CURRENT DEBATES ON CLASSIFYING DIVERSITY MANAGEMENT: REVIEW AND A PROPOSAL

Susanna Bairoh

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Current Debates on Classifying Diversity Management: Review and a Proposal

Key words: diversity, diversity management, critical approaches

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Abstract:

This paper discusses various theoretical approaches to diversity management, analysing their similarities and differences. I start with a review of certain previously presented classifications, and then proceed to describing the different approaches in more detail. In this paper, I propose that the various viewpoints can be categorized into three groups: 1) practitioner/consultant approach, 2) mainstream approach, and 3) critical approaches.

Although there are differences within these groups, in particular regarding the critical approaches, these differences appear less significant than those between the groups. Those representing the first group are mainly interested in how to get most out of a diverse workforce, while those in the second group focus on the effects of diversity on performance or work group functioning. While some of the mainstream writers can be rather critical towards earlier research, they hardly ever discuss or even recognize the wide ranging criticism put forward by critical scholars. The critical researchers, then, remain a rather scattered group who do not always share much more than a conviction that the mainstream research keeps missing highly significant issues. Nonetheless, in order to increase our understanding of how different persons can and do work together, more dialogue is required between the varying standpoints.

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1. Introduction

Managing a workforce with varying cultural, national and ethnic backgrounds is a challenge faced by most organizations operating in today’s globalizing world, whether they operate in one national setting or internationally. This increasing diversity among the workforce has been responded to in various ways, but often organizations have been compelled to come up with initiatives that can be grouped under the broad heading of “diversity management”. Although diversity management is usually, especially in the mainstream literature, presented as ‘the’ way of responding to the challenge of diversity, in reality organisations have several alternatives for dealing with it. These alternatives can be thought of as a continuum, ranging from assimilative to more diversity-embracing approaches. Diversity can be ‘tolerated’ or ‘valued’ as well as ‘managed’ – or ignored, subdued, even discarded.

Academic discussions on diversity management emerged in the early 1990’s, starting from the United States where the diversity management concept was introduced in the late 1980s. Apart from the United States, the majority of these discussions have been based on organizations located in countries, such as Canada or United Kingdom, where there have been large numbers of immigrants for decades or even centuries. Nonetheless, workplace diversity as an issue and Diversity Management as a concept have been spreading around the globe. As Prasad, Pringle and Konrad (2006) explain: ‘What was once a concern mainly for so-called ‘new’ immigrant nations such as Canada, Brazil, the United States and New Zealand has increasingly become an issue for ‘older’ countries in Europe, Asia and the Middle East as well’ (ibid: 1).

However, the usefulness or applicability of diversity management approaches in countries that have only recently become targets of immigration, such as Finland, can be questioned. One of the central claims of the more critically oriented literature on diversity management is that the varying meanings attached to diversity and diversity management should always be considered contextually (see for example Prasad et al. 2006; Omanovic, 2002). Moreover, the significance of particular demographic differences - gender, age, ethnicity, ‘race’, or whatever - should not be taken for
granted, since their meanings and importance are far from fixed. This widening of contexts as well as problems encountered in implementing diversity management initiatives have contributed to critical views gaining momentum among diversity scholars in recent years.

This paper discusses various theoretical approaches to diversity management, analysing their similarities and differences. I will start with a review of certain previously presented classifications, and then proceed to describing the different approaches in more detail. I will be analysing these approaches by seeking answers to four questions:

1) What is ‘diversity’ and who are ‘diverse’?
2) Is diversity management good for business and/or the organization?
3) Is diversity management good for the employees?
4) Does “diversity management” help us in our attempt to understand what is going on in contemporary organizations?

In what follows, it will become apparent that answers to these questions depend completely on the chosen viewpoint or perspective adhered to. In this paper, I will propose that the various viewpoints can be categorized into three groups: 1) practitioner/consultant approach, 2) mainstream approach, and 3) critical approaches. Although there are differences within these groups, in particular regarding the critical approaches, these differences appear less significant than those between the groups. Those representing the first group are mainly interested in how to get most out of a diverse workforce, while those in the second group focus on the effects of diversity on performance, work group functioning, etc. While some of the mainstream writers can be rather critical towards earlier research, they hardly ever discuss or even recognize the wide ranging criticism put forward by critical scholars. Admittedly, the critical researchers remain a rather scattered group who do not always share much more than a conviction that the mainstream research keeps missing highly significant issues. Nonetheless, in order to increase our understanding of how different persons can and do work together, more dialogue is required between the varying standpoints. This would also benefit theory building and hopefully lead to better research – as well as better workplaces.
2. Classifications of Diversity and Diversity Management

2.1 Defining Diversity and Diversity Management

‘Diversity should be understood as the varied perspectives and approaches to work which members of different identity groups bring to the workplace.’ (Thomas and Ely, 1996: 124)

‘The goal of any diversity strategy [is] the creation of an equitable or fair employment system in order to improve the bottom line/business.’ (Wilson, 1997: 19)

‘Broadly, the term managing diversity refers to the systematic and planned commitment on the part of organizations to recruit and retain employees from diverse demographic backgrounds.’ (Prasad et al., 1997: 4)

‘If we understand identity as a valued, contested resource and we understand diversity initiatives as one site in which identity is shaped, then ’managing diversity’ takes on a whole new meaning: a way of controlling the widespread, enormously varied, potentially revolutionary effects of multiple identities in the workplace; having charge of that multiplicity’s enactment and influence.’ (Foldy, 2002: 93)

In general, diversity refers to all kinds of differences, as in the term ‘bio-diversity’. Deborah Litvin (1997; 2006) has explored the roots of ‘diversity’ and concludes that the term has been borrowed from biology to management and organisational science apparently without much consideration of the pre-Darwinian connotations it carries. Litvin (1997) lists six primary dimensions of diversity as they appear in the textbooks: age, ethnicity, gender, physical attributes/abilities, ‘race’ and sexual orientation. A similar list is provided for example in Torrington, Hall and Taylor (2005) who under the heading ‘Diversity Management’ discuss the experiences of ‘five socially defined minority groups: women, racial/ethnic minorities, disabled people, older people and individuals who are lesbian, gay, bisexual or transsexual’ (ibid: 529).

Prasad et al. (2006) pinpoint that at its core diversity is all about matters of difference and inclusion. Nonetheless, no easy agreement remains on either the nature of differences that should be considered or the kind of inclusionary measures that should be practiced (ibid). Sometimes a line is drawn between visible and invisible diversity
characteristics of which visible have received more attention. For example sex/gender and ‘race’ can be considered visible characteristics (albeit hardly unproblematic) whereas ethnicity and sexual orientation may be visible or invisible. Moreover, in the case of invisible diversity, the minority group member might “pass” as a member of the majority group unless he/she decides to disclose the information in question. This option, obviously, is not afforded to members of visible diversity groups who continuously carry “the label” (cf. Prasad et al., 2006)

While some scholars and practitioners favour including all conceivable elements of difference, others (e.g. Linnehan & Konrad, 1999) propose that interest should focus on groups that have systematically faced discrimination and oppression at work. These historically disadvantaged groups would typically include ‘non-whites, women, religious and ethnic minorities, individuals with physical disabilities, older employees, gays, lesbians and bisexuals, and transgendered people’ (Prasad et al. 2006: 2). Although many of these groups in many countries receive protection from discrimination under local laws, Prasad et al. (2006) assert that workplace diversity is a more relevant concept if it focuses on those differences that have been systematically discriminated against, irrespective of whether or not they receive legal protection.

The term ‘managing diversity’, Prasad et al. (2006) argue, may carry the legacy of ‘managing’: ‘the traditional classic notions of control, leadership, organizing and power’ (ibid: 7). Workplace diversity becomes the object of control and organizing, and the initiation of organizational change is legitimately vested in senior management. Prasad et al. continue that ‘diversity management’, on the other hand, avoids some of the hierarchical problems of ‘managing diversity’ but nonetheless still tends to focus on individuals and not on interaction between groups. Moreover, this approach does not pay enough attention to power differences.

Another term to use could be ‘workplace diversity’, as Prasad et al. (2006) do. For example Kossek, Lobel and Brown (2006), when discussing what they call ‘the human resource management (HRM) perspective on workforce diversity’ (ibid: 53), define that this approach highlights the development and implementation of organizational
initiatives that 1) increase the numerical representation of historically excluded groups; 2) empower a diverse workforce once it is in place to participate fully in organizational decision making; and 3) ensure the inclusion of a diverse workforce in every aspect of organizational life.

In this paper and in my ongoing doctoral research, the preferred term is diversity management, and it is defined as the various combinations of ideals (philosophies or values), policies, and practices that relate to ‘managing’ (defining, controlling, empowering, etc.) diversity in organizations. This differentiation between ideals or philosophy, policies, and practices stems from Schuler, Dowling and De Cieri (1993) who discuss strategic international human resource management and propose this distinction:

‘Statements of human resource philosophy, while general, have the ability to proscribe limits on the actual treatment of individuals regardless of location. -- HR policies help to specify the meaning of the philosophy. From these policies come more specific SIHRM practices to be implemented at the unit level. These are the human resource activities that directly have an impact on employees, e.g., types of compensation, staffing methods, appraisal methods and forms of training and development.’ (Schuler et al., 1993: 432)

Since in most organizations diversity management is the responsibility of the Human Resource department and most diversity management initiatives usually belong to the realm of human resource management (HRM), this distinction appears useful in assessing diversity management in organizations.

2.2 Classifying Diversity Management

In this section, four classifications of diversity management will be briefly described. These classifications have been classified into two groups: “Classifications without theory” and “Classifications with theory”. The first group includes articles that have been published in prestigious journals but lack references to other scholarly work and
do not clearly relate to any theoretical body of knowledge, whereas those in the second group explicitly aim to contribute to theory building.

### 2.2.1 Classifications without Theory

**Three Paradigms of Diversity Management: Thomas and Ely, 1996**

Probably the most cited and well-known classification of diversity management was developed in the mid 1990’s by David Thomas and Robin Ely. In their article, Thomas and Ely (1996) discuss different approaches towards diversity management and distinguish between the following three ‘paradigms’ for managing diversity:

1. **Discrimination-and-fairness paradigm**, which is based on the recognition that discrimination is wrong. Focus here is on equal opportunity, fair treatment, recruitment, and compliance with the law. Progress in diversity is measured by how well the company achieves its recruitment and retention goals. The staff gets diversified, but the work does not; the company should operate as if every person were of the same ‘race’, gender, or nationality. ‘[T]hus far perhaps the dominant way of understanding diversity’ (ibid: 126).

2. **Access-and-legitimacy paradigm**, which accepts and celebrates diversity. Organisations applying this approach try to access a more diverse clientele by matching the demographics of the organisation to those of critical consumer or constituent groups. The problem is that in their pursuit of niche markets, the companies tend to emphasise the role of cultural differences without really analysing those differences. Moreover, some employees in the special departments may feel exploited as opportunities in other parts of the organization are closed to them.

3. **Learning-and-effectiveness**: a third emerging paradigm, which connects diversity to work perspectives. It promotes equal opportunity for all individuals, as well as acknowledges and recognises the value of cultural differences. Yet, it lets the organisation internalise differences among employees so that the company can learn and grow because of them. Companies implementing this paradigm have ‘developed an outlook on diversity that enables them to incorporate employee’s perspectives into the main work of the organization and to enhance work by rethinking primary tasks and redefining markets, products, strategies, missions, business practices, and even cultures’ (ibid: 137).

Thomas and Ely point out that companies in the US often have failed to reap the benefits of their diverse workforce by concentrating only on fair treatment required by legislation (=Discrimination-and-fairness paradigm). Although many companies have tried to create ways to benefit from diversity, only a few implement the Learning-and-
effectiveness paradigm which according to Thomas and Ely is the only one that will improve the organization in the longer term. Thomas and Ely emphasize the role of senior management (“leadership”) and also stress that organizations with particular kind of culture are more likely to develop towards the third paradigm than others (please see section 6.2).

As already mentioned, Thomas and Ely’s classification is cited in numerous articles and books dealing with diversity management. However, it could be argued that it has more practical than theoretical value. Firstly, the authors do not refer to any theory in formulating their research questions or their findings but seem to rely solely on their experience from certain companies. Secondly, although the classification is understandable, it is also rather simple; classifying organizations accordingly does not necessarily provide much new insight about what diversity management is or could be. Thirdly, it has a strong ‘managerial’ flavour: workforce is becoming more diverse and this diversity should be tapped on by the leadership to benefit the organization. However, problematizing questions - such as who constitutes ‘the leadership’, whether so-called ‘diverse’ groups (e.g. women, African-American, Hispanics) always constitute minorities within the organization, etc. - are not addressed at all.

Thomas and Ely’s (1996) classification has been further developed by Dass and Parker (1999) who review various HRM responses to managing diversity. Dass and Parker, based on their findings, suggest that it is necessary to add a fourth paradigm – resistance – since this perspective is still ‘alive and well’ in some US organizations (ibid: 69). Moreover, Dass and Parker call the third paradigm simply “learning”, since they believe that different perspectives can be effective under different circumstances. Dass and Parker’s model has great practical value as it adds other elements (strategic orientation, HRM response) to Thomas and Ely’s model but possibly due to its target audience – executives - its contribution to theory building remains less evident.

1 In 2001, Ely & Thomas published another article building on their classification but this time they relate their study to the mainstream theoretical frameworks (see section 4).
2.2.2 Classifications with Theory

While many authors seem content to repeat Thomas and Ely’s paradigms when discussing the possibility of various approaches to diversity management (if such discussion takes place at all), some critically oriented scholars have presented alternative classifications. Lorbiecki and Jack’s (2000) classification is rather well known at least among critically oriented scholars. Foldy (2002) presents a categorization of diversity management perspectives that differentiates between conventional perspectives and critically oriented perspectives (cf. Omanovic, 2002). These classifications are briefly described next, followed by the description of the four dimensions of diversity research identified by Prasad et al. (2006).

Four Turning Points of Diversity Management: Lorbiecki and Jack, 2000

Anna Lorbiecki and Gavin Jack (2000) reviewed the critical literature on diversity management and identified four turning points in the evolution of diversity management (in the US): demographic, political, economic, and critical. Although these turns have been identified singularly, Lorbiecki and Jack remind us that in practice they are neither separate nor distinct.

Like most others, Lorbiecki and Jack trace the term ‘diversity management’ back to 1987 when the influential report Workforce 2000 was published by the Hudson Institute. This report revealed that by the year 2000, white males would no longer comprise the majority of the labour force in the United States. Keen to ensure corporate survival, the organizations began to search for candidates in other segments of the population, i.e. women and members of minority ethnic groups. The interest in diversity management turned political when its inclusive philosophy was seen as an attractive alternative to Affirmative Action policies that were causing widespread unease (Lorbiecki & Jack, 2000; cf. Litvin, 2006; Prasad et al., 1997).

Political interest turned economic with the introduction of compelling arguments warning companies that without immediate attention to diversity, their organization’s performance or image would be put at risk. Thus diversity management was turned into
a business case (Lorbiecki & Jack, 2000; cf. Litvin, 2006; Kossek et al., 2006; Prasad et al., 1997). Due to its importance in “selling” diversity management to companies and organizations in general, the Business Case discourse and the plausibility of its various claims will be discussed more extensively in section 3.

The critical turn came about when problems were encountered in implementing diversity management. Instead of paving the way for a greater tolerance of difference, many diversity interventions were shown to have backfired (ibid.). Most of the issues raised by Lorbiecki and Jack are addressed in section 5 and therefore will not be discussed here.

**Mainstream, Critical, and Foucauldian Perspectives: Foldy, 2002**

Erica Gabriela Foldy (2002) examines three distinct approaches to theorizing power - mainstream, critical, Foucauldian – and explores how power dynamics influence identity in the context of diversity programmes. Foldy starts by discussing the significance of identity: ‘How one identifies – and with whom one identifies – has enormous consequences for how compliant or resistant one is to existing organizational arrangements’ (ibid: 92). Foldy continues that while power and identity are profoundly intertwined in all organizations, this interconnection operates differently depending on organizational context. However, the recognition - even superficial - that employees are not a homogenous mass and that their extra-organizational identities matter, brings organizations into a new arena. ‘The very fact than an organization is deliberately trying to deal with diversity issues therefore shapes the relationship between power and identity in that workplace’ (ibid: 93).

Foldy acknowledges that ‘power’ itself is a contested site: theorists from different fields and ideological persuasions understand it very differently. Foldy distinguishes three main approaches: ‘mainstream’, ‘critical’ and Foucauldian. These different views of power have different consequences for how power and identity are intertwined.

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2 Foldy’s ‘critical’ refers mainly to work influenced by Marxist theory and Gramsci’s theory of hegemony, such as Lukes (1974) and Hardy & Clegg (1996). This approach is sometimes referred to as Critical Theory (Frankfurt School) in order to differentiate it from ‘critical’ in more general sense (see e.g. Alvesson & Deetz, 1996).
According to Foldy, the mainstream perspective largely ignores identity as it focuses on winners and losers of defined, observable conflicts. For critical theorists, identity is included in the hegemonic reach of dominant forces: hegemonic influences affect the basic ways in which we make sense of the world and ourselves. Although identity is contested, dominant influences are more powerful and thus more likely to win. Lastly, the Foucauldian perspective emphasises that individuals are constructed through power relations. Power and identity constitute each other: particular, historical power relations create particular identities which then serve to maintain those power relations.

Foldy examines diversity initiatives through the three lenses on power and identity as explained in table 1. However, since the original table is rather extensive, only one (diversity training) of the three initiatives discussed by Foldy is presented here (the other two are affinity groups and mentoring groups).

<table>
<thead>
<tr>
<th>Diversity practice</th>
<th>Mainstream lens</th>
<th>Critical lens</th>
<th>Foucauldian lens</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall diversity initiative</strong></td>
<td>Diversity programmes have potential to level playing field for marginalized groups</td>
<td>Diversity programmes are window dressing which will never address structurally embedded power differences</td>
<td>By opening up the terrain of identity, a key site for the reproduction of power relations, diversity programmes invite the possibility of change and resistance. However, change will inevitably be incremental; transformational change is almost impossible.</td>
</tr>
<tr>
<td><strong>Diversity training</strong></td>
<td>Training can help members of marginalized groups succeed by adapting better to the organizational culture. It can also help members of dominant groups identify their prejudices and stereotypes.</td>
<td>Such training is likely to see the individual, rather than organizational structure and policy, as the locus of change. Therefore, it won’t challenge dynamics of privilege and subordination. Training is often a substitute for real organizational change.</td>
<td>Training contains both disciplinary and pastoral mechanisms for inscribing power on individuals. Training disseminates and inculcates guidelines for ‘correct’ behaviour regarding marginalized groups; it also encourages participants to identify and reveal their own contributions to discrimination.</td>
</tr>
</tbody>
</table>

Table 1. Power, identity and diversity programmes (modified from Foldy, 2002: 102)

Foldy explains that according to the mainstream view, diversity programmes have the potential to level the playing field for groups traditionally underrepresented at middle and upper levels of the organization. This can be achieved, for example, by transferring resources to members of marginalized groups, by helping them play the game better and more successfully, and by identifying biases and prejudices on the part of individual managers. On the other hand, critical theorists claim that diversity programmes almost
never address class issues or structurally embedded power differences: ‘Many diversity programmes will soft-pedal the entire notion of diversity, defining it as including any kind of difference, rather than highlighting group identities like race and gender’ (ibid: 104). At best, such programmes help women and people of colour adapt better to current organizational practices whereas at worst they simply provide cover for management against charges of discrimination.

For those of favouring the Foucauldian view, all organizational practices are caught in a web of power relations that reproduce the status quo and prevent significant change. Diversity initiatives are created out of a particular set of organizational discourses, norms, characteristics and exigencies; therefore those leading the initiative necessarily enact it in such a way that it reinforces the current operating procedures. However, by opening up the terrain of identity, diversity programmes invite the possibility of creative change and resistance although such change will almost inevitably be incremental and localized.

Four Dimensions of Workplace Diversity Perspectives: Prasad et al., 2006

Recently, Prasad et al. (2006) have identified four dimensions along which to categorize workplace diversity perspectives. These four dimensions draw on and build upon the by now classic work of Burrell and Morgan (1979)³. The four dimensions consider whether the perspective:

1) takes a positivist or non-positivist epistemological stance,
2) has a relatively low or high awareness of power relations between identity groups,
3) locates the driving causal forces of diversity dynamics at the individual, interpersonal or macro-structural level of analysis, and
4) identifies identities as fluid or fixed.

(Prasad et al., 2006: 15)

The first dimension, positivist/non-positivist dimension is taken directly from Burrell and Morgan’s framework. This dimension is essentially about objectivity: whether a researcher can and should take an external, objective stance (=positivist view) or

³ Prasad et al. (2006) explain that they are able to expand the number of dimensions because they are developing a categorization scheme for a more narrowly defined field than that covered by Burrell and Morgan.
whether objectivity is deemed not only unattainable but also inadvisable (=non-positivist views). The second dimension, then, concerns power: whether the perspective contains high or low awareness of power relations between identity groups. ‘By categorizing perspectives along this dimension, we emphasize that many perspectives consider the relative power held by different identity groups to be a key causal factor driving diversity phenomena’ (ibid: 16).

The third dimension specifies the level of analysis at which the causal forces driving diversity phenomena are located: within individuals (micro), interpersonal of group processes (meso), or macro-level social structures. Potentially, the structural level of analysis includes the organizational level, but Prasad et al. assert that in most cases the focus is on the societal level. Nonetheless, Prasad et al. point out that the level of analysis is less relevant regarding non-positivist diversity perspectives since most of them tend to continuously move between different levels.

The fourth dimension focuses on the construction of identity. While ‘fixed’ identity refers primarily to the psychological traditions, discussion of ‘fluid’ identity draws strongly from social constructionist and post-structural discourses. Prasad et al. consider this question less relevant regarding positivist perspectives, because within them identity is usually treated as relatively fixed.

Tables 2 and 3 cover several perspectives along the specified four dimensions.

<table>
<thead>
<tr>
<th>Nature of identity</th>
<th>Power awareness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Symbolic interactionism</td>
</tr>
<tr>
<td></td>
<td>Feminist perspectives (e.g. psychoanalytic, radical, socialist)</td>
</tr>
<tr>
<td></td>
<td>Critical race theory</td>
</tr>
<tr>
<td></td>
<td>Postcolonial theory</td>
</tr>
<tr>
<td></td>
<td>Institutional theory (e.g. the European tradition)</td>
</tr>
<tr>
<td>Fluid</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Dramaturgy</td>
</tr>
<tr>
<td></td>
<td>Post-structuralism</td>
</tr>
<tr>
<td></td>
<td>Postcolonial theory</td>
</tr>
</tbody>
</table>

Table 2. Non-positivist genres in workplace diversity. (Table 1.1 in Prasad et al., 2006: 17)
<table>
<thead>
<tr>
<th>Level of analysis</th>
<th>Power awareness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Individual</td>
<td>Trait theory perspectives</td>
</tr>
<tr>
<td></td>
<td>Stereotyping</td>
</tr>
<tr>
<td></td>
<td>Prejudice</td>
</tr>
<tr>
<td>Interpersonal</td>
<td>Network theory</td>
</tr>
<tr>
<td></td>
<td>Similarity-attraction</td>
</tr>
<tr>
<td></td>
<td>Social identity theory</td>
</tr>
<tr>
<td>Macro-structural</td>
<td>Market forces</td>
</tr>
<tr>
<td></td>
<td>Cultural differences</td>
</tr>
<tr>
<td></td>
<td>Sociobiology</td>
</tr>
</tbody>
</table>

Table 3. Positivist genres in workplace diversity (Table 1.2 in Prasad et al., 2006: 17)

2.3 Discussion

It is generally acknowledged that creating frameworks that cover several theoretical perspectives as well as meta-analysis of any theoretical field is challenging work and therefore the efforts of those who accomplish this are highly appreciated, even when the presented classification is contested. The problem with creating classifications does not only lie in deciding where to allocate the particular theory or perspective (“which box”?) but in determining the criteria for the allocation (“how many boxes, how many rows”?). Often one needs to consider also issues related to ontology (“what is”?) and epistemology (“how can it be known”?), since differences between theories and perspectives are tied to these fundamental questions.

The classifications of diversity management presented in the previous section shed light on the sometimes confusing differences as well as striking similarities flourishing in the diversity management literature. However, if one is trying to cover even most of the literature on diversity management, leaving out the burgeoning consultant/practitioner literature seems unhelpful although this omission is understandable from a theory-building perspective. This is because representatives of this literature mostly do not explicitly adhere to any theoretical views and therefore do not particularly contribute to theory-building. Nonetheless, leaving aside the consultant literature is questionable.
because its main contribution - the ‘Diversity as Business Case’ discourse - provides the reasoning for most organizations, such as Nokia (Karttunen, 2006) and Microsoft (Muukkonen, 2007) to implement diversity management.

Although the classification presented by Prasad et al. (2006) is well-founded and appealing, it might be even too specific, since the authors admit that some of the dimensions are less relevant regarding certain perspectives than others. On the other hand, while the classification presented by Foldy (2002) is helpful, it too does not include the consultant literature. Therefore, in order to correct this omission, and to provide a synthesis of the classifications covered in section 2.2, the following three distinct approaches or perspectives to diversity management will be discussed in the following sections:

1) **Practitioner/consultant approach**: how to make diversity ‘pay’ and diversity management ‘doable’. Usually involves ranking or classification of organizations and/or their diversity management initiatives. Mostly do not adhere to any explicit theory.

2) **Mainstream approach**: diversity is about demographic differences. Research has focused e.g. on intervening variables between diversity ‘traits’ (e.g. gender or ‘race’) and expected results (such as increased performance). Stemming from the positivist paradigm, key theories include Social identity theory and Social categorization theory.

3) **Critical approaches**: diversity management is context-bound, identities are multiple and complex. Research has focused on different interpretations of diversity and diversity management in different contexts; countries, organizations, or situations. Stemming often from the social constructionist paradigm, applied theories range from Cultural studies, Gender studies, and Postcolonialism to other critical perspectives.

It should be noted that although the first two groups are called ‘approach’ they do contain different approaches. Nonetheless, these can be considered more similar with each other than those contained in the third group (‘critical approaches’). Moreover, it is not suggested that proponents of the mainstream literature are not critical of other or even their own research. However, scholars in this group remain within ‘established’ theories and do not advocate applying for example postcolonial or gender theories to diversity management.
As mentioned earlier, different approaches to diversity management will be discussed by seeking answers to four questions:

1) What is ‘diversity’ and who are ‘diverse’?
2) Is diversity management good for business and/or the organization?
3) Is diversity management good for employees?
4) Is ‘diversity management’ a useful tool in helping us to understand what is going on in organizations?

3 Practitioner/consultant approach

The paradigms of Thomas and Ely (1996) discussed earlier can be considered an example of the practitioner/consultant approach. Another example is the ‘Equity continuum’ by Trevor Wilson (1997). Wilson presents a continuum of diversity consisting of five (or six) levels. Although less famous than Thomas and Ely’s paradigms, Wilson’s model has been used, for example, in Finland by the Ministry of Labour in assessing diversity in companies.

The equity continuum consists of the following levels (Wilson, 1997):

- Level 0: “No problems”. Possible problems are not acknowledged nor attended to.
- Level 1: Organisations are motivated to pursue equity in order to avoid negative consequences that may result from non-compliance with legislated guidelines. Resources are largely focused on securing adequate representation of women and minorities.
- Level 2: Organisations support initiatives that go beyond securing adequate representation, as they are motivated by a sense of altruism and a desire to lend a hand to those who have been historically disadvantaged. The diversity initiatives are typically isolated efforts or programmes, and there is no plan to integrate diversity into all aspects of human resource management and the organisational culture.
- Level 3: Organisations appreciate that managing diversity can yield positive dividends, and the motivation to pursue equity is the realisation that diversity can be a source of competitive advantage. Companies are in the process of identifying barriers to diversity and developing human resource strategies that encourage and support diverse workforce.
- Level 4: Organisations are motivated to make equity a reality and are acting in ways to make this happen. The vision to achieve a diverse workforce representing the most qualified people
is shared by members at all levels of the organisation. Unlike level 3 organisations, those at level 4 have begun to break down barriers that stand in the way of equity.

- **Level 5:** Organisations have fully committed themselves to equity, and have been successful at removing all barriers to fair employment practices. Moreover, they are involved in an ongoing process of monitoring and continuous improvement, aimed at maintaining equitable employment systems through the identification and elimination of emerging barriers. Organisations are motivated by the merit principle, which dictates that the most qualified candidates will always be the individuals who are hired and promoted.

Wilson’s continuum has more nuances than Thomas and Ely’s paradigms but the basic logic is very similar: organizations should proceed from barely recognizing diversity to embracing and learning from it. As mentioned earlier, this kind of “take the right steps” logic is inherent in the consultant/practitioner literature. The authors appeal to the reader’s common sense, provide anecdotal evidence to back their claims, and usually do not discuss anything ‘theoretical’. Another common feature is to argue in favour of diversity management because of its positive impact on performance and/or effectiveness, i.e. the anticipated economic benefits. This brings us to the ‘Diversity as Business Case’ discourse which can be considered the main contribution of the practitioner/consultant perspective.

Cox and Blake (1991) argue that organizations should aim to become multicultural\(^4\) so that even members of ‘non-traditional backgrounds can contribute and achieve to their fullest potential’ (ibid: 52). Kossek and Zonia (1993) name ‘better decision-making, greater creativity and innovation, and increased business competitiveness’ as justifications for creating multicultural organizations (ibid: 63). Lorbiecki and Jack (2000) explain that the economic rationale presented by the Business Case includes the following claims: Diversity improves productivity and encourages more innovative solutions to problems, and thus profits; it assists the understanding of a greater number of customer needs; it enhances corporate competitiveness and continued survival; and it helps to lower the likelihood of litigation (cf. Prasad et al., 1997). Thus the business case links investments in organizational diversity initiatives to improvements in productivity and profitability (Litvin, 2006): ‘diversity pays’.

\(^4\) Please note that for Cox & Blake (1991) as well as for many others, all identity groups are ‘cultural’ regardless of the basis of their supposedly shared identity (gender, ethnicity, ‘race’, etc.)
The Business Case, providing the rationale for implementing diversity management, can now be considered part of common business knowledge. The supposed benefits of workforce diversity and diversity management according to the Business Case can be summarized as follows:

- Increases understanding of different customers (since these are also diverse)
- Boosts creativity and innovation as different viewpoints are brought forward
- Improves utilization of the competencies of all employees
- Strengthens commitment towards the employer/organization and decreases employee turnover
- Awakes more interest towards the organization among competent applicants
- Boosts image of the organization among various stakeholders.

Dietz and Petersen (2006) examine the Business Case critically although they remain within the mainstream perspective. Dietz and Petersen discuss the three main arguments of the Business Case and evaluate whether these are backed by empirical evidence. The first argument is that there is an increasing shortage of qualified and talented staff and therefore organizations must exhaust all possible segments of the labour market, including minority employees. Secondly, the customers’ demographic profile is increasingly diverse and thus ‘matching’ employees to fit the clients’ demographic profile is seen as an important determinant of organizational success. Regarding the ‘matching’ argument, Dietz and Petersen point out that empirical evidence is sparse and inconsistent. The third argument is that diverse teams produce better results because they bring more perspectives to the job than homogenous teams do. According to Dietz and Petersen, data largely does not support this argument either (see also section 4).

Litvin (2006) analyzes the business case as a Grand Discourse (see Alvesson & Karreman, 2000) from a social constructionist/critical discourse analytic viewpoint. Litvin argues that belief in the importance of ‘making the business case’ grew out of the acceptance of two underlying, testable, propositions (Litvin, 2006: 77):

1. Investing in diversity should be done for business reasons, as increased levels of (effectively managed) workforce diversity result in measurable increases in bottom-line, business performance. This has been called the (financial) value-in-diversity hypothesis (see e.g. Cox & Blake, 1991; Wilson, 1997).
2. Employees of the business will change their behaviours regarding diversity *because* doing so will enhance the business’s profitability. Demonstrating how and why diversity efforts will generate those financial returns to organizations will cause employees to ‘buy into’ diversity efforts and change their behaviours.

Litvin continues that the sought-after empirical evidence of the promised bottom-line benefits has proven elusive: researchers have failed to generate solid, exhaustive support for the proposition that engaging in diversity initiatives is a good investment for business. This has not changed the discourse which continues to construct a reality in which businesses should manage diversity because doing so will transform the threat of workforce diversity into economic, competitive benefits to the organization. *‘Businesses should invest in creating a more effective diverse workforce not because it is the legal, ethical or moral ‘right’ thing to do, but because it is the savvy, bottom-line-focused, pragmatic, self-interested ‘right’ thing to do’* (Litvin, 2006: 83).

To summarize, it is clear that according to the Practitioner/consultant perspective diversity management is good for organizations and business as well as for the employees. Diversity is defined so that ‘everybody’ can feel included, although diversity of/among managers, particularly pertaining to senior management, is seldom alluded to. For example, in Thomas and Ely (1996) it is ‘the workforce’ that is diverse and ‘the leadership’ should promote diversity. For Wilson (1997) the actor promoting diversity as well as benefiting from it is ‘the organization’, although Wilson discusses at length the role of (top) managers in creating more equal organizations. In the spirit of the arguments for the Business Case, issues that may be ‘disturbing’ – related to (in)equality, discrimination, or power differences - can be addressed within more acceptable discourses, such as those related to efficiency and utilization of competencies. In general, diversity management is considered a useful and necessary concept in understanding and dealing with the increasing diversity of the workforce. Diversity is thus constructed as a real asset to any organisation and one can only wonder why all organizations have not yet succumbed to its allure.
4 Mainstream approach

Robin Ely (2006) provides a neat summary of what she calls a ‘difference’ framing on diversity, dominant in much of the diversity literature published in U.S. journals:

- Diversity: The degree of heterogeneity among group members on specified demographic dimensions.
- Research Questions: How does heterogeneity affect group processes and performance?
- Assumption: Difference is a source of conflict; must minimize members’ experience of different-ness to mitigate diversity’s negative effects.
- What matters is whether and on how many dimensions people differ from one another.
- A group member is only “different” from or “the same” as others.
- Differences are often aggregated across social identity dimensions to form single diversity index.

These assumptions that characterize the mainstream research stem apparently logically from the theoretical base relied upon. For most mainstream research, the theoretical foundation is provided by Social identity theory and Social categorization or Self-categorization theory. These theories, as well as other theories mainstream research draws on, will be discussed next.

4.1 Theoretical Base of Mainstream Research

4.1.1 Social Identity Theory and Self-Categorization Theory

Social identity theory can be described as a theory of group membership and behaviour (Hogg et al., 1995). Korte (2007) explains that social identity theory developed with the purpose of understanding how individuals make sense of themselves and other people in the social environment. Henri Tajfel (1982) articulated the elements of a theory of social identity in the 1970s. Turner then elaborated on the elements by articulating the processes of social identity development with a theory of self-categorization, and later Tajfel and Turner (1986) presented their ideas together. According to Korte (2007), social identity theory and self-categorization theory are complementary theories explaining social identity, both what it is (the elements) and how it develops (the processes).
Kulik and Bainbridge (2006) explain that people stereotype themselves by attributing to themselves the attitudes, behaviours and other attributes they associate with membership in a particular group; a process known as self-categorization. In this process, individuals evaluate the accessibility of a group for them and, in turn, are assessed by the group for readiness and fit (Korte, 2007). Korte (2007) reminds us that one’s history, personality, status, and opportunity constrain the choice of groups available. Through self-categorization and group membership, individuals develop a social identity, which serves as a social-cognitive schema (norms, values, and beliefs) for their group-related behaviour. Korte (2007) underlines that as group members, individuals may take or advocate more extreme positions than they might personally.

Social identity theory also suggests that people regularly compare between the characteristics they possess and those that are possessed by other groups. Kulik and Bainbridge (2006) assert that due to their visibility and salience, demographic attributes (‘race’, gender, age, etc.) often form the basis for these comparisons. ‘The perceiver is likely to see these characteristics as central to his or her own identity and therefore these characteristics are used to categorize others’ (ibid: 28). Development of a new category (with a new stereotype) will most likely occur ‘when the features of the target significantly differ from those possessed by the perceiver’ (ibid: 28).

Moreover, social identity theory assumes that the perceiver’s own category membership is positively valued. Indeed, enhancing one’s self-esteem is one of the basic tenets of social identity theory (Korte, 2007). Membership in an identity group has an emotional significance to the perceiver (Tajfel, 1982) and therefore the perceiver is highly motivated to see his/her own category in a positive light and thus the devaluation of other categories becomes necessary (Kulik & Bainbridge, 2006). This in turn leads to in-group bias in which comparisons between in-group and out-group members generally favour members of the in-group. Stereotyping, prejudice, and conflict are important consequences of social identity and self-categorization (Tajfel, 1982).
Prasad et al. (2006) suggest that although social identity theory has provided an important conceptual base for workplace diversity scholarship, it has the potential to divert diversity from the examination of power and inequality due to the predominance of so-called ‘minimal intergroup paradigm’. In some of the early experiments, participants were randomly assigned to categories such as ‘green’ or ‘blue’ groups and then asked to conduct various activities. ‘The researchers found that the mere act of categorization resulted in participants engaging in in-group bias and out-group discrimination. This result provided the foundation for the minimal intergroup paradigm’ (ibid: 13). From the substantial literature based on the effects of categorization, scholars have concluded that in-group bias and out-group discrimination are a fundamental dynamic present in all human groups and organizations should be aware of this and try to mitigate its effects (ibid).

However, Prasad et al. (2006) argue that there are at least two problems with the minimal intergroup paradigm concerning the field of workplace diversity. First, it appears to claim that all identity groups at all times engage in in-group bias; implying for example that white applicants would be preferred by white decision-makers but not by non-white decision makers. This implication has been studied extensively, but research has provided mixed results. Nonetheless, it seems that members of higher-status groups tend to exhibit in-group bias more than lower-status groups (ibid; cf. Korte, 2007; Kulik & Bainbridge, 2006). Secondly, the impact of in-group bias depends on the social and historical position of the particular identity group. Prasad et al. assert that in-group bias practiced by highly privileged groups is likely to be decidedly more costly to historically disadvantaged groups than the reverse could ever be.

4.1.2 Macro and Micro Level Approaches

Dietz and Petersen (2006) discuss what they call two approaches to diversity management: the macro or organizational-level approach and the micro approach that draws on psychological models of discrimination and intergroup relations.
Dietz and Petersen (2006) discuss that at the macro level (organizational or business unit level) of analysis, diversity management is hypothesized to moderate the relationship between workforce diversity and performance. This relationship is assumed to become more positive – or less negative – as the degree of diversity management increases. However, Dietz and Petersen pinpoint that empirical research testing this hypothesis remains sparse. Moreover, the quality of the existing research lags behind that of the theoretical work. ‘The empirical research typically relies on rather crude assessments and categorizations of diversity management programmes’, assert Dietz and Petersen although they do acknowledge that it would be ‘empirically arduous, if not impossible’ task to test full-fledged models of diversity management (ibid: 230). Instead, Dietz and Petersen propose that the conceptual models could be scaled down and only the core assumptions or components tested (as for example Ely & Thomas, 2001 do). Another alternative would be to improve the empirical procedures. Researches might for example select multiple-study strategies; each study would only assess a ‘manageable number of diversity management elements’ (Dietz & Petersen, 2006: 230).

At the micro level, a critical component of diversity management is understanding and managing stereotypes and prejudices. Dietz and Petersen (2006) present a model (Figure 1) that in their view may guide research on diversity management interventions on the basis of social psychological theories. In this model, stereotypes and prejudices are considered immediate antecedents of discrimination. Dietz and Petersen are convinced that other social psychological processes - such as the development of social identities and social categorizations, experience of realistic group conflict, contact with demographically different persons, and individual differences in social dominance orientation - are more distal antecedents of discrimination than stereotypes and prejudices. Figure 1 indicates that stereotypes and prejudices lead to discrimination but this relationship is moderated by both suppression and justification factors. By suppression factors, Dietz and Petersen refer for example to societal norms that persons perceive as inhibiting their expressions of prejudice, or to organizational policies against discrimination.
Dietz and Petersen (2006) remind us that the last 30 years have seen the emergence of ‘subtle’ or ‘modern’ prejudice which has been replacing the blatant, openly discriminatory behaviour of previous decades and centuries. Subtly prejudiced individuals do not openly endorse differential treatment of minority members of negative stereotypes about them, but they deny the existence of discrimination and resist demands made by minorities. Research on subtle prejudices suggests that discriminatory behaviour only occurs when these behaviours can be justified in non-prejudicial ways: subtly prejudiced individuals need to be able to justify, rationalize or explain away the prejudicial nature of their actions. Dietz and Petersen give, among others, the following examples of such justifications in organizations: ‘We should not hire women because they would not get along with our mostly male staff and/or clientele’; ‘We did not hire this Indian applicant because she was Indian, but because her work experience and training were from India and she does not have Canadian work experience’ (ibid: 234).

Dietz and Petersen (2006) lament that very few organizational researchers have studied and assessed the importance of stereotypes and prejudice for diversity management. Nonetheless, empirical research indicates that prejudice still has an impact on the
treatment of demographically different employees in organizations although in more complex ways than 30 to 50 years ago. As the model (Figure 1) indicates, subtle prejudice only leads to discriminatory behaviour and inter-group conflict if justification factors are in place. In organizational settings, such justification factors often are readily available. ‘Diversity managers have be aware of the complex joint effects of stereotypes, prejudices and the organizational context in order to design effective diversity management interventions’, Dietz and Petersen summarize (ibid: 236). Thus, diversity management interventions against stereotypes and prejudices could aim at eliminating or reducing a) negative stereotypes or prejudices, b) justification factors, and c) discrimination. Alternatively, interventions could lead to the enhancement of suppression factors. The authors conclude that organizations are ‘better off using colour-conscious rather than colour-blind diversity management practices’ (ibid: 240; cf. Prasad et al, 2006) since if organizations do not acknowledge the diversity of their workforce, they can hardly learn from it.

4.2 Debates Within Mainstream Research

Although social identity theory and social categorization theory tend to legitimate much of the mainstream research, their tenets have not remained uncontested even within this stream. Jackson, Joshi and Erhardt (2003) assert that studies of readily-detected, relations-oriented diversity (sex, racio-ethnicity, and age) predominate empirical work on workplace diversity. Jackson et al. discuss the weaknesses of these theories in their review of research on team and organizational diversity. For example, although social categorization and social identity theory were developed originally to explain the effects of readily-detected (‘visible’) diversity, some scholars have used these theories to explain the effects of personality and value-based diversity.

Moreover, over 40 percent of the studies covered by Jackson et al. (2003) focus only on one diversity attribute, although it has been recognized that studies that assess only one aspect of diversity fail to capture the full spectrum of diversity found in organizations. Jackson et al. underline that most researchers attempt to identify the unique and independent effects of various dimensions of diversity even when they include multiple
dimensions of diversity in a study (cf. Kulik & Bainbridge, 2006). Very few studies, Jackson et al. (2003) point out, address the question of whether the effect of a particular dimension of diversity depends on the presence or absence of other dimensions of diversity. ‘It seems likely that social processes and their outcomes are influenced by the complex confluence of diversity dimensions, not isolated dimensions of diversity’ (ibid: 806). Jackson et al. finish with a plea for assessing multiple dimensions of diversity: ‘Consider, for example, how quickly our understanding of sex, racio-ethnicity, and age diversity would advance if the majority of studies that assessed any one of these variables also included the other two’ (ibid; cf. Kulik & Bainbridge, 2006).

Korte (2007) discusses that there is widespread debate about the concept of identity among scholars drawing on social identity theory. According to Korte, the three most common controversies involve the concept of identity: what is it, where is it located, and why is it important? The first controversy is in Korte’s view largely an issue of semantics, since theorists do not dispute the reality of the concept as much as the details of its construction. On the other hand, the second controversy, regarding where identity exists, has disciplinary biases. The key question revolves around the reification of group-level phenomena. Korte points out that it is common in discussions of social identity to jump back and forth between the individual and the group levels of analysis. Another controversy is the theory’s disconnection between explanation and prediction. Social identity theory makes coherent but dubious explanations of past individual behaviour in social settings from which it is difficult to predict future behaviour, argues Korte (2007), but reminds us that this difficulty in predicting human behaviour is not exclusively the weakness of social identity theory but a characteristic of the social sciences in general.

Von Bergen et al. (2002) argue - based on their study on diversity training - that if diversity management is handled improperly, it can easily turn into a losing situation for all involved, leading to devaluation of employees who are perceived as culturally different, reverse discrimination against members of the majority group, demoralization and reinforcement of stereotypes, and increased exposure to legal risks.
Ely (2006) proposes that diversity research should shift from so-called difference framing towards a relational framing, which contains the following features:

- Puts power relations at the center of the analysis.
- Moves across - and makes linkages among - levels of analysis from macro to micro and micro and macro.
- Views interactions as embedded in power relations and as a mediator between levels of analysis.
- Emphasizes the emotional, as well as cognitive, aspects of working across identity differences, at both collective and individual levels.

Thus it seems that in many ways, the mainstream is addressing or at least seems ready to address some of the issues raised by critical scholars over the years.

5 Critical approaches

Prasad et al. (1997) reminded us that diversity has been celebrated with the help of evocative metaphors such as the melting pot, the patchwork quilt, the multicoloured or cultural mosaic, and the rainbow. Nonetheless, ‘the melting pot may have become a cauldron, the quilt may have been torn, cracks may have begun to appear in the mosaic, and the rainbow may have twisted out of shape’ (Prasad et al., 1997: 4). Prasad et al. lamented that much of the management literature on workplace diversity tends to ignore or gloss over these dilemmas while continuing to stress the potency of workshops and training to accomplish the goals of workplace diversity. Moreover, although the shattering of glass ceilings and other hurdles is recommended by the practitioners and consultants, the possible diversity of managers is not usually discussed or even alluded to (ibid.) Although critical views on diversity and diversity management have become more widespread and well-known since the late 90’s, they still lack a coherent theoretical base, as will be discussed in what follows.

Dick and Cassell (2002) argue that the whole arena of diversity management needs to be subjected to a more critical analysis in which some of the core concepts and values of diversity initiatives are scrutinized and problematized. Dick and Cassell even argue that the field of diversity management is ‘inadequately theorized and characterized by partisan approaches and universalist frameworks that render an adequate understanding
of inequality and discrimination in the workplace problematic’ (ibid: 955). According to Dick and Cassell, one key focus that has been largely neglected in the literature is that of resistance to diversity initiatives. This is largely because managing diversity is promoted as being in the interest of all groups, regardless of their differences - a familiar argument from the Business Case discourse as explained earlier.

In order to get a grip of the amoeba-like critical literature, I propose that at least the following approaches should be differentiated: those stemming from 1) Discursive approaches, 2) Postcolonial theory, 3) Critical Theory (including Critical Race Theory), and 4) Gender theories. Due to limitations of space, I will focus here on the first two groups. This is not to say that Critical Theory proponents, such as Omanovic (2006; 2002) and Vladi (2007), or those examining diversity from a feminist or gender perspective, such as Hearn & Collinson (2006), would not present important insights. Indeed, in particular the discussion on gender and diversity, and theories involved, would merit a paper of its own. However, as already stated, the perspectives covered here in more detail are confined to Discursive approaches and Postcolonial theory.

5.1 Discursive Approaches

Scholars in this large group are inspired by Foucault, Fairclough and other discourse theorists. I will briefly cover some of the main concerns put forward by critical scholars, although some of the issues have already been discussed earlier in this paper.

The essentialist assumptions of the mainstream theories are a common object of critique: ‘With its adoption of diversity, managerial discourse has unreflectively incorporated essentialist ontological assumptions from the realm of natural science’ (Litvin, 1997: 188). Litvin (1997) claims that exposure to managerial diversity discourse encourages individuals to view their colleagues in particular ways. ‘Individuals are encouraged to believe that the racio-ethnic, gender and other demographic categories defined by their own previous experience and by the particular social, economic and political forces of our society correspond to real, innate differences in kind’ (ibid: 203). Furthermore, Litvin laments that socially constructed
demographic categories are portrayed as obvious, natural and immutable and thus preclude any consideration of mechanisms for change. Lorbiecki and Jack (2000) share a similar concern as they point out that diversity is presented as being about fixed differences, implying that there can be no movement either within or across visible or invisible boundaries.

Lorbiecki and Jack (2000) use critical discourse analysis to examine certain definitions of diversity management. Based on this analysis, they identify some of the questions raised by critiques of diversity management, in particular regarding its meanings and notions of difference. First, those managing, or management, are presented as the privileged subject which sees diversity as an object to be managed. Two distinct groups are thus created: those who manage, and those who are diverse. Second, drawing a boundary around the ‘managed diverse’ group allows diversity to be identified and controlled as it is located in one space (the ‘different’ group). Third, masking out the diversity of those who manage is also a control mechanism because it helps to erase any questionable human differences within this powerful group. Furthermore, as Essed (2002) points out, the apparent desire to ‘include’ those considered different masks the underlying attempts of cultural cloning, i.e. trying to produce “more of the same” (see also Staunaes, 2005).

The Business Case arguments are another favoured subject, as already discussed in section 3. Lorbiecki and Jack (2000) argue that turning diversity management into an economic concern legitimizes organizational scrutiny of employees’ responses to difference, and suggested that there were ways of changing them if responses were deemed improper. Thus diversity management has become programmable and it can be incorporated into the routines and procedures of Human Resource Management. Litvin (2006) even argues that according to the Business Case, human beings are the means and the achievement of organizational goals the end, the terminal value. This is because the Business Case discourse derives its strength and position from the economical Mega-Discourse that ‘enshrines the achievement of organizational economic goals as the ultimate guiding principle and explanatory device for people in organizations’ (ibid: 85-86; cf. Wrench, 2005).
Many critical scholars (e.g. Prasad et al., 2006; Hearn & Collinson, 2006; Wrench, 2005; Foldy, 2002; Linnehan & Konrad, 1999) insist that power is one the issues that mainstream researchers keep neglecting. For example, Foldy (2002) points out that power dimension is often lacking from discussions of diversity and identity in organizations. Foldy concludes that managing diversity means managing identity: ‘By attending to multiple facets of their employees, employers are inescapably involved in shaping how they define and understand themselves’ (ibid: 108). Furthermore, Foldy argues that from a Foucauldian perspective the Business Case discourse is one mechanism through which diversity programmes simply reproduce existing power relations. ‘By using profit-making as the justification for such programmes, businesses can ignore other imperatives, like the pursuit of fairness, and ignore persistent problems of discrimination and dominance’ (ibid: 104).

Social context is another issue touched upon by the more critically oriented scholars. Prasad et al. (2006) point out that the macro context has a direct impact on which diversity issues become salient (cf. Omanovic, 2002). ‘Crucial aspects of the context for understanding workplace diversity include the history and relative oppressive actions toward different groups, the legislation around access to education, work and health, human rights, the societal placing of diversity groups and the shifts in the salience of issues at different times, caused by the activism internationally and the local level’ (Prasad et al., 2006: 10).

In this vein, several European researchers have been questioning the relevance of the Anglo-Saxon (as it is often defined) understanding of diversity management and its applicability in their own countries. For example, Risberg and Søderberg (2004) critically discuss diversity management in the Danish context. The authors conclude that multicultural societies - such as the US, Canada, UK and Australia - tend to develop a greater tolerance and appreciation for diversity whereas in a society such as Denmark multiculturalism is not viewed positively as yet. Moreover, the ‘Diversity as Business Case’ discourse features more strongly in the Anglo-Saxon management discourse than in the emerging Danish discourses. Prasad et al. (2006) suggest that in actual practice,
the so called progressive Northern European countries such as Denmark, the Netherlands and Sweden ‘have turned into sites of marginalization and discrimination toward non-white immigrants’ (ibid: 12).

Concerning Finland, similar concerns are expressed for example by Juuti (2005) and Söderqvist (2005). These studies indicate that in Finnish organisations, cultural diversity is rarely considered beneficial and organisations rather tend to attempt to assimilate their ‘different’ personnel (those with foreign, migrant or ethnic minority background), expecting them to conform to the prevailing Finnish organisational culture. On the other hand, a recent study of a multiethnic software company in Finland (Trux, 2006; 2005) indicates that indifference and downplaying of ethnicity can thrive alongside comraderie and mutual respect. In Trux’s study, the Finnish headquarters of the company emerges as a culture-neutral space where ethnicity, culture and related issues are rendered invisible as ethnic and cultural differences are considered to belong to ‘the world’ of which ‘Finland’ is not a part (Trux, 2005: 18-19). Trux describes the situation in the company as “diversity without management” (Trux, 2006): there is ethnic and cultural diversity but no explicit attempt to ‘manage’ it.

5.2 Postcolonial Critique

Lorbiecki and Jack (2000) argue that diversity management initiatives can be seen to a) perpetuate rather than combat inequalities in the workplace, b) diminish the legacy of discrimination against historically repressed minorities in the workplace, c) continue to prescribe essentialist categories of difference, and d) offer problematic dualisms for effecting organisational change. Therefore Lorbiecki and Jack propose turning to postcolonial theory to obtain fresh discursive perspectives, because it asks us to pay particular attention to processes of Western knowledge construction which stereotype and subordinate the ‘Other’. In Lorbiecki’s and Jack’s view, this would help to theorize the intersection of differences with which humans might identify themselves and thus transcend the rigid boundaries of essentialist categories and to work with historical imbalances and inequalities in the workplace.
Prasad and Prasad (2002) examine diversity and diversity management through a postcolonial lens and point out that while globalization often results in increased contact between different identity groups this does not diminish the hierarchical distances between them. As Prasad and Prasad explain: ‘Relationships between older identity formations (e.g. the First World and the Third World) or between newer ones (e.g. software designers and maquilladora workers) are invariably overshadowed by structures and discourses of domination, though these are frequently resisted in a number of ways’ (ibid: 59). Prasad and Prasad argue that understanding otherness in the new globalized landscape thus involves paying attention to ‘a) the nexus of shifting identities and alignments that are brought together in the process of constituting the ‘other’, and b) the current geopolitical realities and global hegemonies that mediate the formation of identity spaces in organizational and institutional locations’ (ibid: 59).

According to Prasad and Prasad (2002), the implications of postcolonialism for understanding identity and otherness in organizations are enormous, because postcolonialism alerts us to the lingering effects of colonial discourses on workplace practices and organizational arrangements. Representations of otherness take place within organizational environments and are sustained through a nexus of institutional structures and arrangements. Prasad and Prasad stress that neo-colonial and neo-imperial discourses of otherness continue to be prevalent in diverse organizational settings, and that these discourses are produced both within and by organizations.

For example, Prasad and Prasad (2002) describe how training programmes intended to assist organizational members in appreciating internal and external cultural differences may somewhat ironically turn into sites for the systematic and problematic production of otherness. The programmes discussed by Prasad and Prasad include programmes designed a) to promote internal organizational sensitivity towards workplace diversity, b) to provide expatriate managers with desirable managing skills in cross-cultural business encounters, and c) to train non-Western managers (in Eastern Europe and South Asia) in Western managerial practices. While the intentions of these programmes appear progressive in their objectives, their actual effects can still continue to reproduce older imperial-style relationships because different ethnic minorities, women, and
Eastern European managers are regularly constituted as exotic, inadequate or underdeveloped others who need help, tolerance and acceptance from the dominant majority (ibid).

6 Summary and Conclusions

6.1 Summary of Presented Approaches

As already explained, my purpose in this paper was to analyse the various approaches to diversity management by seeking answers to four questions related to the meaning and usefulness of diversity management concept. My findings are summarized in Table 4.

<table>
<thead>
<tr>
<th>Question</th>
<th>Practitioner/consultant</th>
<th>Mainstream</th>
<th>Critical</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What is diversity / who are diverse?</td>
<td>We are all different (but women and minorities seem more different)</td>
<td>Diversity = demographic differences; identity groups</td>
<td>All differences may matter but some are more salient and/or critical (due to historical exclusion, etc.)</td>
</tr>
<tr>
<td>2. DM is good for business / organization?</td>
<td>Yes, if organizations only do it the right way</td>
<td>Yes, but linkages and intervening variables require more research</td>
<td>Questionable; views vary</td>
</tr>
<tr>
<td>3. DM is good for employees?</td>
<td>Yes, but some people might need help to understand this</td>
<td>Possibly; some resist and there may be backlash</td>
<td>Questionable, possibly negative consequences</td>
</tr>
<tr>
<td>4. DM is a useful tool?</td>
<td>Yes (“and I know how to make it work”)</td>
<td>Yes, but more work is still required</td>
<td>Not necessarily; views vary</td>
</tr>
</tbody>
</table>

DM=diversity management

Table 4. Summary of the three approaches

Based on the findings presented in this paper, it can be argued that none of the above seem quite sufficient as stand-alone approaches. The practitioner/consultant perspective lacks theoretical insight, does not take business environment or other contextual factors into account, and focuses perhaps too strongly on ‘teaching’ organizations how they should proceed. The mainstream approaches too eagerly define diversity as demographic, innate characteristics, often have inadequate theory base, and usually do
not take criticism from critical scholars into account at all. The critical approaches, then, are so scattered that it is hard to develop coherent theory based on them.

If our goal is to help organizations in becoming more inclusive, diversity management appears to be a necessary and useful concept but perhaps it is somewhat difficult to grasp due to the complexities discussed above. This pertains particularly to those having to deal with the day-to-day implementation of diversity programmes and initiatives in organizations, such as HR managers. Therefore, some kind of synthesis of the theories might provide helpful.

6.2 Alternative Framing: Approaching Diversity and Diversity Management Through Organizational Culture

Certain practitioners and scholars (e.g. Foldy, 2002; Polzer, Milton & Swann, 2002; Ely & Thomas, 2001; Dass & Parker, 1999; Thomas & Ely, 1996; Kossek & Zonia, 1993; Cox & Blake, 1991) have proposed that the current culture or climate of the organization needs to be taken into account when analysing why some organizations are more successful in their diversity management initiatives and why so many of them fail (cf. Seymen, 2006). Considering the organizational culture and/or climate does appear sensible: if one is not familiar with the culture of the organization in question, it seems difficult to make sense of its diversity management ideology, policy, or practices, or at least this analysis would remain superficial.

Some of the early and well-known writers on diversity management have underlined the importance of organizational culture. Cox and Blake (1991) argued that companies that want to benefit from diversity management should undertake a comprehensive analysis of the organizational culture and human resource systems. The primary objectives of this analysis were defined as: 1) to uncover sources of potential bias unfavourable to members of certain cultural groups, and 2) to identify ways that corporate culture may inadvertently put some members at a disadvantage. Cox and Blake also stressed that it is essential to look beyond surface data in auditing systems. For example, average performance ratings for majority versus minority culture members may be essentially
the same, but there may be differences in the relative priority placed on individual performance criteria or the relationship between performance ratings and promotion.

On the other hand, Thomas and Ely (1996) identified eight preconditions for the paradigm shift towards the third paradigm - learning and integration - to succeed:

1) The leadership must understand that a diverse workforce will embody different perspectives and approaches to work, and must truly value the variety of opinion and insight.
2) The leadership must recognise both the learning opportunities and the challenges that the expression of different perspectives presents for an organisation.
3) The organisational culture must create an expectation of high standards of performance from everyone.
4) The organisational culture must stimulate personal development.
5) The organisational culture must encourage openness.
6) The culture must make workers feel valued.
7) The organisation must have a well-articulated and widely understood mission.
8) The organisation must have a relatively egalitarian, non-bureaucratic structure.

Thus, Thomas and Ely propose that in order to manage diversity successfully, the organisational culture of the company needs to have these particular characteristics. Ely and Thomas (2001) continue along the same lines arguing that diversity is more likely to lead to positive outcomes when the organizational culture emphasizes integration and learning.

More recently, McMillan-Capehart (2005) proposed an interesting framework which she believes shows that organizational culture and socialization tactics moderate the relationship between levels of cultural diversity and the organizational consequences of creativity and problem solving, turnover, and conflict. In her model, two types of socialization tactics (individualized and institutionalized) and two types of organizational cultures (individualistic and collectivistic) involve dimensions that are polar opposites of each other. According to McMillan-Capehart, when individualized socialization tactics are matched with collectivistic organizational cultures and then combined with high levels of cultural diversity, ideal-type outcomes will result. Nonetheless, this model is yet to be tested empirically.
Within the critical stream of diversity research, organizational culture surfaces from time to time. Already in 1997, Prasad et al. argued that while the representation of diverse groups in the workplace may have improved, formal and informal organisational rules have hardly kept pace with this diversity of organisational membership. Prasad et al. suggested that organisational cultures had not developed to accommodate the various and potentially conflicting values, norms, and cultural preferences of their diverse workforce, but continued to function as monocultural entities. Also Dick and Cassell (2002) refer to the importance of organizational culture as they argue that in much of the diversity literature, there is an explicit idea that “resistance” can be overcome by orchestrating changes to organizational culture.

Foldy (2002) argued that diversity programmes are clearly relevant to organizational culture and are one important link between organizational culture and gender or racial identity. ‘They have their most immediate impact on observable manifestations of the culture, including representation of different demographic groups and organizational policies. But to really change an organization, the programmes must reach to the less visible and more embedded aspects of culture: values and underlying assumptions’ (ibid: 93). In particular, issues related to power and domination need to be addressed because ‘diversity programmes that downplay or ignore issues of dominance and subordination cannot succeed in making even superficial changes in organizations; they are sidestepping the elephant in the room’ (ibid: 109).

Therefore, considering the organizational culture and/or climate could be regarded as a prerequisite of understanding diversity management in an organization. However, this may not be as easy as some of the proponents of this view suggest. Profound differences abound regarding the meaning, measurability, and usability of the culture concept as pertaining to organizations. Alvesson (2002) adequately captures this diversity within the literature: ‘That certain researchers are interested in ‘culture’ – or at least use the term – does not mean that they have very much in common’ (ibid: 3). Moreover, while some emphasize the difference between culture and climate, many treat these interchangeably. A thorough review of the organizational culture literature reveals that the only thing most researchers seem to agree on is the complexity of this issue.
Even within the critical strand of diversity management literature, problems related to studying organizational culture are not addressed with the same vigour as problems related to the mainstream approach to diversity management. Nonetheless, it is possible to utilize the accumulated insights of the organizational culture literature and combine critical views with the more mainstream, integration-emphasizing (see Martin, 1992) approaches, as for example Parker (2002) shows. Parker proposes that ‘[organisational] culture should be seen as a process of making ‘us’ and ‘them’ claims that is permeated by assumptions within the wider society but also entirely unique because of the historically located nature of organizational identifications’ (ibid: 5). Organisations are ‘fragmented unities’ in which contests over meaning are central (ibid).

In the spirit of Parker (2002) and Sackman (1997), I define organizational culture as the ‘organizational layer’ among the various cultural influences inherent in the organization. These cultural influences can be external (e.g. national, regional, ethnic, religious) or internal (e.g. unit, department), and their significance varies over time and in different situations. Moreover, instead of trying to decipher the underlying basic assumptions (Schein, 1992; Schein, 1999) we can focus on the espoused values and shared practices recognised by all groups although these can be interpreted in various ways by different groups (cf. Czarniawska-Joerges, 1992).

In my doctoral research, I will be assessing diversity management in ICT companies operating in Finland. Although the arguments presented by Prasad et al. (2006) are compelling, I will not define diversity beforehand but try to discover how it is understood in the organizations, regardless of which layers of culture (e.g. national, organizational, departmental) or other group memberships are deemed most significant. My interest is in understanding how the organizational ‘we’ is defined in the studied organizations in order to shed light on how companies can create an inclusive work environment. I will be paying particular attention to differences that have been the basis for discrimination in the Finnish context, such as gender, nationality, ethnicity, and (Finnish) language proficiency.
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