10.1 Definition as Success Factor

10.1.1 Definition of Diversity

The concept of diversity has its origins in the US civil rights movement, which fought against racism against people of colour. Diversity thus initially stood for the creation of equal opportunities for groups who are disadvantaged according to certain characteristics. In the USA, this resulted in the Anti-Discrimination Act and the Affirmative Action to promote disadvantaged groups according to the criteria of race, gender, skin colour, ethnic origin, age, disability or religion. The civil rights movement of the USA had a great influence on the development of further social movements of previously disadvantaged and discriminated groups, e.g. on the movement of the Native Americans.

The European Union has also used the concept as a model since the late 1990s. Since 2006, the aspects of diversity have been taken into account in German legislation in the General Equal Treatment Act and are intended to protect people from these categories from discrimination.

However, research into and awareness of these issues was not tied to the concept of diversity. In social psychology, heterogeneity had been the central research-leading term for the dimensions examined since the late 1940s. For decades, social psychology has been researching the mechanisms of the emergence and effects of social categorization and stereotyping, social comparisons, identity formation in social groups and intergroup processes. The effects of belonging to social groups have been extensively researched, especially with regard to educational and educational achievements.
performance behaviour, processes of social advancement and decline, crime and
gang formation, health and working life. In this respect, the results of group-related
research were of extraordinary importance for education and social medicine.

Diversity management as a method of corporate human resource management
and workplace management. It aims to use the diversity of employees construc-
tively, efficiently and profitably. A well-known representative of diversity manage-
ment in Germany is the economic policy initiative Charter of Diversity.

The Diversity Charter is a voluntary commitment published in 2006 and an asso-
ciation under the patronage of the Federal Chancellor, which advocates a working
environment free of prejudice. By signing the Diversity Charter, employers declare
that they will create or promote equal opportunities for their employees. In 2018
there were 3000 signatories (as of September 2018). In addition to well-known large
corporations, small and medium-sized companies, academic and social institutions
and authorities (Charta der Vielfalt, 2020).

Workplace these days has become increasingly universal, there has been increas-
ing awareness of how diversity could be management and this has extended beyond
the demographic characteristics of race, gender, and age and education (Maiorescu-
Murphy, 2020). Countries around the world are gaining larger populations and
becoming diverse. Diversity has meanwhile become a crucial topic to strive excel-
ence and meet customer expectations in industry and academia (Rahnfeld, 2019).
Although diversity is largely promoted in multi-national companies (MNC), it is
important to understand that diversity must be integrated in any organization, enter-
prise or institution. MNC widely promote their diversity activities through social
and online networks as a way to promote the employer and company branding
(Maiorescu-Murphy, 2020).

Diversity has enabled up-surging of creativity, innovation and improved problem
solving, which in turn boost the effectiveness of the organization. Organization that
has good diversity workplace will generate an increase to their market share if they
take care of their diverse customers. However, the fact remains that diversity on its
own won’t improve business performance.

Discrimination is becoming wide spread in the workplace and is harmful to orga-
nization. Any modern business goals should always consist of abolishing all kinds
discrimination around their work environment and create a positive environment
that cuddles diversity. It is vital to get a clear vision that discrimination in the work
place is not narrowed to just a selected group of individuals but rather it affects any
person regardless of his or her race, religion, culture or sexual orientation. Therefore,
all organizations have every reason to institute effective diversity management prac-
tice that yields the benefit of a diverse workforce. Companies must enforce diversity
because their diversity will improve the workplace by introducing new talents,
interest, and viewpoints. Hence, it is possible to achieve organizational excellence
and customer satisfaction. Any organization that fails to welcome cultural diversity
in its system and who did not take swift action in abolishing discrimination and
injustice will horribly affect their employees and clients. Therefore, hotel thus has
to redefine their missions, management practice, strategies, cultures, markets,
customers and stakeholders. Eventually, the main strategy is to design, develop, and maintain diversity in the workplace and create a system that enables the employees get attached to the corporation.

Diversity must be integrated into the company’s mission, vision and values. Many companies therefore introduce diversity programs and activities. These activities will help organizations reach talent in traditionally undertapped demographics. They can also encourage innovation, according to a Forbes Insight report; and they can make a company a more desirable option to candidates. Two-thirds of respondents in a recent survey from career community site Glassdoor said they viewed diversity as an important factor when assessing a job. However, simply implementing a diversity program, without careful attention to its composition and desired effect, won’t significantly improve an organization’s organizational change efforts. After years of diversity and inclusion program implementation and research, it’s clear that several key factors can potentially make—or break—a workplace diversity and inclusion program. Although the specifics may vary from organization to organization, for a diversity program to be truly successful, employers need to include several structured elements as shown in Fig. 10.1 (Talent Intelligence, 2015).

10.1.2 Diversity Needs Analysis

Without a proper assessment (Diversity Needs Analysis) companies may not be able to need to determine what needs to change. An assessment can help your organization accurately identify what elements its diversity and inclusion program should include. SHRM suggests potentially using focus groups and employee surveys to gauge current employee sentiment—and obtain ideas for possible solutions.

10.1.3 Diversity Training Programme

Employees and particularly managers who will oversee diversity programs must have a solid diversity understanding and framework to work with. A diversity training program can also help convey to your staff, at all levels, that your organization is placing a serious emphasis on diversity and inclusion. Workforce magazine recommends focusing diversity training programs on clear metrics, experiential learning and sharing an individual benefit for all involved parties to help make diversity program training efforts successful.

10.1.4 Career-Focused Leadership and Diversity

Fostering growth from within can help enhance employee retention and provide additional support for diversity efforts. Mentoring programs, according to Scientific American, can be one of the most successful ways to increase the amount of white
10.1.5 Objectives for Diversity

A general stance to increase diversity is likely far too vague to be very successful. Companies that create clearly outlined goals have a better chance of developing effective programs and seeing real change. Take, for example Shell. The global energy and petrochemical company’s diversity program goals include increasing the proportion of women in senior management roles to at least 20% and placing local residents in more than half of the senior management positions in countries it operates in.
10.1.6 Regular Diversity Reviews

Goals are only effective if you’re able to determine if you’re meeting them. An organization’s management team and CEO, according to SHRM, should regularly gauge its diversity and inclusion program’s success, based on its pre-determined goals. If an element isn’t working, you’ll then be able to tweak the program as needed to see greater results. If your organization hasn’t measured its diversity and inclusion status recently, that should be your first step in either creating a new diversity program or revising your current one (Fig. 10.2).

10.2 Behavioural and Institutional Focused Diversity

Diversity in the workplace is vital for employees because it manifests itself in building a great reputation for the company, leading to increased profitability and opportunities for workers. Workplace diversity is important within the organization as well as outside. Diversity can be distinguished into the categories of behaviour and institutional elements as shown in Table 10.1. Behavioural diversity can be described more as the process and style of doing (task oriented), where institutional diversity is referring to certain facts and states. Promoting equality and respecting diversity help to ensure that people are valued and have the same access to all opportunities whatever their differences. The Act also provides protection for individuals who experience discrimination by association with someone who has a protected characteristic.

Fig. 10.2 Process of implementing diversity. (Source: Author’s Source)
## Diversity and Inclusion

In the recent years it is visible that the focus and awareness of diversity and inclusion is permanently increasing. Society, enterprises and organizations face many challenges in identifying and truly understanding the unique differences among people. From the #MeToo movement to various headline scandals, diversity and inclusion have been brought to the forefront of workplace dialogue. However, the words “diversity” and “inclusion” are often confused. There is little attention paid to the nuances of the two and the implications each has on people-related strategies and practices. Gallup’s research indicates recognizing that diversity and inclusion are very different things is the first step in the journey towards creating a uniquely diverse and inclusive workplace culture.

### 10.4 Equal Pay

Many companies have diversity home pages on which they report out the equal pay situation. Apple’s diversity slogan is “Different together”. According to the webpage, Apple achieved pay equity in every country where they operate. Women nowadays earn the same as men when performing similar work. In the United States, underrepresented minorities earn one dollar for every dollar a white employee earns. Every year, Apple examines the compensation employees receive and make adjustments to ensure that we maintain pay equity. As part of the commitment to achieving pay equity (Apple, 2020).

| Table 10.1 Elements of behavioural and institutional diversity |
|---------------------------------------------------------------|
| Behavioural diversity | Institutional diversity |
| Work styles | Gender |
| Thinking styles | Race |
| Learning styles | Ethnicity |
| Communication styles | Family status |
| Aspirations | Economic background |
| Beliefs and values | Geographical background |
| Change in attitudes | Religion |
| Expectations of employees | Sexual orientation |
| Living style | Physical ability |

Source: Author’s own table
10.5 Case Study: Reverse Mentoring in BMW

10.5.1 Digitization and Reverse Mentoring

The car manufacturer BMW has started a digitization initiative in the company’s own vocational training. This also includes a modern technological work environment. With this, the company wants to secure the next generation of the so-called Generation Z. The digitization offensive in the vocational training of the BMW Group is based on three pillars: mobile state-of-the-art devices that are intended to appeal to digital natives, new digital collaboration and learning platforms that are intended to make knowledge acquisition and collaboration faster and more self-directed, as well as a wide range of talent promotion tailored to the individual. The company provides the trainees with surface laptops with Office 365, multifunctional headphones and smartphones as well as various communication platforms for mobile collaboration. Digital teaching and learning formats and “Lern2Go” are intended to enable modern teaching of learning content. Apprentices and dual students have access to advanced training programs such as “Udacity”, with which they acquire additional skills and receive “nano degrees”, for example in the field of artificial intelligence.

10.5.2 Digital Natives as Change Agents

In addition, the individual knowledge of the digital natives is integrated into the daily work processes. Through what is known as reverse mentoring, the junior staff act as “change agents” to support their experienced colleagues, for example with agile project management, the use of digital collaboration platforms and the use of social networks. In addition, BMW has integrated three further apprenticeships with specializations in the fields of IT and electronics as well as 15 dual MINT bachelor courses. The existing 27 job profiles are also continuously being adapted in a future-oriented manner and are increasingly taking up content such as big data/data analytics, agile working methods, additive manufacturing processes, electrification or automation.

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