

Learning Objectives

1. Discuss the increasing diversity of the workforce and the organizational environment.
2. Explain the central role that managers play in the effective management of diversity.
3. Explain why the effective management of diversity is both an ethical and a business imperative.
4. Discuss how perception and the use of schemas can result in unfair treatment.
5. List the steps managers can take to manage diversity effectively.
6. Identify the two major forms of sexual harassment and how they can be eliminated.

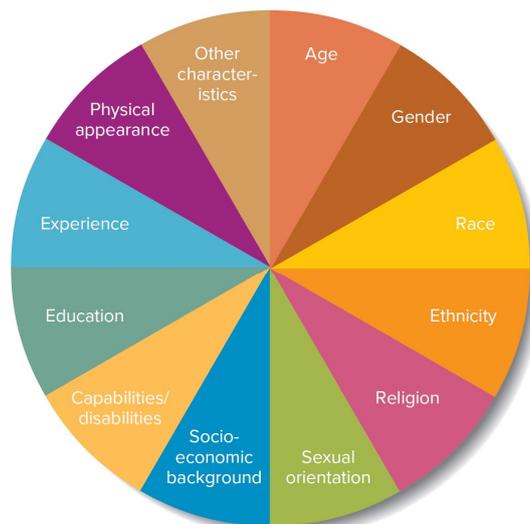
The Increasing Diversity of the Workforce and the Environment

Diversity.

- Dissimilarities or differences among people due to:

- Age.
- Gender.
- Race.
- Ethnicity.
- Religion.
- Sexual orientation.
- Socioeconomic background.
- Education.
- Experience.
- Physical appearance.
- Capabilities and disabilities.
- Any other characteristic that is used to distinguish between people.

Figure 5.1 Sources of Diversity in the Workplace



[Access the text alternative for slide images.](#)

Glass Ceiling

A metaphor alluding to the **invisible barriers** that prevent minorities and women from being promoted to top corporate positions.

2020: 27 leaders of *Fortune* 500 companies were women (5.8%) and only 4 were African American men (0.8%). As of 2020, there are no African American women running these top organizations.

Age

Aging U.S. Population:

- Median age in the United States is 38.2 years, By 2060, 24% of the population will be over 65 or older.

Age Discrimination in Employment Act of 1967:

- Prohibits age discrimination.

Major EEO Laws

Table 5.1 Major Equal Employment Opportunity Laws Affecting Human Resources Management

Year	Law	Description
1963	Equal Pay Act	Requires that men and women be paid equally if they are performing equal work
1964	Title VII of the Civil Rights Act	Prohibits discrimination in employment decisions on the basis of race, religion, sex, color, or national origin; covers a wide range of employment decisions, including hiring, firing, pay, promotion, and working conditions
1967	Age Discrimination in Employment Act	Prohibits discrimination against workers over the age of 40 and restricts mandatory retirement
1978	Pregnancy Discrimination Act	Prohibits discrimination against women in employment decisions on the basis of pregnancy, childbirth, and related medical decisions
1990	Americans with Disabilities Act	Prohibits discrimination against the disabled individuals in employment decisions and requires that employers make accommodations for disabled workers to enable them to perform their jobs
1991	Civil Rights Act	Prohibits discrimination (as does Title VII) and allows for the awarding of punitive and compensatory damages, in addition to back pay, in cases of intentional discrimination
1993	Family and Medical Leave Act	Requires that employers provide 12 weeks of unpaid leave for medical and family reasons, including paternity and illness of a family member
1994	Uniformed Services Employment & Reemployment Rights Act	Protects the civilian employment of active and reserve military personnel called to active duty; prohibits discrimination on the basis of military status and military service obligations; also provides certain re-employment rights following military service.

Gender

Women in the workplace:

- The U.S. workforce is 44.8% female.
- Women's median weekly earnings are \$843 compared to \$1,022 for men.
- Women hold only 26.5% of executive officer positions.

Race and Ethnicity ¹

Census Bureau distinguishes between the following races:

- American Indian or Alaska Native, Asian Indian, black or African American, Chinese, Filipino, Japanese, Korean, Vietnamese, other Asian, Native Hawaiian, Guamanian or Chamorro, Samoan, other Pacific Islander, white, and other races.

The racial and ethnic diversity of the U.S. population is increasing quickly, as is the diversity of the workforce.

Race and Ethnicity ²

The U.S. Census Bureau treats **ethnicity** in terms of whether a person is Hispanic, Latino, or of Spanish origin or not.

Most Hispanics prefer to be identified by their **country of origin**.

In 2060, the U.S. population will be about 56% minority.

Religion

Title VII of the Civil Rights Act:

Prohibits discrimination based on religion.

Managers:

- Recognize and be aware of religious differences.
- Don't schedule critical meetings during religious holy days.
- Be flexible in allowing employees to take days off for religious reasons.
- Can enhance employee loyalty with these considerations.

Capabilities and Disabilities

Americans with Disabilities Act (ADA):

- Prohibits discrimination against persons with disabilities.
- Requires employers to make reasonable accommodations.
- This may present challenges for managers.

Socioeconomic Background

Refers to a combination of **social class** and **income-related** factors.

Socioeconomic diversity requires that managers be **sensitive** and **responsive** to the needs and concerns of individuals who might not be as well off as others.

Sexual Orientation

4.5% or 11 million U.S. residents identify as LGBT.

2015 Equal Employment Opportunity Commission: Discrimination on the grounds of sexual orientation is illegal.

2015's U.S. Supreme Court decision that same-sex marriage is legal.

Other Kinds of Diversity

In most cases, whether individuals are attractive or unattractive, thin or overweight has **no bearing** on their job performance.

Sometimes these physical sources of diversity end up influencing **advancement rates** and **salaries**.

Managers and the Effective Management of Diversity

Managers can take many more steps to become sensitive to the **ongoing effects of diversity** in their organizations, take advantage of all the contributions diverse employees can make, and prevent diverse employees from being **unfairly treated**.

Critical Managerial Roles

Table 5.2 Managerial Roles and the Effective Management of Diversity

Type of Role	Specific Role	Example
Interpersonal	Figurehead	Conveys that the effective management of diversity is a valued goal and objective
Interpersonal	Leader	Serves as a role model and institutes policies and procedures to ensure that diverse members are treated fairly
Interpersonal	Liaison	Enables diverse individuals to coordinate their efforts and cooperate with one another
Informational	Monitor	Evaluates the extent to which all employees are treated fairly
Informational	Disseminator	Informs employees about diversity policies and initiatives and the intolerance of discrimination
Informational	Spokesperson	Supports diversity initiatives in the wider community and speaks to diverse groups to interest them in career opportunities
Decisional	Entrepreneur	Commits resources to develop new ways to effectively manage diversity and eliminate biases and discrimination
Decisional	Disturbance handler	Takes quick action to correct inequalities and curtail discriminatory behavior
Decisional	Resource allocator	Allocates resources to support and encourage the effective management of diversity
Decisional	Negotiator	Works with organizations (e.g. suppliers) and groups (e.g. labor unions) to support and encourage the effective management of diversity

The Ethical Imperative to Manage Diversity Effectively ¹

Distributive justice.

- A moral principle calling for fair distribution of pay, promotions, and other organizational resources based on meaningful contributions that individuals have made and not on personal characteristics over which they have no control.
- Are things getting better?

Table 5.3 Median Weekly Earnings for Full-Time Workers by Sex and Occupation in 2019

Occupation	Men	Women	Women's Earnings as a Percentage of Men's
Management, professional and related.	\$1,539	\$1,135	73%
Service.	\$659	\$537	81%
Sales and office.	\$874	\$713	82%
Natural resources, construction, and maintenance.	\$881	\$614	70%
Production, transportation, and material moving.	\$780	\$593	76%

Source: Bureau of Labor Statistics, "Household Data Annual Averages: Table 39. Median Weekly Earnings of Full-Time Wage and Salary Workers by Detailed Occupation and Sex," www.bls.gov, January 22, 2020.

The Ethical Imperative to Manage Diversity Effectively ²

Procedural justice.

A moral principle calling for the use of fair procedures to determine how to distribute outcomes to organizational members.

Example: Employee performance reviews.

Managers:

- Carefully do employee appraisals.
- Consider any obstacles to employee's performance.
- Ignore irrelevant personal characteristics.

Effectively Managing Diversity Makes Good Business Sense

What diversity of employees provides:

- A variety of points of view and approaches to problems and opportunities can improve managerial decision-making.
- Diverse employees can provide a wider range of creative ideas.
- Diverse employees are more attuned to the needs of diverse customers.
- Diversity can increase the retention of valued organizational members.
- Diversity is expected and required by other firms.

Perception

The process through which people select, organize, and interpret what they see, hear, touch, smell, and taste to give meaning and order to the world around them.

Example: McDonald's manager's go the extra mile to make sure their perceptions of what customers want are accurate.

Factors That Influence Managerial Perception

Schema:

- An abstract knowledge structure stored in memory that allows people to organize and interpret information about a person, event, or situation.

Gender schema:

- Preconceived beliefs or ideas about the nature of men and women, their traits, attitudes, behaviors, and preferences.

Perception as a Determinant of Unfair Treatment

Stereotype:

- Simplistic and often inaccurate beliefs about the typical characteristics of particular groups of people.

Bias:

- The systematic tendency to use information about others in ways that result in inaccurate perceptions.

Bias

Implicit bias:

- Attitudes or stereotypes that affect our understanding, actions, and decisions in an unconscious manner.

Social status effect:

- Perceive individuals with high social status more positively than those with low social status.

Salience effect:

- Focus attention on individuals who are conspicuously different.

Overt Discrimination

- Knowingly and willingly denying diverse individuals access to opportunities and outcomes in an organization.
- Unethical and illegal.
- A clear violation of principles of distributive and procedural justice.

Steps in Managing Diversity Effectively ¹

Table 5.4 Promoting the Effective Management of Diversity

- Secure top management commitment.
- Strive to increase the **accuracy of perceptions**.
- Increase diversity awareness.
- Increase **diversity skills**.
- Encourage flexibility.
- Pay **close attention** to how organizational members are evaluated.
- Consider **the numbers**.

Steps in Managing Diversity Effectively ²

Table 5.4 Promoting the Effective Management of Diversity, continued:

- Empower employees to **challenge** discriminatory behaviors, actions, and remarks.
- Reward employees for **effectively managing** diversity.
- Provide training utilizing a multipronged, ongoing approach.
- Encourage **mentoring** of diverse employees.

Diversity Awareness Programs

Goals of programs:

- Provide members with **accurate information** about diversity.
- Uncover personal **biases** and **stereotypes**.
- Assess personal beliefs, attitudes, and values and learning about other **points of view**.
- Overturn inaccurate stereotypes and beliefs about different groups.
- Develop an atmosphere in which people feel **free to share** their differing perspectives.
- Improve understanding of others who are different.

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Forms of Sexual Harassment

Quid pro quo:

- Asking for or forcing an employee to perform sexual favors in exchange for receiving some reward or avoiding negative consequences.



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Forms of Sexual Harassment ²

Hostile work environment:

- Telling lewd jokes, displaying pornography, making sexually oriented remarks about someone's personal appearance, and other sex-related actions that make the work environment unpleasant.
- Interferes with coworkers' ability to perform their jobs effectively.

Steps to Eradicate Sexual Harassment ¹

Develop and **clearly communicate** a sexual harassment policy endorsed by top management.

Use a **fair complaint procedure** to investigate charges of sexual harassment.

Steps to Eradicate Sexual Harassment ²

When it has been determined that sexual harassment has taken place, take corrective action **as soon as possible**.

Provide sexual harassment **education** and **training** to all organizational members, including managers.



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Accessibility Content: Text Alternatives for Images

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Figure 5.1 Sources of Diversity in the Workplace Text Alternative – Text Alternative

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The sources are: age, gender, race, ethnicity, religion, sexual orientation, socio-economic background, capabilities/disabilities, education, experience, physical appearance, and other characteristics.

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