53	368
	62.06	64.52	50.96	61.03
TOTAL	282	217	104	603
	46.77	35.99	17.25	100.00

Factor V107 – Speaking a language other than English is frowned upon

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	47	75	113	235
	40.52	38.07	38.97	38.97
Reference	69	122	177	368
	59.48	61.93	61.03	60.03
TOTAL	116	197	290	603
	19.24	32.67	48.09	100.00

Factor V108 – Multicultural work teams exist and are working harmoniously

FREQUENCY				TOTAL
COL PCT	1	2	3	TOTAL
Criterion	96	86	52	234
	38.55	37.07	42.98	38.87
Reference	153	146	69	368
	61.45	62.93	57.02	61.13
TOTAL	249	232	121	602
	41.36	38.54	20.10	100.00

Factor V109 – Staff spend their lunch hour and breaks in mixed groups

FREQUENCY				TOTAL
COL PCT	1	2	3	TOTAL
Criterion	51	75	109	235
	41.13	37.69	38.93	38.97
Reference	73	124	171	368
	58.87	62.31	61.07	61.03
TOTAL	124	199	280	603
	20.56	33.00	46.43	100.00

Factor V110 – Resources are spent on diversity development

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	62	61	111	234
	44.29	29.05	44.05	38.87
Reference	78	149	141	368
	55.71	70.95	55.95	61.13
TOTAL	140	210	252	602
	23.26	34.88	41.86	100.00

Factor V111 – Top management backs up its value on diversity

to deal with language differences or other culture clashes

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	37	104	94	235
	30.83	38.10	44.76	38.97
Reference	83	169	119	368
	69.17	61.90	55.24	61.03
TOTAL	120	273	210	603
	19.90	45.27	34.83	100.00

Factor V112– Working in a diverse group enriches me

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	159	57	19	235
	38.59	36.77	52.78	38.97
Reference	253	98	17	368
	61.41	63.23	47.22	61.03
TOTAL	412	155	36	603
	68.33	25.70	5.97	100.00

Factor V113 – Top management backs up its value on diversity with action

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	68	99	67	234
	35.05	38.08	45.27	38.87
Reference	126	161	81	368
	64.95	61.92	54.73	61.13
TOTAL	194	260	148	602
	32.23	43.19	24.58	100.00

Factor V114 – Managers have effective strategies to use when one group refuses to work with another

FREQUENCY				
COL PCT	1	2	3	TOTAL
Criterion	47	108	79	234
	41.23	36.99	40.31	38.87
Reference	67	184	117	368
	58.77	63.01	59.69	61.13
TOTAL	114	292	196	602
	18.94	48.50	32.56	100.00

APPENDIX 3

PRELIMINARY STATISTICAL PROCEDURES FOR THE DETERMINATION OF THE DIVERSITY-RELATED ORGANIZATION FORM OF ORGANIZATIONS IN SOUTH AFRICA.

Pre-testing of data-collection techniques.

The choice of the target population was in part based on the reduction or elimination of possible error sources that can result in measurement differences that are not attributable to the respondent.

MBL students are mature or maturing managers for whom a two-weekly study school at the business school's Midrand campus in Gauteng is compulsory, due to the distance-learning nature of the degree. The sample population is representative of all the geographic provinces of South Africa. Two second-year classes with a total number of 159 students, pre-tested the diversity opinion survey during March 1998. The outcomes were as follows:

Respondents experienced the venue as appropriate and non-threatening.

The instrument was assessed as appropriate. The researcher invited comments on ambiguity of questions or statements, physical defects of the instrument that could compromise results, and the relevance and importance of the survey sections and the nature of its variables. All respondents could not fault the sections on diversity, but a significant number felt that they were not happy with sub-section A9 (specification of racial categories), and sub-section A10 (specification of hierarchical level in organization). This incident introduced the risk that opinion

differences will come from relatively stable characteristics of the respondent, that affect the scores. Sub-sections A9 and A10 was subsequently omitted from the instrument.

(i). *Editing of the data.*

The first computer-run was done on the UNISA group. Errors were removed. This was followed by a frequency analysis of all sections of the survey instrument. Professor Erwee assisted the researcher with the editing process.

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The outcome of the editing process were the following decisions:

New variables were created. Group=Unisa if $1 \leq v1 \leq 499$ and
Group = UP if $1 \geq v1 \geq 500$.

The following items were reverse scored:

v12, v27-v40: 1-5 as vv12, vv27-vv40: 5-1 v82-v114:1-3 as vv82-vv114:3-1

(ii). *Preliminary factor analysis and item analysis*

Factor analysis was done on all the items in sections B, C, D, F and G respectively for the criterion group and the reference group. BMDP4M was used with method=MLFA, Communalities=squared multiple correlations and rotation=direct quartimin =oblique rotation. First following as many factors as there are eigenvalues larger than 1 and then 1, 1,2 and 3 and factors respectively.

Further factor analysis (three factors) was done on all the items in sections B, C, D, F and G respectively for the combined group. First following as many factors as there are eigenvalues larger than 1 and then 1, 1,2 and 3 and factors respectively.

Item analysis was done with ITEMAN on all the theoretical fields.

Totals were calculated for all the theoretical fields:

TOTB, TOTC, TOTD, TOTF1, TOTF2, IAB, OVN, MPP

Test for significant differences between two observers on one factor - Proc Univariate was done on all the totals.

2 June 1998

(iii). *Factor and Item analysis for one factor.*

Repeat factor analysis for three factors, two factors and one factor for the combined group, under the following conditions:

Section B: VV12 is left out

Section C :V32 is not reverse scored and VV39 is left out

Section D: V41, v48 are left out.

Section F: V8 is left out and V46, V73, V75 is reverse scored.

Section G: All IAB items are left out

Repeat the above factor analysis for the criterion and reference groups.

Perform Item analysis on the items as in (b) for sections B, C and D.

(iv). *Extended factor and item analysis on sections F and G.*

More iterations are required, as the work in (b) did not produce conclusive results for sections F and G.

Section F: for the combined group:

repeat (b) with V68 reverse scored.

Repeat (b) with v73 and v75 not reverse scored

Section G:

Factor analysis for one factor, with IAB-items left out.

Item analysis on final items for Sections F and G.

Calculate totals for new fields:

TOTB = V13-v26

TOTC= VV27-VV31 V32 VV33-VV38 VV40

TOTD= V42-V47 V49-V51

TOTF1= V63 VV64 V65 V67 VV68 V71 V77

TOTF2= V70 V72-V75 V80

TOTG= VV83 VV84 VV87 VV91 VV93-VV95

VV97 VV98 VV102 VV104 VV105

VV108 VV110 VV111 VV113 VV114.

Test for significant differences between two observers on multiple factors.

MANOVAS on sections B, C, D, F and G.

APPENDIX 3(b)

PRELIMINARY STATISTICAL PROCEDURES FOR THE DETERMINATION OF FACTORS OF WORKFORCE DIVERSITY IN SOUTH AFRICA

Measurement of associations between factors and sections

The interdependence of sections

Determination of bivariate linear relationships between two sections.

Pearson's Product moment correlation is used.

Method:

Proc. Means of TOTB-TOTG per group.

Proc GLM with model: MANOVA h=group/print printe

The procedure followed was as follows:

- (i). Calculate totals for final fields: TOTB, TOTC, TOTD, TOTF1, TOTF2 and TOTG per group. Do MANOVAs on TOTB-TOTG per group and on the combined group
- (a). Calculate totals for final fields: TOTB, TOTC, TOTD, TOTF1, TOTF2 and TOTG per group. Do MANOVAs on TOTB-TOTG per group and on the combined group.

The interrelationships between sections

Determination of multiple correlations, i.e., the overall linear association of one (dependent) variable with several other (independent) variables.

Recode variables of section A.

Determine the measures of association between sections B, C, D, F1, F2 and G.

Method:

proc CORR on TOTB--TOTG per group and for the combined group.

Do Factor analysis on TOTB--TOTG for the combined group and with group as divider.

Do MANOVAs on TOTB-TOTG = VV3 – VV7, V8 and VV10.

Method:

Proc GLM with model:

Test for significance in differences of correlation based on biographical and organizational diversity.

Factors of Section D

Figure 5.2.1

APPENDIX 4

Sample statistics that are relevant in answering research question 1.

SECTION D: Status quo regarding the management of workforce diversity

Table 5.2.1

TOT D	Criterion Group	Reference group
DEM VV7		
Mean	17,07	18,34
F-Value	1,60	10,17
Pr > F	0,2040	0,0001
DEM V8		
Mean	17,07	18,36
F-Value	1,09	1,22
Pr > F	0,2973	0,2703
ORG VV3		
Mean	16,99	18,36
F-Value	0,10	15,38
Pr > F	0,7509	0,0001
ORG VV4		
Mean	17,00	18,32
F-Value	1,95	1,74
Pr > F	0,1642	0,1882
ORG VV5		
Mean	17,08	18,35
F-Value	0,78	2,19
Pr > F	0,3784	0,1402
ORG VV6		
Mean	17,08	18,40
F-Value	0,47	0,00
Pr > F	0,4958	0,9816
ORG VV10		
Mean	17,08	18,35
F-Value	0,15	2,48
Pr > F	0,8573	0,0850

Factors of Section D

Figure 5.2.1

Alpha all variables = 0.7873

		Factor – loadings			Item-scale correlation IS
		F1	F2	F3	
V42	Family and parenting problems like day-care and care of aged relatives are treated as women's problems, or There are flexible systems to accommodate the needs of diverse staff, or Many options are available to support staff with children and dependants.			0,393	0,39
V43	Newcomers are expected to adapt to existing forms, or There is some flexibility to accommodate the needs of diverse staff, or Norms are flexible enough to accommodate everyone.			0,641	0,58
V44	Diversity is an issue that stirs irritation and resentment, or Attention is paid to meeting equal employment opportunity guidelines, or Working towards a diverse staff is seen as a strategic advantage.	0,663			0,64
V45	Dealing with diversity is not a top priority, or Dealing with diversity is the responsibility of the personnel department, or Dealing with diversity is considered part of every manager's job.	0,705			0,67
V46	People downplay or ignore differences among employees, or People tolerate differences and the needs they imply, or People value differences and want to see diversity cultivated.	0,584			0,65
V47	There is diversity in staff at lower levels, or There is diversity among staff at lower and middle management levels, or There is diversity among staff at all levels.	0,380			0,55
V49	Managers are held accountable for Motivating staff to increase productivity, or Avoiding equal opportunity and discrimination grievances, or Working effectively with a diverse staff.		0,284		0,47
V50	Managers are held accountable for Maintaining a stable staff and maintaining existing norms, or Meeting affirmative action goals and identifying promotable talent, or Building productive work-teams with a diverse staff.	0,715			0,70
V51	In our company it is an advantage To be a white male, or Learning to be the old guard, or To be unique and find new ways of doing things	0,559			0,63

SECTION C: Extent of organizational change

Table 5.2.2

TOT C	Criterion Group	Reference Group
DEM VV7		
Mean	39,17	42,81
F-Value	0,76	3,20
Pr > F	0,4707	0,0418
DEM V8		
Mean	39,17	42,80
F-Value	0,13	3,53
Pr > F	0,7142	0,0611
ORG VV3		
Mean	38,86	42,84
F-Value	0,12	1,77
Pr > F	0,7316	0,1842
ORG VV4		
Mean	39,04	42,78
F-Value	7,58	3,02
Pr > F	0,0064	0,0830
ORG VV5		
Mean	39,06	42,85
F-Value	1,25	1,92
Pr > F	0,2655	0,1664
ORG VV6		
Mean	39,26	42,91
F-Value	4,55	0,09
Pr > F	0,0339	0,7664
ORG VV10		
Mean	39,18	42,90
F-Value	3,26	0,91
Pr > F	0,0401	0,0002

Factors of Section C

Figure 5.2.2

		Factor-Loading	Item-scale Correlation
Alpha for all variables = 0,8964			
VV27	Change is viewed as a challenge and opportunity	0,647	,69
VV28	Policies are reviewed annually	0,636	,42
VV29	Rewards are handed out to suit the preference of the person rewarded	0,354	,72
VV30	There is an openness to suggestions from all people in the company	0,694	,72
VV31	Our strategic plan is revised as needed	0,710	,62
VV32	“We have always done it this way”, is a reflection of how our company responds to new ideas	0,635	,68
VV33	When problems emerge, there is a willingness to fix them	0,661	,67
VV34	Our training and services reflect awareness of a diverse customer base	0,626	,63
VV35	My supervisor values new ideas and implements them quickly	0,635	,63
VV36	Performance evaluation here measures staffs adaptation to change	0,601	,69
VV37	Our top managers are visionary and approachable	0,727	,42
VV38	We can bring about changes very easily	0,749	,74
VV40	People at all levels can build or refine structures	0,542	,62

Table 5.2.3 (b)

5.2.3 SECTION F: How much is diversity valued in your company

Table 5.2.3 (a).

Multicultural views	TOT F1	Criterion Group	Reference Group
<i>Valuing diversity.</i>	DEM VV7		
	Mean	27,33	28,25
	F-Value	1,14	1,76
	Pr > F	0,3230	0,1731
	DEM V8		
	Mean	27,33	28,24
	F-Value	0,07	0,72
	Pr > F	0,7958	0,3967
	ORG VV3		
	Mean	27,29	28,25
	F-Value	0,05	0,28
	Pr > F	0,8311	0,5975
	ORG VV4		
	Mean	27,28	28,26
	F-Value	0,20	1,18
	Pr > F	0,6562	0,2787
	ORG VV5		
	Mean	27,32	28,26
	F-Value	1,19	0,11
	Pr > F	0,2765	0,7427
ORG VV6			
Mean	27,36	28,23	
F-Value	0,11	3,76	
Pr > F	0,7458	0,0532	
ORG VV10			
Mean	27,33	28,22	
F-Value	0,13	0,81	
Pr > F	0,8749	0,4451	

Table 5.2.3 (b).

Mono-cultural views	TOT F2	Criterion Group	Reference Group
<i>Resistance to diversity.</i>	DEM VV7		
	Mean	21,43	21,07
	F-Value	0,66	0,36
	Pr > F	0,5194	0,6967
	DEM V8		
	Mean	21,43	21,07
	F-Value	0,03	0,45
	Pr > F	0,8556	0,5010
	ORG VV3		
	Mean	21,45	21,05
	F-Value	5,26	2,03
	Pr > F	0,0227	0,1548
	ORG VV4		
	Mean	21,39	21,07
	F-Value	2,86	0,02
	Pr > F	0,0020	0,8927
	ORG VV5		
	Mean	21,46	21,04
	F-Value	3,82	0,16
	Pr > F	0,0517	0,6880
	ORG VV6		
	Mean	21,44	21,02
	F-Value	3,26	4,60
	Pr > F	0,0721	0,0326
	ORG VV10		
	Mean	21,42	21,04
	F-Value	0,77	0,53
	Pr > F	0,4659	0,5913

Factors of Section F

Figure 5.2.3

Alpha all variables = 0,6125

		Factor-Loading		Item-scale correlation
		Mono-cultural F2	Multi-cultural F1	
V63	Diversity brings creativity and energy to a workgroup		0,697	0,71
V65	Multicultural teams can be stimulating and productive		0,686	0,60
V68	Diversity only brings unnecessary conflict and problems in a workgroup.	0,651		0,70
V67	Showing flexibility to people's individual needs, increases commitment and motivation of employees.		0,608	0,69
V71	People are motivated and productive when they feel they are accepted for who they are.		0,546	0,71
V74	Minority groups tend to stick together.	0,678		0,50
VV73	Stereotypes exist about minority groups.		0,570	0,54
VV75	Differences often make people feel uncomfortable		0,530	0,67
V80	People are reluctant to disagree with minority group employees for fear of being called prejudiced.	0,418		0,66
V72	Women and minorities are over-sensitive to prejudice and discrimination.	0,357		0,54
VV64	Minority group members should be expected to forsake their own cultures and adapt to our ways.	0,466		0,63
V77	There should be no double standards – the rules should be the same for everyone.		0,284	0,47

Factors of Section G

5.2.4 SECTION G : How is diversity managed in your company

Table 5.2.4

TOT G	Criterion Group	Reference Group
DEM VV7		
Mean	31,33	33,72
F-Value	1,23	10,49
Pr > F	0,2944	0,0001
DEM V8		
Mean	31,33	33,74
F-Value	0,03	3,80
Pr > F	0,8646	0,0522
ORG VV3		
Mean	31,15	33,75
F-Value	0,18	10,90
Pr > F	0,6702	0,0011
ORG VV4		
Mean	31,27	33,75
F-Value	9,34	0,74
Pr > F	0,0025	0,3910
ORG VV5		
Mean	31,41	33,74
F-Value	0,01	0,78
Pr > F	0,9090	0,3763
ORG VV6		
Mean	31,33	33,81
F-Value	0,83	1,75
Pr > F	0,3634	0,1872
ORG VV10		
Mean	31,30	33,74
F-Value	2,46	1,93
Pr > F	0,0874	0,1468

Factors of Section G

Figure 5.2.4

Alpha all variables = 0,7698

Factor loadings.

Item-scale correlations

		Organi- sation Values and Norms	Management Pract- ices & Proce-dures	
VV113	Top management backs up its value on diversity with action.	0,726		0,73
VV114	Managers have effective strategies to use when one group refuses to work with another.		0,652	0,63
VV104	Policies are flexible enough to accommodate everyone.	0,643		0,66
VV91	Managers are flexible and structure benefits and rules that work for everyone.		0,609	0,61
VV111	Managers effectively use problem-solving skills to deal with language differences and other cultural clashes.		0,606	0,59
VV108	Multicultural work teams exist and are working harmoniously.		0,557	0,52
VV110	Resources are spent on diversity development	0,501		0,52
VV84	Managers have a track record of firing and promoting diverse staff.		0,470	0,52
VV87	Managers hold all people equally accountable.		0,470	0,50
VV105	Managers get active participation from all staff in meetings.		0,465	0,48
VV102	Managers give feedback and evaluate performance so staff do not lose face.		0,444	0,51
VV97	Members of minority groups feel that they belong.	0,435		0,47
VV94	There is a mentoring programme that identifies and prepares people of diverse backgrounds for promotion.	0,395		0,46
VV93	There is a mentoring programme that identifies and prepares women for promotion.	0,394		0,45
VV83	There is diverse staff at all levels.	0,392		0,49
VV95	Appreciation of differences can be seen in the rewards managers give.	0,378		0,42
VV98	One criterion of a manager's performance is developing the diversity of his/her staff.		0,307	0,37

SECTION B: Extent of diversity related problems

Table 5.2.5

TOT B	Criterion Group	Reference Group
DEM VV7		
Mean	44,31	45,58
F-Value	0,19	2,58
Pr > F	0,8293	0,0772
DEM V8		
Mean	44,31	44,59
F-Value	0,03	0,00
Pr > F	0,8545	0,9456
ORG VV3		
Mean	44,21	45,62
F-Value	1,5	0,27
Pr > F	0,2212	0,6018
ORG VV4		
Mean	44,22	45,46
F-Value	8,43	6,02
Pr > F	0,0040	0,0146
ORG VV5		
Mean	44,20	45,66
F-Value	0,59	1,89
Pr > F	0,4443	0,1701
ORG VV6		
Mean	44,42	45,66
F-Value	18,68	0,34
Pr > F	0,0001	0,5624
ORG VV10		
Mean	44,35	45,69
F-Value	2,91	6,08
Pr > F	0,0565	0,0025

Factors of Section B**Figure 5.2.5**

Alpha all variables = 0.9035

In our organisation there is:		Factor-Loading	Item-scale Correlation
V26	Frustrations resulting from cultural differences	,771	0,65
V24	Exclusion of people who are different from others	,730	0,71
V20	Increase in grievances by members of minority groups	,720	0,55
V25	Barriers in promotion for diverse employees	,712	0,77
V18	Complaints about discrimination in promotions, pay and performance reviews	,708	0,68
V14	Resistance to working with other groups (ethnic, gender, physical ability)	,699	0,53
V22	Open conflict between groups or individuals from different groups.	,698	0,62
V19	Lack of social interaction between members of diverse groups	,674	0,74
V17	Ethnic, racial or gender slurs or jokes	,606	0,72
V13	Complaints about staff speaking other languages at work	,556	0,73
V23	Mistakes and productivity problems due to staff not understanding directions	,523	0,72
V21	Difficulty in recruiting and retaining members of different groups	,510	0,68
V16	Difficulty in communicating due to limited or heavily accented English	,491	0,65

APPENDIX 5

ITEM STATISTICS : SECTION 4

SAMPLE STATISTICS ON ITEMS OF THE SECTIONS OF THE DIVERSITY OPINION SURVEY

Item	Mean	SD	Reliability
1-1	3,358	1,455	0,78
1-2	3,306	1,345	0,73
1-3	4,057	1,026	0,93
1-4	3,940	1,011	0,94
1-5	3,132	1,401	0,65
1-6	2,775	1,429	0,72
1-7	2,488	1,321	0,68
1-8	3,203	1,341	0,74
1-9	2,783	1,314	0,75
1-10	2,707	1,316	0,66
1-11	3,079	1,219	0,67
1-12	3,396	1,316	0,72
1-13	3,325	1,320	0,71
1-14	2,938	1,465	0,61
2-1	3,508	1,228	0,71

ITEM STATISTICS : SECTION B

Scale – Item	Item- Mean	Item- Variance	Item-scale correlation
1-1	3,358	1,455	0,57
1-2	3,396	1,345	0,73
1-3	4,057	1,056	0,53
1-4	3,940	1,053	0,57
1-5	3,182	1,401	0,65
1-6	2,778	1,479	0,72
1-7	2,488	1,323	0,68
1-8	3,203	1,349	0,74
1-9	2,783	1,514	0,55
1-10	3,707	1,134	0,68
1-11	3,079	1,200	0,62
1-12	3,396	1,318	0,72
1-13	3,325	1,520	0,71
1-14	2,938	1,408	0,77
2-1	3,508	1,228	0,65

ITEM STATISTICS : SECTION C

Scale – Item	Item- Mean	Item- Variance	Item-scale Correlation.
2-1	3,423	1,271	0,66
2-2	3,160	1,544	0,70
2-3	2,595	1,323	0,50
2-4	3,272	1,443	0,73
2-5	3,426	1,488	0,72
2-6	2,808	1,522	- 0,51
2-7	3,797	1,008	0,63
2-8	3,414	1,309	0,64
2-9	3,424	1,310	0,66
2-10	2,804	1,306	0,68
2-11	3,420	1,467	0,75
2-12	2,939	1,266	0,74
2-13	3,117	1,413	0,15
2-14	2,602	1,439	0,62

ITEM STATISTICS : SECTION D

Scale – Item	Item- Mean	Item- Variance	Item-scale Correlation
3-1	1,865	0,535	0,22
3-2	1,600	0,439	0,39
3-3	1,667	0,628	0,58
3-4	2,030	0,578	0,64
3-5	2,311	0,745	0,67
3-6	1,930	0,469	0,65
3-7	2,104	0,638	0,55
3-8	1,710	0,588	0,44
3-9	1,724	0,820	0,47
3-10	2,030	0,791	0,70
3-11	2,379	0,638	0,63

ITEM STATISTICS : SECTION F

Scale – Item	Item- Mean	Item- Variance	Item-scale correlation
1-1	3,819	0,979	0,71
1-2	3,835	0,971	0,60
1-3	3,825	0,801	0,70
1-4	4,087	0,729	0,69
1-5	3,809	0,906	0,71
1-6	4,186	0,639	0,63
1-7	4,306	0,895	0,47
2-1	3,655	1,347	0,50
2-2	3,247	1,094	0,54
2-3	3,556	0,884	0,67
2-4	3,824	0,694	0,66
2-5	3,706	0,698	0,54
3-12	1,947	0,457	0,56
3-13	2,213	0,365	0,52
3-14	1,814	0,617	0,52
3-15	1,851	0,521	0,48
3-16	2,076	0,542	0,52
3-17	1,504	0,436	0,51

ITEM STATISTICS : SECTION G

Scale – Item	Item- Mean	Item- Variance	Item-scale correlation
2-6	3,211	1,013	0,60
3-1	1,926	0,734	0,45
3-2	1,854	0,539	0,51
3-3	2,128	0,723	0,45
3-4	2,053	0,606	0,61
3-5	1,419	0,424	0,47
3-6	1,742	0,645	0,48
3-7	1,697	0,485	0,45
3-8	2,051	0,433	0,48
3-9	2,254	0,641	0,40
3-10	2,058	0,594	0,50
3-11	2,174	0,624	0,65
3-12	1,947	0,657	0,50
3-13	2,213	0,569	0,58
3-14	1,814	0,617	0,54
3-15	1,851	0,525	0,61
3-16	2,076	0,562	0,72
3-17	1,864	0,496	0,65

FACTOR STATISTICS OF ITEMS - SECTION B

APPENDIX 6

Items Variable Factor loading

**SAMPLE STATISTICS ON FACTOR ANALYSIS OF
SECTIONS OF THE DIVERSITY OPINION QUESTIONNAIRE**

1-9	V20	0.708
1-14	V23	0.772
1-7	V18	0.766
1-3	V14	0.698
1-11	V22	0.697
1-8	V19	0.674
1-6	V17	0.636
1-2	V13	0.556
1-12	V21	0.512
1-10	V21	0.419
1-5	V16	0.401
1-4	V15	0.360

FACTOR STATISTICS OF ITEMS : SECTION B

Scale – Item	Measurement- Variable	Factor – alpha coefficient.
2-1	V26	0,771
1-13	V24	0,730
1-9	V20	0,720
1-14	V25	0,712
1-7	V18	0,708
1-3	V14	0,699
1-11	V22	0,698
1-8	V19	0,674
1-6	V17	0,606
1-2	V13	0,556
1-12	V23	0,523
1-10	V21	0,510
1-5	V16	0,491
1-4	V15	0,460

FACTOR STATISTICS OF ITEMS : SECTION B

FACTOR STATISTICS OF ITEMS : SECTION C

Item	Variable	Measurement- Factor – alpha coefficient	Non-discriminatory	Motivational
2-12	VV38	0,749	0,000	0,000
2-11	VV37	0,727	0,000	0,000
2-5	VV31	0,710	0,000	0,000
2-4	VV30	0,694	0,000	0,000
2-7	VV33	0,661	0,000	0,000
2-1	VV27	0,647	0,000	0,000
2-2	VV28	0,636	0,000	0,000
2-9	VV35	0,635	0,000	0,000
2-6	V32	0,635	0,000	0,000
2-8	VV34	0,626	0,000	0,000
2-10	VV36	0,601	0,000	0,000
2-14	VV40	0,542	0,000	0,000
2-3	VV29	0,354	0,000	0,000

FACTOR STATISTICS OF ITEMS : SECTION D

Scale – Item	Measurement- Variable	Factor 1 Monocultural	Factor 2 Non-discriminatory	Factor 3 Multicultural
3-10	V50	0,715	0,000	0,000
3-5	V45	0,705	0,000	0,000
3-4	V44	0,663	0,000	0,000
3-6	V46	0,584	0,000	0,000
3-11	V51	0,559	0,000	0,000
3-8	V48	0,000	0,969	0,000
3-3	V43	0,265	0,000	0,641
3-2	V42	0,000	0,000	0,393
3-1	V41	0,000	0,000	0,000
3-7	V47	0,380	0,000	0,000
3-9	V49	0,265	0,284	0,000
3-1	V40	0,112	0,357	0,000
3-7	V47	0,284	0,643	0,000
3-10	V50	0,058	0,236	0,000

FACTOR STATISTICS OF ITEMS : SECTION G

FACTOR STATISTICS OF ITEMS : SECTION F

Item	Variable	Factor 1	Factor 2
Scale – Item	Measurement- Variable	Multicultural	Mono-cultural
1-1	V63	0,697	-0,043
1-2	V65	0,686	-0,073
2-1	V74	0,005	0,678
1-3	V68	0,651	-0,149
1-4	V67	0,608	0,033
2-2	V73	0,032	0,570
1-5	V71	0,546	0,159
2-3	V75	0,012	0,530
1-6	V64	0,466	-0,165
2-4	V80	-0,048	0,418
2-5	V72	-0,112	0,357
1-7	V77	0,284	0,090
-	V70	0,058	0,236
1-7	V77	0,284	0,090
2-1	V74	0,005	0,678
2-3	V75	0,012	0,530
2-4	V80	-0,048	0,418
2-5	V72	-0,112	0,357
2-6	V79	-0,207	0,224
2-7	V78	-0,233	0,224
2-8	V76	-0,103	0,224
2-9	V70	-0,103	0,224
2-10	V101	-0,103	0,224
2-11	V100	-0,103	0,224
2-12	V107	-0,103	0,224

FACTOR STATISTICS OF ITEMS : SECTION G

Scale – Measurement- Factors - Macro

Item Variable

		Organisation Values & Norms	Management Practices & Procedures
3-16	VV113		0,726
3-17	VV114		0,652
3-11	VV104		0,648
3-15	VV91		0,609
2-6	VV111		0,606
3-4	VV108	0,557	
3-13	VV110		0,501
3-14	VV84		0,470
3-2	VV87		0,470
3-12	VV105		0,465
3-10	VV102		0,444
3-8	VV97		
3-9	VV94	0,435	
3-5	VV93	0,395	
3-7	VV83	0,394	
3-1	VV95	0,392	0,378
3-3	VV98		0,307
-	VV90	-0,007	
-	VV89	-0,033	
-	VV101	-0,095	
-	VV100	-0,105	
-	VV107	-0,137	0,236

APPENDIX 7

SAMPLE STATISTICS OF MEASURES OF ASSOCIATION BETWEEN SECTIONS OF THE DIVERSITY OPINION SURVEY

RESULTS ON THE ASSOCIATION BETWEEN SECTIONS

The results on the associations between sections, are associations between latent variables, and will be used in covariance analysis to determine the factors (manifest) of workforce diversity.

5.3.1 The interrelationships between sections.

Extent of association between sections

Multivariate Analysis of Variance.

Partial Correlation Coefficients from the Error SS&CP Matrix /

Prob. > | r |. Level of significance = 0.05.

Figure 5.7.1

DF=606	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B Pr		0,424 0,0001	0,440 0,0001	0,092 0,0242	-0,388 0,0001	0,453 0,0001
TOT C Pr			0,605 0,0001	0,179 0,0001	-0,277 0,0001	0,605 0,0001
TOT D Pr				0,211 0,0001	-0,343 0,0001	0,672 0,0001

TOT F1 Pr					-0,092 0,0235	0,190 0,0001
TOT F2 Pr						-0,372 0,0001

5.3.2 Differences between criterion and reference groups on extent of association of sections

Pearson Correlation Coefficient / Prob. > |r| under Ho : Rho = 0/number of observations (Groups 1 & 2)

	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B Criterion Reference		,357 ,468	,456 ,416	,106 ,079	-0,410 -0,369	,455 ,452
TOT C Criterion Reference			,624 ,578	,247 ,123	-0,319 -0,244	,596 ,619
TOT D Criterion Reference				0,279 0,162	-0,427 -0,278	,675 ,677
TOT F1 Criterion Reference					-0,196 -0,0007	,251 ,131
TOT F2 Criterion Reference						-0,394 -0,347

Extent of association of sections based on demographic and organisational diversity

Association : based on demographic category attributes

H = Type III SS&CP Matrix for total group

Partial correlation coefficients from the error SS&CP Matrix / Prob > | r |

V8 : Gender

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B Grp 1 Pr	239		0,367 0,0001	0,476 0,0001	0,104 0,1066	-0,410 0,0001	0,455 0,0001
Grp 2 Pr	363		0,468 0,0001	0,414 0,0001	0,079 0,1318	-0,366 0,0001	0,452 0,0001
TOT C Grp 1 Pr				0,645 0,0001	0,248 0,0001	-0,322 0,0001	0,589 0,0001
Grp 2 Pr				0,578 0,0001	0,130 0,013	-0,235 0,0001	0,614 0,0001
TOT D Grp 1 Pr					0,277 0,0001	-0,432 0,0001	0,674 0,0001
Grp 2 Pr					0,164 0,0017	-0,274 0,0001	0,673 0,0001
TOT F1 Grp 1 Pr						-0,196 0,0001	0,256 0,0001
Grp 2 Pr						-0,003 0,9467	0,1362 0,0092
TOT F2 Grp 1 Pr							-0,400 0,0001
Grp 2 Pr							-0,339 0,0001

H = Type III SS&CP Matrix for total group

Partial correlation coefficients from the error SS&CP Matrix / Prob > |r|

VV7 : Age

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B							
Grp 1			0,366	0,476	0,106	-0,409	0,461
Pr			0,0001	0,0001	0,1010	0,0001	0,0001
Grp 2			0,458	0,401	0,072	-0,363	0,437
Pr			0,0001	0,0001	0,1667	0,0001	0,0001
TOT C							
Grp 1				0,640	0,248	-0,319	0,598
Pr				0,0001	0,0001	0,0001	0,0001
Grp 2				0,568	0,1156	-0,235	0,608
Pr				0,0001	0,0274	0,0001	0,0001
TOT D							
Grp 1					0,275	-0,427	0,681
Pr					0,0001	0,0001	0,0001
Grp 2					0,146	-0,275	0,657
Pr					0,0052	0,0001	0,0001
TOT F1							
Grp 1						-0,197	0,251
Pr						0,0027	0,0001
Grp 2						-0,001	0,1151
Pr						0,9910	0,0281
TOT F2							
Grp 1							-0,408
Pr							0,0001
Grp 2							-0,342
Pr							0,0001

Partial correlation coefficients from the error SS&CP Matrix / Prob > 1 r 1

VV3 : Tenure in present organisation

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B Grp 1 Pr	232		0,368 0,0001	0,475 0,0001	0,103 0,1153	-0,402 0,0001	0,461 0,0001
Grp 2 Pr	365		0,468 0,0001	0,419 0,0001	0,080 0,1281	-0,368 0,0001	0,454 0,0001
TOT C Grp 1 Pr				0,643 0,0001	0,244 0,0002	-0,323 0,0001	0,584 0,0001
Grp 2 Pr				0,580 0,0001	0,125 0,0169	-0,239 0,0001	0,618 0,0001
TOT D Grp 1 Pr					0,272 0,0001	-0,429 0,0001	0,673 0,0001
Grp 2 Pr					0,159 0,0023	-0,272 0,0001	0,666 0,0001
TOT F1 Grp 1 Pr						-0,185 0,0044	0,253 0,0001
Grp 2 Pr						-0,002 0,9667	0,129 0,0135
TOT F2 Grp 1 Pr							-0,416 0,0001
Grp 2 Pr							-0,339 0,0001

Association based on organisational attributes

H = Type III SS&CP Matrix for total group

Partial correlation coefficients from the error SS&CP Matrix / Prob > |r|

VV4 : Business nature of organisation

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B							
Grp 1	234		0,341	0,469	0,107	-0,405	0,436
Pr			0,0001	0,0001	0,1012	0,0001	0,0001
Grp 2	356		0,467	0,440	0,081	-0,376	0,471
Pr			0,0001	0,0001	0,1244	0,0001	0,0001
TOT C							
Grp 1				0,638	0,258	-0,315	0,568
Pr				0,0001	0,0001	0,0001	0,0001
Grp 2				0,595	0,122	-0,251	0,634
Pr				0,0001	0,0209	0,0001	0,0001
TOT D							
Grp 1					0,277	-0,431	0,668
Pr					0,0001	0,0001	0,0001
Grp 2					0,167	-0,293	0,690
Pr					0,0016	0,0001	0,0001
TOT F1							
Grp 1						-0,207	0,265
Pr						0,0014	0,0001
Grp 2						-0,008	0,140
Pr						0,8782	0,0082
TOT F2							
Grp 1							-0,388
Pr							0,0001
Grp 2							-0,345
Pr							0,0001

H = Type III SS&CP Matrix for total group

Partial correlation coefficients from the error SS&CP Matrix / Prob > |r|

VV5 : Career Category : Hard-soft

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B							
Grp 1	232		0,417	0,470	0,096	-0,415	0,447
Pr			0,0001	0,0001	0,1502	0,0001	0,0001
Grp 2	364		0,467	0,418	0,077	-0,370	0,457
Pr			0,0001	0,0001	0,1410	0,0001	0,0001
TOT C							
Grp 1				0,668	0,257	-0,325	0,635
Pr				0,0001	0,0001	0,0001	0,0001
Grp 2				0,579	0,125	-0,125	0,619
Pr				0,0001	0,0167	0,0001	0,0001
TOT D							
Grp 1					0,270	-0,421	0,679
Pr					0,0001	0,0001	0,0001
Grp 2					0,1621	-0,285	0,676
Pr					0,0019	0,0001	0,0001
TOT F1							
Grp 1						-0,184	0,250
Pr						0,0048	0,0001
Grp 2						-0,003	0,133
Pr						0,9520	0,0111
TOT F2							
Grp 1							-0,418
Pr							0,0001
Grp 2							-0,351
Pr							0,0001

H = Type III SS&CP Matrix for total group

Partial correlation coefficients from the error SS&CP Matrix / Prob > |r|

VV6 : Size of Organisation

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B Grp 1 Pr	237		0,327 0,0001	0,476 0,0001	0,085 0,1878	-0,400 0,0001	0,455 0,0001
Grp 2 Pr	362		0,467 0,0001	0,413 0,0001	0,084 0,1092	-0,367 0,0001	0,448 0,0001
TOT C Grp 1 Pr				0,641 0,0001	0,2343 0,0003	-0,314 0,0001	0,588 0,0001
Grp 2 Pr				0,576 0,0001	0,1280 0,0146	-0,240 0,0001	0,619 0,0001
TOT D Grp 1 Pr					0,2724 0,0001	-0,427 0,0001	0,669 0,0001
Grp 2 Pr					0,166 0,0015	-0,275 0,0001	0,675 0,0001
TOT F1 Grp 1 Pr						-0,196 0,0024	0,252 0,0001
Grp 2 Pr						-0,019 0,7128	0,143 0,0063
TOT F2 Grp 1 Pr							-0,395 0,0001
Grp 2 Pr							-0,335 0,0001

H = Type III SS&CP Matrix for total group

Partial correlation coefficients from the error SS&CP Matrix / Prob > | r |

VV10: Economic sector of organisation

	DF	TOT B	TOT C	TOT D	TOT F1	TOT F2	TOT G
TOT B							
Grp 1	237		0,363	0,478	0,104	-0,404	0,449
Pr			0,0001	0,0001	0,1074	0,0001	0,0001
Grp 2	359		0,440	0,443	0,100	-0,363	0,469
Pr			0,0001	0,0001	0,556	0,0001	0,0001
TOT C							
Grp 1				0,645	0,245	-0,317	0,585
Pr				0,0001	0,0001	0,0001	0,0001
Grp 2				0,622	0,148	-0,235	0,652
Pr				0,0001	0,0046	0,0001	0,0001
TOT D							
Grp 1					0,277	-0,428	0,678
Pr					0,0001	0,0001	0,0001
Grp 2					0,155	-0,280	0,676
Pr					0,003	0,0001	0,0001
TOT F1							
Grp 1						-0,195	0,255
Pr						0,0024	0,0001
Grp 2						-0,013	0,133
Pr						0,7973	0,0113
TOT F2							
Grp 1							-0,397
Pr							0,0001
Grp 2							-0,336
Pr							0,0001

APPENDIX 8

STATISTICS OF STRUCTURAL EQUATIONS ANALYSIS

Step 2

Modification of the initial theoretical model

To create the PRO CALIS program that will estimate revised constrained model 1; it is necessary to make just one small change in the program that had estimated the initial theoretical model. One small change in this stage is the deletion of F4 (Section F1- statements on valuing workforce diversity) due to its very low partial correlation coefficients with all latent variables.

Specifically, the latent-variable equation for F1 in the LINEQS statement has to be modified so that F4 is no longer specified as an independent variable for F1. This can be done easily by making a copy of the original program, and then blanking out the path coefficient name (PF1F4) and the short name (F4) for the alternative's construct.

The latent variable equation for F1 appears in the following way: $f1 = pf1 f4 f4 + pf1 f6 f6 + d1$ In the PROC CALIS program that estimates revised model 1, the equation takes on the following form; notice that the path coefficient name and the short name for the alternatives construct has been blanked out: $f1 = pf1 f6 + d1$

Second modification of the initial theoretical model

In the next modification, all the variables are freed, to be estimated in Mu (unconstrained).

The path given is

$$f1 = pf1 f2 f2 + pf1 f3 f3 + pf1 f4 f4 + pf1 f5 f5 - pf1 f6 f6 + d1$$

Modification of the measurement model to produce a theoretical model

The path for this model was based on expectations of how diversity was managed in organizations: $f_5 = p_{f5f1} f_1 + p_{f5f2} f_2 + p_{f5f3} f_3 + p_{f5f4} f_4 - p_{f5f6} f_6 + d_5$

The Goodness of fit indices are presented in table 5.1 of chapter 5, where it is reported together with other findings leading to the acceptance of this theoretical model.

Further research to find models with better fit and parsimony can start with the data from the following procedures.

Following on 5.8.2:238, were univariate tests for constant constraints.

Determination of Lagrange multiplier and Wald – test indices: PHI.

(Diagonal matrix).

Determination of Lagrange and Wald – test indices: BETA.

(General matrix. Identity-minus-inverse model matrix).

Rank order of largest Lagrange multipliers in BETA.

A Stepwise multivariate Wald test was done.

The Wald Test. Although models may be modified in any of a number of ways (e.g. by placing equality constraints on parameters), they are most frequently modified by either fixing causal paths at zero [e.g. eliminating a non significant path from the model(as in the case of F4)], or freeing causal paths to be estimated (i.e. adding new paths to the model). Of these alternatives, eliminating a non significant path is less likely to capitalize on chance characteristics of the data.

The review should normally begin with the Wald test, as it identifies parameters that may be dropped without causing a significant decrease in model chi-square. Below is the Wald test for the analysis of the theoretical model.

RANK ORDER OF 10 LARGEST NORMALIZED RESIDUALS

COVARIANCE STRUCTURE ANALYSIS: MAXIMUM LIKELIHOOD ESTIMATION
STEPWISE MULTIVARIATE WALD TEST FOR THE THEORETICAL MODEL

PARAMETER	CUMULATIVE STATISTICS			UNIVARIATE INCREMENT	
	CHI-SQUARE	D.F.	PROB	CHI-SQUARE	PROB
PF3F2	0.000016074	1	0.9968	0.000016074	0.9968
PF1F4	0.014642	2	0.9927	0.014626	0.9037
PF5F4	0.050000	3	0.9971	0.035358	0.8508
PF5F6	0.091457	4	0.9990	0.041458	0.8387
PF4F2	0.188107	5	0.9992	0.096649	0.7559
PF5F2	0.300672	6	0.9995	0.112565	0.7372
PF1F6	0.927946	7	0.9959	0.627274	0.4284
PF5F3	1.667262	8	0.9896	0.739316	0.3899
VARD5	2.485806	9	0.9813	0.818544	0.3656

The Wald test estimates the change in model chi-square that would result from fixing a given parameter at zero. The first parameter listed in the preceding Wald test results is CF3F2, the covariance between F3 (Diversity-related problems) and F2 (Openness to change), and the third entry in the table is CF5F4, the covariance between F5 (How diversity is managed) and F4 (Diversity that is valued). Covariances are generally estimated for all possible pairs of exogenous F variables in an analysis of this sort (unless there is theoretical reason that they be fixed at zero).

Information from the Wald test and the Lagrange Multiplier test may be used to develop a better-fitting model.

RANK ORDER OF 10 LARGEST NORMALIZED RESIDUALS

VARIABLES OF INDEPENDENT VARIABLES

VARIABLES	PARAMETER	ESTIMATE	SE (PARAM)	T-VALUE
V16.V15	VV83.V70	VV94.VV93	VV31.V26	V70.V47
10.711201	-9.124726	8.994821	8.222430	-6715978
VV84.V70	VV84.VV83	VV87.V18	VV31.V15	V47.VV29
-6.227937	5.989821	4.951285	-4.211991	-3.960819
E1	VARE1	0.004511	0.000000	0.000000
E2	VARE2	0.015276	0.000000	0.000000
E3	VARE3	0.021512	0.000000	0.000000
E4	VARE4	0.032133	0.000000	0.000000
E5	VARE5	0.043123	0.000000	0.000000
E6	VARE6	0.054319	0.000000	0.000000
E7	VARE7	0.065795	0.000000	0.000000
E8	VARE8	0.077462	0.000000	0.000000
E9	VARE9	0.089330	0.000000	0.000000
E10	VARE10	0.101398	0.000000	0.000000
E11	VARE11	0.113666	0.000000	0.000000
E12	VARE12	0.126134	0.000000	0.000000
E13	VARE13	0.138802	0.000000	0.000000
E14	VARE14	0.151670	0.000000	0.000000
E15	VARE15	0.164738	0.000000	0.000000
E16	VARE16	0.178006	0.000000	0.000000
E17	VARE17	0.191474	0.000000	0.000000
E18	VARE18	0.205142	0.000000	0.000000
E19	VARE19	0.219010	0.000000	0.000000
E20	VARE20	0.233078	0.000000	0.000000

VARIANCES OF EXOGENOUS VARIABLES

VARIABLES	PARAMETER	ESTIMATE	STANDARD ERROR	T VALUE
E1	VARE1	0.383629	0.058165	6.596
E2	VARE2	0.471549	0.058504	8.060
E3	VARE3	0.364513	0.058636	6.217
E4	VARE4	0.418876	0.058958	7.105
E5	VARE5	0.241512	0.059345	4.070
E6	VARE6	0.532151	0.058230	9.139
E7	VARE7	0.745436	0.058134	12.823
E8	VARE8	0.434919	0.058990	7.373
E9	VARE9	0.341888	0.059041	5.791
E10	VARE10	0.727062	0.058383	12.453
E11	VARE11	0.901370	0.058353	15.447
E12	VARE12	1.113668	0.058082	19.174
E13	VARE13	0.700047	0.058498	11.967
E14	VARE14	0.693899	0.058527	11.856
E15	VARE15	0.863865	0.058366	14.801
E16	VARE16	0.551847	0.058427	9.445
E17	VARE17	0.750175	0.058354	12.856
E18	VARE18	0.760020	0.058329	13.030
E19	VARE19	0.779828	0.058308	13.374
E20	VARE20	0.673593	0.058586	11.497

E21	VARE21	0.547784	0.058682	9.335
E22	VARE22	0.942482	0.058230	16.186
E23	VARE23	1.066071	0.058212	18.314
E24	VARE24	0.730241	0.058458	12.492
E25	VARE25	0.907256	0.058132	15.607
E26	VARE26	0.910804	0.058154	15.662
E27	VARE27	0.883925	0.058279	15.167
E28	VARE28	0.785553	0.058516	13.425
E29	VARE29	0.747008	0.058419	12.787
E30	VARE30	0.689023	0.058548	11.768
E31	VARE31	1.157020	0.058184	19.886
E32	VARE2	0.657518	0.058475	11.244
E33	VARE33	0.898208	0.058190	15.436
E34	VARE34	0.667518	0.058603	11.391
E35	VARE35	0.807617	0.058538	13.796
E36	VARE36	0.617779	0.058731	10.519
E37	VARE37	0.506257	0.061996	8.166
E38	VARE38	0.754746	0.058956	12.802
E39	VARE39	0.413997	0.061909	6.687
E40	VARE40	0.460873	0.060020	7.679
E41	VARE41	0.480761	0.061594	7.805
E42	VARE42	0.469912	0.059163	7.943
E43	VARE43	0.26132	0.058296	14.171
E44	VARE44	0.629134	0.058140	10.821

E45	VARE45	0.425805	0.058208	7.315
E46	VARE46	0.549941	0.058244	9.442
E47	VARE47	0.366373	0.058514	6.261
E48	VARE48	0.366273	0.058133	6.301
E49	VARE49	0.559874	0.058132	9.631
E50	VARE50	0.421535	0.058129	7.252
E51	VARE51	0.347449	0.058197	5.970
E52	VARE52	0.579856	0.058091	9.982
E53	VARE53	0.468803	0.058204	8.054
E54	VARE54	0.359084	0.058580	6.130
E55	VARE55	0.514875	0.058216	8.844
E56	VARE56	0.393173	0.058345	6.739
E57	VARE57	0.469265	0.058243	8.057
E58	VARE58	0.333333	0.058441	5.704
E59	VARE59	0.280648	0.058815	4.772
E60	VARE60	0.292417	0.058536	4.995
E61	VARE61	1.217806	0.058837	20.698
E62	VARE62	0.978468	0.058931	16.604
E63	VARE63	0.551707	0.064175	8.597
E64	VARE64	0.430252	0.064282	6.693
E65	VARE65	0.527574	0.060635	8.701
E66	VARE66	0.813679	0.059994	13.563
D1	VARD1	0.359460	4.389309	0.082
D2	VARD2	1.109366	3.975189	0.279

D3	VARD3	0.284291	2.492804	0.114
D4	VARD4	0.447862	0.185807	2.410
D5	VARD5	0.067440	0.087721	0.769
D6	VARD6	0.649160	0.641714	1.012