



## **Workforce Diversity Management Through, Human Resource Management**

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### **Abstract**

Today Diversity Management has become a critical practice in the corporate world, leaving behind the old concept of equal employment opportunity and affirmative action laws. Human Resource Managers are playing important role in developing a good organizational culture to support and cherish human resource diversity. This paper reviews the literature on workforce diversity management through Human Resource Management and HR Strategies & Practices used in corporate world like diversity related Recruitment & Selection Practices, Training & Development Programs, and Diversity Support Groups etc. The study reveals that workforce management has a positive influence on employees' performance outcomes at different functional level and also presents some managerial implications for further research work.

**Keywords:** diversity, diversity management, human resource management, performance

### **Introduction**

Diversity these days, is a challenge of meeting the needs of the diverse workforce and sensitizing the workforce and managers to the differences associated with gender, race, age religion, ethnicity, functional, professional, geographic, lifestyle, income, education, status, work style tenure with the organization and any other perceived difference with an attempt to maximize the potential productivity of all employees. Diversity management refers to the voluntary organizational actions that are designed to create greater inclusion of employees from various backgrounds into the formal and informal organizational structures through deliberate policies and programs with the aim to increase the productivity, reduce interpersonal conflict, effective inter group communication, successful marketing to different types of customers, better problem solving and decision making. The Diversity management practices have much significance for those Indian companies which are structured around the old homogenous model, as the old model diminishes their potential and ability to grow and compete in a global marketplace. This study portrays diversity as a systematic company wide effort based on the premise that for organizations to survive and thrive there is an inherent value in diversity. Diversity management can create a competitive advantage in areas such as marketing, problem solving, and resource acquisition.

### **Workforce Diversity**

Diversity is often defined as the "state of being diverse", i.e. different, unlike, numerous and multidimensional (Kundu, 2004) <sup>[27]</sup>. Broadly diversity refers to the entire spectrum of human characteristics that make people different from one another (Gomez-Mejia, 2010) <sup>[21]</sup>. However, narrow view defines diversity, "as the variety or multiplicity of demographic features that characterize a company's workforce, particularly in terms of race, sex, culture, national origin, handicap, age and religion (Dessler, 2011) <sup>[14]</sup>."

Cultivating a diverse workforce isn't just ethical or social but it also demonstrates a good business-oriented approach (Bateman & Snell, 2008) <sup>[3]</sup>. In the light of current changes sweeping across the globe, diversity management has evidenced as a tool to increase organizational effectiveness (Ehimare & Ogaga-Oghene, 2011) <sup>[18]</sup> and performance (Ogbo & Ukpere, 2014). Moving beyond equal employment opportunity (EEO) and affirmative action laws (Bateman & Snell, 2008) <sup>[3]</sup>, diversity has increasingly become a hot issue in the corporate world (Henry & Evans, 2007) <sup>[22]</sup>. Workforce diversity acknowledges the reality that people differ in many visible and invisible ways (Shen *et al.*, 2009) <sup>[3]</sup> which mainly includes national origin, age, gender, race, color, marital status, social status, disability, education, language, sexual orientation, religion, physical appearances, ethnicity, and culture (Kundu, 2003) <sup>[26]</sup>. Thus, diversity refers to a heterogeneous set (Cascio, 1998) <sup>[6]</sup> of individuals who acknowledge, understand, value and respect (Wambui *et al.*, 2013) <sup>[48]</sup> each other's demographic, physical, biological, social and psychological differences.

### **Diversity Management of workforce**

Some corporates follow the golden rule for diversity management that; 'Treat others as you would like to be treated'. It sounds good in theory but it only projects a 'One size fits all' approach. But the need of the current Indian scenario is an aggressive and war foot approach for diversity management practices.

The antecedents of diversity management; Equal Employment Opportunities (EEO) and Affirmative Action (AA) Laws meet a legal obligation but the reasons to develop a diverse talent pool called as Diversity Management is completely voluntary. EEO are enforced through sanctions (monetary fines), and AA Laws or affirmative/positive action policies are enforced through incentives (government contracts) but diversity management is self-initiated by the companies themselves. It is not enforced or coerced but is entirely voluntary.

Hindustan lever Ltd. (HLL) Unilever is an extremely diverse organization in terms of its ethnic and cultural make-up. The Unilever Leadership Executive (ULE) comprises managers from five countries and the top 100 executives come from over 20. The company has a Diversity Board, chaired by the CEO where there is a requirement that the shortlist for each senior job should contain a woman. Many corporate giants like, Infosys was the first Indian IT company to establish an office for diversity and inclusivity. HP believes that a diverse workforce encourages creativity and innovation and has a special 'Diversity and Inclusion leadership Committee' consisting of senior leaders from all over the world. The Gender diversity drive has taken many organizations such as IBM, Kotak Mahindra, SAP labs etc by storm. Accenture has been named to the 2013 Diversity Inc Top 50 Companies for Diversity list, rising to number 9, up from number 12 last year. This marks Accenture's seventh consecutive year on the Diversity Inc Top 50 list and its fifth consecutive year in the Top 25. Wipro Limited received the 'NASSCOM Corporate Award for Excellence in Diversity and Inclusion-2012, in the category 'Most Effective Implementation of Practices & Technology for Persons with Disabilities. It has also been ranked 2nd in the list of Top 25 U.S. diversity councils, by The Association of Diversity Councils, a practice group of Diversity and Inclusion, Consulting and Training firm PRISM International, Inc. Cognizant, Dell, Microsoft, Vodafone are working on "second career programs" for women. Major companies like Nike, Ford, McDonald and Coca Cola are going all out to win over free spending ethnic consumers by recruiting minority market experts who speak each group's language. Genpact Limited, a global leader in business process management and technology services, has been recognized at the NASSCOM Corporate Awards for Excellence in Diversity and Inclusion, in the category of best BPO company with more than 5,000 employees. Diversity is part of the DNA at Genpact and is integral to the company's ethos.

### Diversity Management and Human Resource Practices

Human Resource Management (HRM) is a set of distinctive activities, functions and processes that are aimed at attracting, directing and maintaining an organization's human resources (Lado and Wilson 1994)<sup>[29]</sup>. The HR function has grown substantially over the past few decades and now covers the whole extent of people management processes. There are different views about the nature of HRM and there exists an enormous variety of HR practices adopted by various organizations (Boselie, Dietz and Boon 2005)<sup>[4]</sup>. Nevertheless, it is widely recognized that the key practices of HRM include recruitment and selection, training and development, performance management and pay (Shen and Edwards 2006)<sup>[42]</sup>.

### Workforce Diversity Related Recruitment Programs

Diversity Management helps in gaining competitive advantage by recruiting the diverse employees (Meena & Vanka, 2013)<sup>[31]</sup>. Many world class organizations have been effective in hiring women, disabled persons, socially disadvantaged persons and minorities to cope up with the increasing diversity (Shen *et al.*, 2009)<sup>[3]</sup>. For example, Genpact has come a long way in realizing the importance of gender diversity. IBM, Wipro, Xerox, Burger King, Pepsi

Co, Infosys, etc., are the other leading corporates who have taken initiatives to ensure diversity by tapping different segments such as people with physical disabilities, immigrants, economically and socially challenged people (Bateman & Snell, 2008; Shen *et al.*, 2009; Meena & Vanka, 2013)<sup>[3, 31]</sup>. ALCOA Technical centre is a leader in developing such programs that attracts and retains talented woman. It recruits and retains high caliber people through harnessing the creative capacity of its employees and has developed effective programs and policies to help its employees to balance professional and personal responsibilities. Alcoa creates a work environment and culture where the creativity of diverse workforce will flourish (DIMIA 2002)<sup>[15]</sup>. Various HR diversity management practices include strategies for development and recruitment of employees to enhance diversity within the organization (D'Netto & Sohal, 1999; Wambui *et al.*, 2013)<sup>[11, 48]</sup>. Selecting media that can reach to diverse audience also increases the likelihood of diverse workforce (Meena & Vanka, 2013)<sup>[31]</sup>, for example online recruitment programs, etc.

### Workforce Diversity Related Selection Programs

Several diversity related selection programs include presence of diverse managers in selection committees, selection process based on job relevant duties, qualifications, competencies, and experience, selection criteria complying with anti-discrimination laws, etc. (D'Netto & Sohal, 1999; Babalola & Marques, 2013)<sup>[11]</sup>. For an effective management of diversity, HR managers must make selection decisions based on Diversity Sensitive Criteria (Babalola & Marques, 2013)<sup>[2]</sup>.

### Workforce Diversity Related Training Programs

Diversity training refers to a systematic process in which a workforce is educated about the cultural, socio-economic, racial and religious differences among employees (Babalola & Marques, 2013)<sup>[2]</sup>. It can be divided into two categories, namely awareness-based (for e.g. enhancing employee knowledge, sensitivity to diversity issues, etc.) and skilled-based (for e.g. behavior change, etc.) (Day & Glick, 2000; Bateman & Snell, 2008)<sup>[3]</sup>. Hewlett-Packard, Microsoft, IBM, TCS, and other leading companies have developed extensive in-house diversity training programs which include workshops, seminars, experiential exercises, etc. (Bateman & Snell, 2008; Gomez-Mejia, 2010)<sup>[3, 21]</sup>. Johnson & Johnson has Employee resource groups, mentoring programs and a website 'Diversity University' that helps employees in understanding the advantages of working collaboratively. Accenture has distinct training program that has 3 different categories, a) Diversity Awareness- to aid employees understand the benefits of working with a diverse organization, b) Diversity Management- to furnish managers to manage diverse teams and c) Professional Development- to allow women and ethnically diverse employees to build skills for success.

### Workforce Diversity Related Rewards Programs

To promote workforce diversity, many organizations are now unambiguously providing incentives to managers based on their performance in diversity management (Kossek *et al.*, 2005; Meena & Vanka, 2013)<sup>[25, 31]</sup>. For instance, Sodexo associates 25 per cent of managerial compensation to diversity goals (Gomez-Mejia, 2010)<sup>[21]</sup>. Employers are

continuing to expand their rewards offerings to attract, engage and retain top-performers. The following report

shows the progress from 2018-2019:

**Increased Use in 2019**  
 The following programs were reportedly offered at statistically significantly higher rates in 2019 over 2018.

	2018	2019
Employee scholarships/student aid/loans	10%	26%
Major family event celebration	27%	38%
Annualized hours	8%	15%
Diversity/inclusion initiatives	58%	65%
Adoption reimbursement	20%	26%
College scholarships for employees' children	20%	26%
On-site fitness center	52%	58%
Appreciation luncheons, outings, formal events	76%	81%
Immunization clinics or promotions	79%	84%
Multigenerational initiatives	19%	24%
Paid parental leave	52%	57%
Leadership training	84%	88%
Self-development tools	80%	84%

Source: WorldatWork: Total Rewards Association

Fig 1

**Workforce Diversity Related Career Development Programs**

Due to glass ceiling (D’Netto & Sohal, 1999; Bateman & Snell, 2008) [11, 3], women and minorities often feel neglected and do not perceive any career paths (Meena & Vanka, 2013) [31]. In response, companies are now launching various Employee Development Programs (EDPs) which will help the neglected diverse workforce to advance through their career. For instance, ‘Women of Wipro’ a joint initiative of Wipro and Women’s Leadership Council of IBM works for the technical, professional and personal development of women (Meena & Vanka, 2013) [31].

**Workforce Diversity Related Pay and Performance Appraisal Programs**

Pay inequality and discrimination in performance appraisal are the root causes of job dissatisfaction and demotivation among diverse workforce, and therefore becomes a major HR diversity issue. For successful diversity management, companies should take account of AA and EEO while framing their compensation practices and performance appraisal systems (Shen *et al.*, 2009). Several other HR strategies include diverse employees on Performance Appraisal Panel, Culturally Neutral Appraisal Process, inclusion of diversity as a major criterion on performance scorecard, etc. (D’Netto & Sohal, 1999) [11]. Australian companies largely draft and implement objective criteria and are fair in the performance appraisal process. (Dagher, D’Netto and Sohal 1998) [11].

**Systems Accommodation**

HR managers can promote diversity by recognizing cultural and religious holidays, celebrating different cultural festivals, encouraging healthy lifestyles, maintain safe workplaces, providing fair and equal rights, etc. (Bateman &

Snell, 2008) [3]. Managers should be respectful of the multicultural religious celebrations when scheduling any meeting.

**Diversity Support Groups**

Supporting employee affinity groups is one of the major diversity-based HR strategy practiced by any organization (Gomez-Mejia, 2010) [21]. For example, at Apple, California, support groups include a Jewish cultural group, a gay/lesbian group, an African American group, and a technical women’s group (Bateman & Snell, 2008) [3].

**Equal Opportunity for Performance**

Now-a-days, big corporate are adopting various policies like accommodation of family needs Day-care, and alternative work patterns (flexible timing, job sharing, work at home, etc.) to provide equal opportunities to all employees (Bateman & Snell, 2008; Gomez-Mejia, 2010; Meena & Vanka, 2013) [3, 31, 21]. For instance, IBM is committed to creating a workplace culture where employees can maintain a proper balance between their personal and professional life (Meena & Vanka, 2013) [31].

**Diversity Audit**

Measuring diversity is one of the major HR diversity management strategy (Shen *et al.*, 2009). Diversity audits helps to eradicate hidden biasness, overcome unfairness and remove the glass ceilings but unfortunately most of the organizations are reluctant to go for a diversity audit. Johnson & Johnson went for a voluntary diversity audit (Gomez-Mejia, 2010) [21] to review the effectiveness of its organization’s diversity management.

**Implementation of HR Diversity Policies**

According to Martin and Woldring (2001) there is a high

level of disagreement and a lack of ready consensus among HR managers on translating ethical principles into organizational diversity practices. As Snape and Redman (2003) <sup>[44]</sup> stated, even among many global organizations that promote various forms of diversity, implementation is more an issue of talk than of actual practice. While companies remain conscious about equal opportunity, notably through legislative prerequisites, only a few have affirmative action programs that go beyond the minimal fulfillment of legal requirements (De Cieri and Kramar 2003) <sup>[13]</sup>. Empirical evidence also suggests that managers, employees and different sub-groups within an organization often have different perceptions of diversity management. For example, more employees than managers in Allen *et al* (2004) study did not believe that their companies were good at implementing various diversity practices.

### Developing a framework of HR Diversity Management

Many authors have suggested a range of techniques for improving diversity management through HRM. Strong emphasis has been put on management philosophy that is committed to EEO, AA and appreciating and making use of diversity at the strategic level. As Truss (1999) <sup>[47]</sup> argued, leadership and administrative heritage influence the nature and form of careers offered to both men and women. Effective diversity management requires a culture of inclusion that creates a work environment nurturing teamwork, participation and cohesiveness (Carnevale and Stone 1994; Dwyer, Richard and Chadwick 2001) <sup>[5, 16]</sup>. Diversity culture should be emphasized in organizational vision, mission and business strategy and the HRM strategy. The formation of a diversity culture requires a significant commitment of resources and leadership. Formalization of HR diversity policies is also necessary as Reskin and McBrier (2000) argued that organizations with written documents for hiring and firing had higher percentages of women in management. Measuring diversity and diversity management practices is strongly regarded as the initial step of HR diversity management practice (Kossek *et al.* 2005) <sup>[25]</sup>.

A critical analysis of the current HR diversity practices, such as recruitment and selection procedures, criteria for entry into jobs, selection tools, diversity training programs, performance appraisal and compensation is also important. Such analysis helps to overcome unfairness, remove the glass ceilings and eradicate tokenism and resistance (Human 1993). Periodic audits of diversity are necessary to identify the areas that require improvement to manage diversity effectively. Organizations can compare this data with benchmarking in an industry or a region in order to rate and increase the representation of women and minorities in the workforce or management. The techniques for improving HR diversity at the tactical level are as follow:

### Recruitment and selection

Managing growth in workforce diversity and increasing the representation of women and minorities is a critical HRM strategy of recruitment and selection for most organizations (Thomas and Ely 1996) <sup>[16]</sup>. Human resource managers usually tend to bring people into the organization and promote employees who fit or have values similar to the decision makers or gatekeepers. Therefore, recruitment and selection should avoid what Schneider (1987) <sup>[39]</sup> called 'the

A-S-A (Attraction-Selection-Attrition) cycle' in order to develop multiple cultures in the organization. Human resource professionals and line managers who recruit and interview job seekers in a multicultural workforce need to be aware of the ways in which the interviewers' beliefs, attitudes, and stereotypes influence interview behavior.

### Training and development

High quality diversity awareness training is one HR function that enhances the effective integration of diverse group members. Awareness training builds a common understanding of the value of diversity, assisting in building social cohesion so that it improves individual and organizational outcomes. Rynes and Rosen (1995) <sup>[38]</sup> found in their study that 75% of trainees, who took diversity training, left the training with positive diversity attitudes, while only 9% of trainees actually entered with favorable attitudes. Sixty eight percent of employees were skeptical prior to training, whereas only 7% reported skepticism after training. Roberson, Kulik and Pepper (2003) <sup>[37]</sup> recommended that companies must clarify training objectives and systematically conduct a training need assessment. Participants should know whether the training program seeks to raise diversity awareness or develop multicultural skills. Social psychological research on stereotyping and linkages to prejudice reduction must also be tightly incorporated into training design. A top down training strategy may be valuable, providing awareness training to senior managers first and team-building training last. Education and training should be tailored to the specific needs of the organization, division, level, team or individuals. Critical to the success of education and training is the important step of linking training to the strategic objectives of the organization. Kossek *et al.* (2005) <sup>[25]</sup> suggested that external facilitators involved in diversity training may help to achieve higher levels of productivity in a shorter time given work group diversity can lead to increased conflict among members in the short-term. Professional development and career planning is another area where discrimination is visible and needs careful attention while designing diversity management policies. If the HR practices concerning career progression do not effectively reflect diversity issues, diverse employees would have negative perceptions of the whole process (Richard and Kirby 1999) <sup>[36]</sup>. Organizations should ensure providing equal opportunities for promotion and personal development to all employees. Minorities should be regularly included on panels that evaluate, select and promote managers. The problem of assessing candidates for promotion who are 'different' can be reduced if some of the decision makers are non-traditional managers. Direct intervention by top-level executives in the promotion process is sometimes necessary to ensure that diversity goals are not overlooked. The main point is that candidates must not only be recruited, but they must be adequately prepared to take on demanding managerial assignments (Loden and Rosener 1991, Morrison 1992) <sup>[30, 32]</sup>. Scholars have suggested that mentoring is another strategy for managing diversity. A successful senior mentor is matched with more junior women or minority employees, with the objective of enabling under-represented demographic groups to move through the invisible barriers and advance in their careers (Ragins 2002) <sup>[34]</sup>.

### Performance Appraisal

Effective performance appraisal practices in the area of diversity management should be objective not subjective, relevant to the job and the company, and fair to all employees and offer no special treatment (Schuler, Dowling and DeCieri 1993) <sup>[40]</sup>. Including non-traditional managers on the appraisal panels can help to create objective criteria and fair performance appraisal practices. When conducting appraisals, the language of appraisal should focus on the individual's performance and not on the personality or race. Hence, the aim should be to make the appraisal as culturally neutral as possible (Fulkerson and Schuler 1992) <sup>[20]</sup>. Also, some scholars suggest that when assessing each manager's performance, actions taken by the manager to hire and promote minorities and women can be used as performance criteria in order to promote diversity (Morrison 1992; Sessa 1992) <sup>[32]</sup>.

### Pay

Pay equality contributes to effective diversity management and organizational performance. Diversity management in remuneration requires complete application of the principle of equal pay and a performance-based pay system. Empirical evidence suggests that the compensation structure, the wage determinants and the benefit schemes should be designed not only on common principles but also considering individuals in terms of their ability, knowledge and skill. An individual-driven remuneration system facilitates individual lifestyles and further promotes diversity. To implement HR diversity practices, scholars also placed strong emphases on educating employees to understand diversity principles and accept their responsibilities, developing identity-based networking groups and targeting communications to different affinity group members (Kramar 1998; Friedman and Holtom 2002) <sup>[13]</sup>.

At the operational level, a major diversity management issue arises when an individual tries to balance work and family life. In this regard flexible employment has great advantages over the traditional employment system. Employment flexibility provides individuals with the freedom to choose the working schedule based on their personal capacity. The diverse workforce has different priorities for themselves as well their families and societies. Flexibility provides a reasonable balance and allows employees to address significant issues. BHP Billiton, a leading Australian organization is one of the first companies in the world to combine health, safety, environment and community matters in one policy and one set of management standards. At the centre of diversity practices at BHP Billiton are the company's Diversity and Work-life Balance policies (DIMIA 2002) <sup>[15]</sup>. However, in rest of the world this issue is yet to gain momentum. Therefore, it is advocated that if work-life balance is not maintained, individual issues would arise and would ultimately affect organizational productivity (Cox 1993). Organizations must therefore provide support services to help mitigate certain issues that are associated with work-life balance. When providing such support services, managers and supervisors are critical players and can help to build a culture that values diversity across the organization.

Reflecting the discussions above, at the strategic level, what is required is a management philosophy that recognizes diversity is critical for organizational success. Top

management commitment to diversity should be reflected in the organizational vision, mission and business strategy in order to remove psychological and operational barriers to managing diversity. If such commitment is inconsistent with the current organizational culture, then a significant culture change may be necessary in order to create an atmosphere of mutual respect of all employees.

At the tactical level, a range of HRM diversity policies can be formulated in order to support this management philosophy. Measuring the employees' perception of the existing HRM diversity practices and their expectations may be conducted to facilitate policy development. HRM diversity policies at the operational level are implemented at the workplace, involving mainly educating employees, identity-based networking groups, targeting communications to different affinity group members, flexible employment and support for generating a work-life balance.

At all levels, line managers should play a more important role in diversity management. Decentralization of responsibility for people management is a central theme of HRM (Storey 1992) and of diversity management as well (Kandola and Fullerton 1994). Line management should be involved more in the decision-making process in order to fully understand and effectively implement diversity management.

### Conclusion

Diversity management should occur at the strategic, tactical and operational levels through a range of different activities involving managers at all three levels. The model also highlights the ultimate objectives of diversity management. These objectives include benefits to organizations and individuals which can result from good diversity management.

Human Resource Diversity management has gained momentum because of the pressure on business that become internationally competitive, the changing labour force composition, growing awareness of the importance of human resources management and a backlash created by perceptions of special treatment for women and ethnic minorities. Critically reviewing the literature, this study reveals three prominent features of HR diversity practices. First, despite growing commitment to EEO in many organizations, there is wide discrimination in employment. This is evidenced by low employment of women and minorities and the lack of minority representation at higher organizational levels. Also, female and minority employees are always disadvantaged in training, performance appraisals and remuneration. Second, HR diversity is often restricted to hiring by numbers (Agocs and Burr 1996). Relatively, little is done on other HR activities including training, management development and individual-based appraisal and pay. Often, minority employees are recruited for lower positions and provided few promotion opportunities. While many organizations provide diversity training most training programs reinforce norms and values of the dominant organizational culture. Organizations normally do not take individual differences into consideration when formulating and implementing training, appraisal and pay policies. Pay inequality, especially gender income inequality, still remains a significant issue in diversity management. Ethnic minorities are frequently not comfortable with open expression of their opinions.

Empowerment of a truly diverse workforce is not yet a norm. Third, an important focus in HR diversity management is placed on the notion of equality, usually described as fairness or workplace discrimination. Most companies do not really have effective diversity management practices that value and make use of diversity. The major incentive for implementing EEO and AA is to gain greater marketing capability and attract ethnic minority customers by mirroring increasing diverse markets. Therefore, most organizations have not built the requisite diverse workforce nor launched diversity programs to unleash the potential of the diverse workforce they employ.

### Future Managerial Implications

This study has significant practical implications which are as follows:

- It highlights that diversity management can have positive, negative or neutral effects depending on how it is managed by HR managers. Thus, HR managers should treat diversity management as a beneficial ongoing process and not as a problem to be solved.
- The review indicates that top management commitment together with HR managers' actions is crucial for successful diversity management. However, this may be not sufficient. Therefore, line managers should actively participate in HR diversity management initiatives.
- Despite wide recognition of its significance, very few studies are available which broadly focus on HR diversity management practices. Moreover, past studies are usually descriptive in nature. Therefore, further empirical research on this aspect would advance our understanding on diversity related HR practices and strategies.
- Many organizations directly or indirectly express their unwillingness to participate in diversity management (Comer & Soliman, 1996). Thus, future research should attempt to identify factors that intervene in HR diversity management practices such as lack of resources and interest, fear of the results, etc. Finally, the present study hypothesized that diversity management is significantly related to performance but did not address the possibility that performance can also influence diversity. For instance, it is possible that successful and high performing organizations are rightly equipped to attract, hire, train and retain a highly qualified, diverse workforce. Hence, additional research on this aspect is needed.
- The existing literature does not indicate how diversity has actually been managed through HRM. Therefore, further research is necessary on the state of HRM diversity management beyond EEO and AA.
- Such research in developing and transitional economies is urgently needed as most past studies have been conducted in the Western contexts, such as the US, EU nations and Australia. As mentioned earlier there are different diversity issues in different national contexts. Research in non-western contexts would develop a better understanding of the effects of different socio-cultural environments on diversity management.
- Due to the fact that managers, employees and different groups within an organization may have different perceptions of diversity management, such perceptions can often be the result of poor implementation of HR diversity policies. Future research should examine

diversity management from multiple perspectives.

- The review indicates that there is a continuing need for effective diversity management and for HRM to play an irreplaceable role in this regard. Effective diversity management through good HR practices and procedures leads to positive outcomes. Ineffective diversity management in HR is most likely to result in conflict, demotivation, higher employee turnover and low organizational performance. Therefore, diversity management must become a priority agenda in HRM practices for all organizations.
- Due to the fact that most organizations consider diversity mainly as an issue of compliance with legal requirements and recruiting ethnic minorities, there is a great need for improved HR diversity strategies focusing on appreciating and making use of diversity. In order to do so, as the proposed framework suggests, at the strategic level, top management is required to have a philosophy and foster organizational culture that recognizes diversity, and commits resources and leadership so as to implement diversity policies. At the tactical level, organizations should adopt a range of HRM policies incorporating EEO and AA and simultaneously making use of diversity. At the operational level, organizations should pay attention to educating employees, networking, communications and flexible employment. At all levels, line managers should be actively involved in HR diversity management.

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