Dilemmas in Developing Diversity Programs

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There is broad agreement that the nation must work harder to help all workers develop themselves to their fullest. Such efforts are required not only in the interest of social justice, but also to maintain competitiveness in the global marketplace. The myriad programs for "managing diversity" now mushrooming throughout corporate America purport to pursue such ends. However, the meaning of "diversity" adopted by various organizations and the goals they actually pursue differ widely. What are the specific aims and outcomes of the various diversity activities? How do they differ from affirmative action and earlier efforts to integrate the workforce? Will they become as controversial and divisive as the affirmative action activities they sometimes supersede? Or will they enable the nation, finally, to fulfill its promise of equal opportunity and become more productive in the process?

The case studies in this book provide partial answers to these questions. They represent some of the best and oldest diversity programs in organizations, and they provide valuable insight into the process of implementing various kinds of diversity initiatives. They also provide a glimpse of the forces that propel the diversity movement and the dilemmas shaping it.

The time is propitious for taking stock of the diversity movement because it is at a critical juncture. The movement can become a powerful force for improving management practice. But it also has the potential to polarize different social groups and harm productivity. This fate can be avoided by closely examining the positive and negative side effects of current efforts to create, manage, and value diversity. By allowing such examination, the detailed and sometimes very candid case studies in this volume can help enhance management practice while preventing further polarization in the name of diversity.
In this chapter, I use the case studies to illustrate the major features of the current diversity movement. The movement originated in the limitations of affirmative action, but has become broader in scope as a result of dramatic changes in the composition of the labor force. Many programs for managing diversity focus on achieving ethnic and gender balance throughout corporate life, but others are designed to promote personal development and teamwork among employees, whatever their ethnicity or gender. Organizations face common dilemmas in how to conceptualize and respond to individual and group differences, but they have approached them differently.

I next show how the diversity movement in organizations emerged from the broader civil rights debate. From that perspective, it becomes apparent that the diversity movement is a new arena in the nation's continuing struggle over the meaning of its most fundamental principles—equality, opportunity, individual rights, and merit. The more recent struggles over guiding principles can be traced, in turn, to the problematic fact that two major principles of fairness conflict: "nondiscriminatory treatment" does not guarantee "nondiscriminatory results." To the extent that the diversity movement fails to acknowledge and address the source of this conflict, it will generate many of the same negative side effects associated with parity-oriented affirmative action activities. It will breed cynicism and resentment, heighten intergroup tensions, and lower productivity—just the opposite of what managing diversity is intended to accomplish.

I conclude by providing nine principles for managing diversity so that the process advances organizational goals and benefits all employees. More generally, I argue that diversity initiatives promote productivity and true social equality only when they adhere to the principle of the primacy of the individual over the group in the allocation of rights, responsibilities, and opportunities.

**DIMENSIONS OF THE MOVEMENT TO MANAGE DIVERSITY**

**Origins of the Diversity Movement**

Many companies trace their diversity initiatives to *Workforce 2000* (Johnston & Packer, 1987). That report greatly intensified concern for the effective utilization of an increasingly diverse workforce. However, the movement now referred to as "managing diversity" predates that report and has its origins in affirmative action. As the Xerox, Pacific Bell, and XYZ Corporation (a pseudonym) case studies clearly illustrate (see also Thomas, 1990), the movement to manage diversity first arose in response to the limitations of affirmative action.

**Beyond the Limits of Affirmative Action**

Voluntary affirmative action began as an effort primarily to enlarge the pool of qualified minority and female job applicants. The goal was eventually to achieve ethnic and gender parity in hiring. Pacific Bell doubly illustrates this early approach because it works with high schools, colleges, and community organizations both to locate more of the qualified Hispanics and other minorities in its region and to increase their number. Xerox's Step-Up Program, initiated in 1965 to recruit, train, and place minority workers, is another example.

From the beginning, affirmative action also frequently involved closely scrutinizing hiring standards in order to determine whether they were unfairly exclusionary and whether there existed less exclusionary alternatives. Pacific Bell also illustrates the spirit of this affirmative action strategy. Minorities disproportionately lack the educational degrees necessary for being hired directly into its management jobs, so Pacific Bell focused for some time on getting minorities into management primarily through a less direct but more accessible route already in place in the company.

Affirmative action efforts became more pervasive and more aggressive in the late 1960s and early 1970s as the federal government began holding employers accountable for eliminating ethnic and gender imbalances in hiring. Executive Order 11246, issued by President Johnson in 1965, required companies to set parity-oriented staffing goals and timetables as a condition for receiving federal contracts. Then, in 1971, the Supreme Court ruled in *Griggs v. Duke Power Co.* that plaintiffs could use "disparate impact" (unequal results across groups) as evidence for alleging employment discrimination. No longer was it necessary to show "disparate treatment" (unequal treatment).

Affirmative action opened jobs to qualified women and minorities that had been completely shut to them before. However, some of the more aggressive affirmative action programs began to hire unqualified or less qualified minorities and women in order to meet their goals. This, in turn, generated anxiety and resentment in organizations, particularly among white males. On the other hand, many minorities became dissatisfied because of what they perceived as slow progress and white resistance. Consequently, many organizations began to hire "race relations" consultants and conduct sensitivity training. These activities were designed to improve race relations among employees and thereby ease the organization's compliance with federal equal employment opportunity guidelines. XYZ Corporation's race relations program, begun in 1976, represents one of the most systematic and long-standing of such efforts.

Affirmative action and the related race relations programs have done much to integrate women and minorities more fully into the economy. But
they have fallen short of expectations. Affirmative action dramatically increased the hiring of women and minorities, but it has done less to ensure their promotion or retention. It has also created some new problems. For example, Pacific Bell relates that the AT&T consent decree, which required strict hiring goals and racial preferences at Pacific Bell, created the presumption among many employees that affirmative action means lower standards for preferred groups. And as the experiences of Xerox and others have indicated, the targeting of minorities or women for assistance has frequently led white males to feel neglected or disadvantaged.

The diversity movement addresses the newer concerns over low promotion rates and inhospitable organizational climates by broadening the scope of earlier affirmative action activities. It does this in two ways. First, diversity initiatives often seek ethnic and gender balance, not just in hiring, but in promotions, transfers, and other working conditions throughout the organization. Xerox, for example, instituted its Balanced Work Force strategy in 1984, which sets very specific numerical goals for hiring and promotion at all levels and for which it holds managers accountable. Similarly, Coopers & Lybrand has recently set “zero [gender] differences” as its goal in everything from amount of overtime and vacation to compensation, turnover, and promotion rates.

Second, compared to affirmative action programs, diversity programs tend to have broader goals and means for improving the organizational climate. As described further below, diversity proponents often argue that women and minorities will never be able to crack the “glass ceiling” and feel welcome until organizations come to value, not merely tolerate, them. Thus, sensitivity training and race relations seminars are being superseded by the now-popular activities to “celebrate diversity.” Their aim is to create supportive, not neutral, environments within which minorities and women will flourish.

The Force of Demographic Change

As the foregoing account reveals, affirmative action activities are being enfolded into the newer diversity programs to which they gave life. In other words, the older affirmative action programs are now a key component of the newer diversity initiatives. However, the diversity movement is not simply affirmative action by another name. It also reflects attempts to deal more effectively with important demographic changes in the workforce.

Although Workforce 2000 never uses the term diversity, it points out that the workforce will increasingly include more females, minorities, and immigrants; it will grow more slowly; the skill demands of jobs are rising; and average skill levels among new entrants to the workforce are falling.

In short, employers face a big human resources challenge. They must maintain or increase productivity with fewer, less skilled, and less traditional entrants to the labor market at a time when the skill demands of jobs are rising and international competition is increasing. Workforce 2000 led American Express Travel Related Services (TRS), for instance, to become particularly concerned about its ability to attract and retain qualified workers in a shrinking and increasingly diverse labor pool. As Chapter 2 of this volume describes, no longer do organizations have the luxury of picking applicants who fit the organization. Instead, they must change the organization to fit available workers. Good business sense absolutely requires this. Hence, for example, TRS has developed plans to change job structures in order to reduce conflicts between family and work for its more than 70% female workforce.

Proponents of diversity programs tend to evaluate the demographic trends more positively than does Workforce 2000. Changes in the composition of the workforce should be seen, they argue, as an opportunity and not as a burden. Specifically, the more diverse a workforce, the more dynamic, creative, and productive it is likely to be. Like much of the diversity literature in the popular press, for example, Digital Equipment Corporation and Coopers & Lybrand suggest that women and minorities bring different perspectives, new ways of doing things, and special knowledge about important markets. In other words, they are especially valuable employees, and the diversity they represent promotes the corporation’s own most basic objective, whether that be profit or effective services.

But whatever their interpretations of the demographic trends, many organizations are remodeling themselves in response to them. The remodeling may be designed to improve the organization’s ability to compete for the most qualified job applicants or to promote the fuller development and productivity of the individuals it already employs.

Typical Aims and Activities

Trade magazines and the popular press apply the term managing diversity to programs intended either to eliminate ethnic and gender differences in promotion and retention rates or else to make the organizational climate more hospitable to women and minorities. This dual set of goals seems to be the defining characteristic of diversity for some proponents: Eliminate group differences in career outcomes but generate respect for group differences in attitudes, values, and behavior.

This volume provides a broader perspective on diversity because it examines diversity programs targeted to ethnicity or gender in the context of two other types of workforce diversity: differences in cultures across organizations and across nations. This breadth of perspective is valuable.
for management practice. By revealing the similarity of problems and challenges cutting across different kinds of workforce diversity, it suggests that there may be general principles for dealing with them.

Most diversity activities can be grouped into one of the following five categories. Diversity programs commonly include several of these strategies.

Procedures to Reduce Ethnic and Gender Differences in Career Outcomes

Some companies, like TRS, are beginning to restructure jobs and benefits packages in order to reduce conflicts between work and family. The purpose is primarily to attract and retain more women and, secondarily, to increase the satisfaction and productivity of all workers.

Other companies focus their diversity programs on increasing minority representation. Pacific Bell, for example, seeks to expand its minority (primarily Hispanic) applicant pool for management jobs through a variety of means. For example, it offers summer internships and scholarships to minority college students in order to increase the number of minority applicants with the 4-year degrees necessary for direct entry into management jobs. It has also sought to increase the number of its minority managers by hiring minority candidates without the 4-year degree into non-management positions that can lead to management jobs.

A related set of activities might be referred to as guided career development. These activities are intended to increase the promotion chances of minorities and women already employed in the organization. For example, Pacific Bell provides 6-day Efficacy Seminars, which are designed to help minority employees become more competitive for promotion. It has also established a 2-year accelerated development track for minority managers. This program provides minority managers special training opportunities and assistance from supervisors and senior mentors who help guide their career development. And Xerox Corporation expands its pool of promotable women and minorities by assigning women and minorities to pivotal jobs where they will gain the experience that is essential for later promotion. Xerox also supports minority and female Caucus Groups, which assist the professional development of their members through training, networking, and the like.

The foregoing activities represent companywide implementation of specific methods for attaining ethnic or gender balance in the workforce. Another common strategy for achieving representativeness has simply been to tie executives’ or managers’ evaluations and compensation to their success in meeting diversity goals. This is one element, for example, of

Dilemmas in Developing Diversity Programs

Xerox’s Balanced Work Force process. Up to 15% of a manager’s performance appraisal is based on his or her efforts to increase minority and female representation.

Procedures to Accommodate Immigrants to the United States

Immigration is concentrated in the Southwest and coastal areas, and some companies in those regions are now taking more concerted steps to train and otherwise effectively utilize the large number of immigrants. This book does not include any such case studies, so the following examples are drawn from elsewhere. Company-sponsored language instruction is probably most typical. For example, one subsidiary of H. J. Heinz Company sponsors voluntary classes in English as a second language after work hours (Branson, 1988). Another subsidiary has a tuition reimbursement program that allows, among other things, supervisors to take classes in Spanish as a second language. One subsidiary also assigns bilingual employees to be “buddy” translators for Hispanics who speak little or no English. Like H. J. Heinz Company, some companies also provide referrals to social service agencies and other sources of assistance for obtaining work permits, housing, and the like.

Changes in Organizational Climate to Value and Utilize Ethnic and Gender Differences

Diversity programs that attempt to create more sensitive and appreciative attitudes toward women and minorities are often referred to as valuing or celebrating diversity. They generally rely on films, seminars, and small-group activities, as did the ubiquitous and equally popular race relations training activities of the 1960s and 1970s. The Race Relations Competence Workshops at XYZ Corporation stem from this era. The aims of valuing-diversity activities encompass those of the earlier race relations activities: defuse tensions over affirmative action, foster interracial (and now cross-gender) understanding, and promote better teamwork in mixed settings.

Valuing-diversity programs are more ambitious, however. They seek not just to promote understanding and ease intergroup tensions, and not just to hire, promote, and retain more women and minorities, but also to make women and minorities feel valued. They seek not to fit women and minorities into the existing corporate culture, but to change the culture to encompass styles of behavior and thought presumed to be more typical of women and minorities than of white men. Such programs do not seek that
differences merely be tolerated, but actively celebrated and embraced. These include, for example, Digital Equipment Corporation’s Celebrating Differences Events and its 2-day Understanding the Dynamics of Differences course. Efforts to change the climate for women and minorities also include the creation or support of groups in which employees explore diversity issues or provide advice on them to higher management.

Changes in Procedures or Climate to Accommodate Individual Differences among Employees

Some companies sponsor activities intended to promote the personal and professional development of employees regardless of ethnicity or gender. One example is Digital Equipment Corporation’s Core Groups, where employees of all kinds meet voluntarily to discuss and learn more about their various similarities and differences as individuals, whether in values, life-style, learning styles, personality, or the like. The aim is to increase knowledge and respect of self and others, both as members of groups and as unique individuals, which in turn is expected to enhance employee satisfaction and performance.

Another example is Xerox’s Management Resources Process. This process provides feedback on job performance and assistance in career planning for middle-level managers. A similar example is Xerox’s Management Practices Program (MPP), which teaches managers how to manage employees more effectively. That program teaches managers listening and communication skills, coaching and counseling, and how to work with employees on compensation, performance improvement, and career development.

The foregoing sorts of activities often originate as efforts intended to improve attitudes or sensitivity to women and minorities or to promote their career development. The broadening of focus to include all employees often results from the limitations or side effects of the narrower focus. Xerox, for example, implemented its MPP, a basic people-management skills program, when it found that its earlier Awareness Seminars for sensitizing managers to their biases failed to equip them with the means to deal with those biases.

The broadening of focus can also result from efforts to stall or reverse the divisive “us versus them” mentality that can develop when only women or minorities appear to be targeted as program beneficiaries. It can result as well from the realization that all individuals can benefit from activities originally designed to promote the personal and professional development of women and minorities, and that majority males are more likely to accept diversity programs when they too benefit. For example, Digital Equipment Corporation gives these reasons for the change in focus of its Core Groups over time. First they emphasized ethnic and gender differences, then nonethnic and nongender differences, and finally all differences among individuals.

Other personal development programs are but one tool in a broader effort to create a common, inclusive corporate culture for culturally disparate employees. Pepsi-Cola International, a multinational corporation, has sought to unify its workforce across 150 countries by developing a task-oriented, culture-neutral organizational climate that stresses excellence in individual and team performance. It has set clear performance standards, provided leadership training, and encouraged an ethic whereby employees freely consult with and provide “instant feedback” to one another.

The merger between Harris Semiconductor Sector and General Electric Solid State represents another effort to create a common culture, but one that did not originate in concerns over ethnicity or gender. It illustrates that differences in values, expertise, and cultures across two merging companies can be as divisive and difficult to accommodate as differences in ethnicity and gender.

Harris faced numerous problems in creating a common corporate culture that would embrace both organizations. These problems included distrust, stereotyping, inadequate communication across units, and employee resentment with attempts at “balancing” the composition of management regardless of competence. These problems, in fact, mimic many of the tensions across ethnic and gender lines that diversity programs seek to ameliorate. Ethnic and gender differences will no doubt remain especially sensitive in this country. However, Harris Corporation’s experiences in managing nonethnic and nongender diversity reveal that many problems in managing diversity cut across all kinds of workforce diversity.

The more that diversity programs encompass all individual differences and are directed to all employees, the more they can be characterized as general management practice. However, it appears that unless they accompany or originate from concerns related to ethnicity and gender, they are not likely to be labeled as diversity efforts.

Decentralized Problem Solving to Accommodate Local Conditions

Companies like Coopers & Lybrand and Pepsi-Cola International provide services or products to quite different and fast-changing markets around the nation and the world. They therefore cannot impose companywide
solutions to all problems. In order to meet companywide production goals under such diverse conditions, they encourage high-quality local problem solving. Pepsi-Cola International, as just discussed, encourages managers to consult with counterparts in other countries to find ways of meeting common production and quality goals under different local conditions. Coopers & Lybrand supports local pilot programs to meet the varying needs for employee benefits of workers at different sites. It then carefully monitors and evaluates the pilots and disseminates effective practices for possible adoption by other sites.

Although these two case studies deal specifically with gender and culture differences among employees, the problem-solving strategies they describe may be useful for dealing with all kinds of diversity in the workplace or local markets.

**Major Dilemmas**

Like other interventions, diversity programs have had both positive and negative side effects. On the negative side, for example, they have sometimes led to resentment and dissatisfaction among some or all groups of employees and, consequently, to polarization across groups. On the positive side, diversity programs have sometimes led to major improvements in broader management practice; for example, in promoting the personal development and productivity of all workers in an organization. Whether diversity initiatives represent net gains or losses in productivity and fairness depends to a large degree on their handling of the dilemmas inherent in managing diversity.

The five following questions suffuse the diversity movement. These somewhat overlapping issues represent dilemmas, because both courses of action in each case have their advantages and disadvantages. The final section of this chapter suggests some principles for resolving these dilemmas in ways that minimize negative side effects.

**Equal Treatment or Differential Treatment?**

In the decade or two preceding the diversity movement, equal treatment had been the accepted principle, even if not always standard practice. Antidiscrimination laws forbade employers from treating applicants or employees differently on the basis of race, color, religion, sex, or national origin. Nor could employers even inquire into family status, sexual orientation, and certain other characteristics when interviewing applicants.

Equal opportunity would be achieved only when color and gender ceased being relevant to employers.

Some people now argue that the principle of equal treatment is misguided (Braham, 1989). Equal treatment is not fair and does not provide equal opportunity, they say, because individuals have different needs, backgrounds, ways of doing things, and skills to contribute. Perhaps employees could all be treated the same when the workforce consisted primarily of white men, but that is not true today. White male corporate cultures automatically disadvantage women and minorities in a variety of ways, some people now argue. If women and minorities fail to conform to that culture, they are viewed as incompetent. If they try to conform, they may be viewed as deviant, say, as too aggressive. In other words, they can neither act like white men nor act unlike them. Nor have women and minorities had access to the informal white male networks that help one succeed and climb the corporate ladder. It is neither fair nor sensible, the argument continues, to expect women to separate family and work to the extent that most men have been able to in the past. Nor is it fair or sensible to ignore the fact that many minorities come to the labor market saddled with disadvantages that many white men have escaped.

Treating all people the same, it is said, leaves many of the old barriers in place. It also suppresses the talents of women and minorities and thus hobbles them. Thus, some people argue that good human resources policies recognize differences across groups and tailor treatment accordingly. Sometimes fairness requires color-consciousness or gender-consciousness (Schachter, 1988; Ansberry & Swasy, 1989). Besides, organizations may be vulnerable to employment discrimination lawsuits unless they make good progress toward workforce balance, which may require differential treatment by ethnicity or gender.

The counterargument is that treating people differently on the basis of group membership is unjust and sows the seeds of resentment, thereby creating additional barriers between groups and corroding the morale that is necessary for high levels of performance. Even when it is well intentioned, differential treatment in scholarships, internships, training, career assistance, and job placement is preferential treatment nonetheless. Differential treatment is corrosive, people argue, because it creates resentment among all parties. Many members of nonpreferred groups resent what they perceive to be reverse discrimination and come to believe that members of preferred groups cannot succeed without preferences. On the other hand, members of the preferred groups resent the implication that they cannot compete on their merits and do not deserve their successes (Nazario, 1989). Intergroup tensions rise, not fall (Short, 1988; Sowell, 1990). Conversely, performance standards fall, not rise, because the implementa-
tion of “nonexclusionary” employment policies often means the lowering of standards, at least for the preferred groups (Gordon, 1988). Accordingly, by this view, good management practice requires that individuals be treated strictly on the basis of their individual merits, not on the basis of their group membership. Besides, organizations may be vulnerable to reverse discrimination lawsuits if they treat employees differently on the basis of ethnicity or other proscribed characteristics.

The struggle over what constitutes fair and effective treatment is evident, for example, in the evolution of Digital’s Core Groups. A focus on group differences left white males feeling neglected, whereas an emphasis on strictly individual differences left women and minorities feeling neglected. Contrasting choices are evident in the comparison between Xerox and Pacific Bell, on the one hand, and Pepsi-Cola and American Express TRS, on the other. For example, Xerox opted to risk a reverse discrimination lawsuit (as too did Pacific Bell and Digital, perhaps) when it reduced the number of whites relative to minorities in management jobs during its downsizing in the early 1980s. By contrast, Pepsi-Cola argues for the importance of a culture-neutral climate in developing human resources. And Coopers & Lybrand opted not to establish special programs for women, partly because it wanted to avoid perceptions of favoritism and the backlash to which such perceptions might give rise.

**Commonality or Differences?**

Historically, the United States has viewed itself as a melting pot in which diverse groups become assimilated to a common American culture. It was likewise assumed that new entrants to an organization would become assimilated to that organization’s culture. Some people now argue that the melting pot is an inappropriate metaphor for the nation and organizations (Kilborn, 1990). They argue that corporate culture, like American culture in general, reflects the values and interests of white males of Western European ancestry. Assimilation therefore represents the domination of one culture over others, not the melding of many. A salad is the more appropriate metaphor because the whole is enhanced by the diversity of its ingredients.

Ethnic and gender differences in values and behavior are not inferiorities to be corrected, as many managers have assumed. Rather, the argument continues, differences should be understood as valid alternative ways of thinking and acting that can lend vitality to teams and organizations. Accordingly, employees should be led to understand the diversity and to see that it can enrich the organization. Rather than ignore or minimize differences, as was once advocated, organizations should recognize, celebrate, and capitalize on them. Understanding differences can break down the old barriers to cross-group communication and cooperation.

Some diversity proponents are uneasy with valuing-diversity programs that explore ethnic and gender differences, as most do. Such programs may reinforce stereotyping. Discussing the negative stereotypes of different groups may in turn further rather than root them out. Acknowledging and celebrating average ethnic and gender differences may only replace one set of stereotypes and barriers with others. Rather than unite, the attention to differences may divide and polarize. Stereotypes, favorable or not, deny people recognition as unique individuals.

The dilemma of how to discuss ethnic and gender differences appears repeatedly in the popular literature (e.g., Schachter, 1988; Solomon, 1990). It is also evident in the case studies. Digital’s Core Groups struggled with the issue. Coopers & Lybrand expected its female employees to resist the formation of women’s discussion groups, should the company try to establish them, because many had worked hard not to appear different from their male counterparts. Some of the case studies either have in place or plan to implement valuing-diversity activities, but others, like Pepsi-Cola, argue that too much is made of cultural differences. Instead, an organization can create a common organizational culture that incorporates and uses but does not highlight cultural differences.

**Equals or Victims?**

A less explicit but very important dilemma relates to whether minorities and women should be treated as victims or as equals. They were frequently victimized by discrimination in the past and still are to some extent today. Equal opportunity cannot exist, some people therefore argue, until the systematic harm suffered by women and minorities is recognized and redressed.

The persons compensated through preferential treatment or other means of redress (as in the AT&T consent decree establishing strict hiring goals and preferential hiring) are not necessarily the persons who were directly harmed by the discrimination being redressed. However, the harm suffered by some members of a group is shared by all, it is argued, because the others are denied role models, access to networks of opportunity, and the like. Besides, it should be understood, the argument often continues, that harm is not always obvious and thus is more pervasive than usually realized. Everyone harbors unconscious but harmful prejudices (Castelli, 1990; Geber, 1990). In short, most if not all women and minorities face barriers because of their gender or ethnicity, whether they realize it or not.
Counterarguments to the victimization perspective stress its negative side effects for one or more of the parties involved. If minorities and women are viewed as suffering collective harm, then white males become collectively guilty of oppression, regardless of their individual guilt or innocence. Resentment grows as putative “victims” and “oppressors” accuse each other of injustice in the pursuit of self-interest. Worse yet, some critics (e.g., Steele, 1988) argue that relying on the status of victim to obtain rights or favors is demeaning and self-destructive. It creates a stake in poverty, dependence, and impotence, not in developing strengths, talents, and initiative. Rather, minorities and women must move ahead despite past disadvantages and recognize that partial compensation is feasible but full redress probably is not. The only way to become social and economic equals is to act like and demand treatment as equals. This means building skills, showing initiative, and persevering despite real and sometimes unfair obstacles.

Oppression theories are common in the popular diversity literature and are evident to some extent in case studies such as that of XYZ Corporation. By contrast, Pacific Bell rejects “chid[ing]” and “sham[ing].” It also has fought the presumption that its minority candidates are less qualified by concretely demonstrating their skills to prospective supervisors. Similarly, some employee caucus groups seem to focus on monitoring victimization or broadening its definition, whereas others are clearly devoted to developing their members’ skills.

Volunteerism or Strong Leadership?

This dilemma is endemic to all programs of organizational change. Real and lasting change is more likely to occur when members “own” the change in some sense—they initiate the change, they meet their own needs, or they are committed to it for some other reason. Relying on voluntary change, however, is a slow and uncertain process. Any significant resistance can stall, redirect, or abort the desired change. Relying only on voluntary commitment to diversity goals may also be perceived as lack of real organizational commitment to those goals, as mere “window dressing.”

Strong leadership from the top is more likely to compel compliance. Good examples can be set, directives issued, and reward systems modified in order to redirect employees’ behavior. But the more such leadership produces forced rather than voluntary compliance, the more likely it is to generate unintended side effects that can subvert the original goals for change. Coerced change can create cynicism, harm morale, and produce covert but counterproductive resistance. And it may lead to complaints that the organization is engaging in “social engineering.”

The organizations described in this book, once again, adopted different strategies in this regard. Digital Equipment executives, for example, first established their own Core Groups in order to improve their understanding of group differences and to promote effective communication and team building. They then encouraged the subsequent growth of other Core Groups through voluntary employee participation. By contrast, Xerox ties its managers’ evaluations and compensation to their success in achieving workforce balance rather than first attempting to change attitudes.

Candor or Sensitivity?

The diversity movement is also ambivalent about the need for candor versus sensitivity about group differences. Insensitivity toward minorities and women is strongly condemned today. Race relations seminars and the newer valuing-diversity activities are designed to make employees more sensitive to the needs and feelings of persons different from themselves. This, in turn, requires a new social etiquette that is sometimes formalized in organizational policies. For instance, ethnic jokes and demeaning comments about women violate many new harassment policies.

However, commentary about diversity programs frequently mentions the need for candor in breaking down old barriers. Participants in discussions of diversity typically report that it is difficult to be candid about their feelings on such emotionally charged issues as ethnicity and gender. Accordingly, organizations such as Digital will often require confidentiality or otherwise structure activities to make participants feel “safe.” Unless participants are candid, they argue, misunderstanding and stereotypes will bar effective communication and teamwork on the job and will continue to restrict the career opportunities of minorities and women.

Candor has its problems, however. Some critics argue that candor is treated as acceptable only when employees are prepared to renounce beliefs that others deem to be insensitive or otherwise “politically incorrect.” Moreover, candor may raise new barriers if the tension it typically produces is not resolved. And as Lucky Stores Inc. recently discovered (Stevens, 1991), the otherwise healthy process of exposing employees’ biases can also expose the organization to employment discrimination lawsuits. Similarly, Xerox points out that it puts itself at legal risk when it formally gives negative feedback to managers who have failed to meet the company’s Balanced Work Force goals.
Diversity Movement as an Extension of the Civil Rights Debate

The nature and importance of the social issues and dilemmas shaping the diversity movement are clarified by showing how that movement represents a new direction in the nation's debate over civil rights.

Early Civil Rights Movement

Thirty years ago there was broad consensus among civil rights advocates over principles and goals. The goal was to promote equal opportunity. Everyone should be judged according to his or her individual merits, not according to race, sex, religion, or social class. Martin Luther King, Jr., symbolized this stance when he argued that people should be judged by the content of their character, not the color of their skin. Treating people differently on the basis of such characteristics was discrimination, and such behavior should be illegal. Indeed, it became so with the enactment of the Civil Rights Act of 1964. Color barriers in housing, education, transportation, and employment fell quickly. Doors to education and jobs also opened to women.

This early civil rights stance conformed with the most fundamental of American principles, thus shaming Americans all the more for their mistreatment of blacks and other minorities. Through color-blindness blacks would finally be able to exercise their full rights as U.S. citizens. Treating people according to their individual merits, hiring the best qualified regardless of race or sex, would promote fairness and productivity simultaneously. Women, blacks, and other minorities would no longer have to be better qualified to be treated as equals. The promise of our pluralistic society might finally be realized, for individuals of all origins would be treated with equal respect and with equal rights under the law. No longer would the arbitrary conditions of one's birth determine one's fate.

The Unrecognized Dilemma

The consensus characterizing the early civil rights movement was eroded and eventually shattered by one mistaken assumption. Many civil rights advocates assumed that equal treatment would lead to equal outcomes by ethnicity. The social programs necessary for integrating minorities into the mainstream might be expensive and require time to work. But there was little doubt that blacks and other minorities would make steady and sub-

stantial progress toward socioeconomic equality as the new educational programs of Lyndon Johnson's Great Society lifted them out of poverty. It was recognized, of course, that the eradication of illegal discrimination would not obliterate the disadvantages created by earlier discrimination. A race is not fair when one party is forced to compete with a broken leg. Thus, a panoply of compensatory programs was implemented, particularly in education. Schools began to take more responsibility for remediating the disadvantages that children brought with them into the classroom, for example, by providing free meals or social services.

Compensatory education and similar efforts to "level the playing field" were accepted in principle by many people, especially by those most eager to atone for past inequities. The disadvantaged should receive special resources, they agreed, although just which was not always clear.

The effort to equalize real opportunities continued. Begun in the 1970s, state equalization plans reduced disparities in funding across school districts. Busing for racial balance and the elimination of ability-based grouping helped to reduce differences in school experiences across the races in many districts. But the expected equalization of school outcomes never materialized. For example, busing, Head Start, and similar programs to reduce racial inequalities had some positive effects, but they failed to meet a central goal—to reduce the black-white gap in achievement test scores.

As a stubborn reality mocked the promises of the Great Society, philosophies of equality began to shift. Criticizing the educational system and employment practices became popular among academics. No longer was schooling a gateway to opportunity, critics argued, but a barrier erected by elites to keep the poor in their place (Bowles & Gintis, 1976). Practices that produced unequal results by ethnicity or social class were attacked as barriers to equal opportunity, including ability grouping, tracking, special education classes, disciplinary procedures, and the use of tests, college admissions criteria, and even educational credentials.

For many critics, the old signs of merit became signs of past social advantage, not character or promise. Ability tests were accused of measuring social class and race, not competence. Achievement tests were charged with measuring past opportunities, not achievements. The City University of New York instituted open admissions on the premise that, when given the opportunity, disadvantaged students would achieve at higher levels than predicted on the basis of their past performance. The same premise underlay the special procedures adopted by many colleges for evaluating and admitting minority students. Lower grades and lower test scores did not necessarily mean lesser promise for disadvantaged students or job applicants, it was argued.
No longer was there a consensus that the measure of equal opportunity was equal treatment. A more meaningful measure of equal opportunity, some began to argue, was equal results. Tests that showed group differences were, ipso facto, biased. Schools with lower average test scores were automatically assumed to be worse schools. Racial disproportions in hiring, said the Supreme Court in its 1971 Griggs v. Duke Power Co. decision, were presumptive evidence of racial discrimination, which the employer then bore the burden of disproving.

With the traditional meaning of both merit and equal opportunity unsettled, the traditional concept of fairness was challenged as well. For many it remained the long-standing principle of nondiscriminatory treatment of individuals. But for others it became equal outcomes across groups of individuals. Where once civil rights advocates stood together, they were now split.

Late Civil Rights Movement

The failure of minorities to progress as much as expected under antidiscrimination policies clearly indicated that basic assumptions underlying those policies were mistaken or that the issue was more complex than previously realized. Of the possible explanations for this unexpected result, one in particular became popular: Discrimination must be subtle and hard to detect. One could not point to it directly, but it suffused all social institutions. Although overt discrimination had become relatively infrequent by past standards, most people unknowingly harbored harmful unconscious prejudices that shaped their behavior.

This new theory of hidden racial oppression reinforced the argument that equal opportunity had to be judged by results, not by observable treatment or conscious intentions. Accordingly, fairness was best judged by the fate of groups, not of individuals. Thus, the term discrimination is applied today mostly to inequalities in outcome: “discriminatory results” (unequal results).

Simultaneously, “discriminatory treatment” has been reconceptualized by some people to make it more consistent with “discriminatory results.” Specifically, in the early civil rights movement, nondiscriminatory treatment meant color-blindness and gender-blindness in the objective assessment of merit. Now the advocates of equal results often argue that such treatment is an obstacle to social progress. The principle of fairness requires that treatment differ by ethnicity or gender, for reasons discussed earlier. The principle of merit, some would add, also requires differential treatment; specifically, they argue, ethnicity and gender are themselves aspects of merit because they have value on the job or in educational settings.

A new moral philosophy has been developed in the past 10 years to justify the preferential treatment that is usually necessary for obtaining equal results by ethnicity. This philosophy posits “group rights,” which take precedence over traditional (individual) rights (Havighurst, 1983; Shapard, 1990; Young, 1989). These group rights are usually seen to emerge from prior victimization of one group by another. Consequently, they inhere only in previously oppressed groups, which excludes white males. The group rights philosophy assigns rights and responsibilities on the basis of group membership—something that the early civil rights movement sought to eliminate.

The controversial practice of “race-norming” employment tests, for example, arises from the same forces that led to the emergence of this new group rights philosophy, and it is consistent with it (Blits & Gottfredson, 1990). Unbiased, job-related employment tests typically have considerable adverse impact against blacks and Hispanics because, as groups, they possess lower average skill levels than whites and Asians. Race norming seeks to overcome this barrier to equal results by grading blacks, Hispanics, and others (primarily whites and Asians) on different racial curves in order to produce equal test results across the three groups.

The practice of race norming (also called “within-group score adjustment”) reflects the direction of the late civil rights movement. It was instituted in 1981 by the U.S. Department of Labor’s Employment Service solely in order to eliminate adverse impact when using its job-related and unbiased General Aptitude Test Battery (GATB), and thus to equalize the employment chances of minorities. The practice was used by state employment agencies in at least 38 states by the end of 1986 (Hartigan & Wigdor, 1989), at which point expansion of the practice was halted by the U.S. Justice Department’s threat to sue the Labor Department for reverse discrimination (Delahunty, 1988). Race norming’s chief advocate today is the Lawyers Committee for Civil Rights Under Law (Seymour, 1988), which is the major litigator of employment discrimination suits in the country.

The Dilemma of Diversity in Skills and Interests

Like the civil rights movement from which it inherited the dilemmas of diversity, the diversity movement tends to assume that equal outcomes in employment would occur in the absence of discriminatory treatment. Therefore, by this view, the continued existence of unequal results requires further adjustments in how women and minorities are treated. In practice,
for the reasons explained below, this has often meant exercising preferential treatment. This, in turn, has created pressure for redefining “merit” and “fairness” so that they are no longer inconsistent with preferential treatment.

The most fundamental dilemma confronting the civil rights and diversity movements is that groups differ on the average in job-related skills, interests, and abilities. On the average, for example, women differ from men in physical strength, which limits their opportunities in some fields of work. Likewise, despite some dramatic changes, women’s vocational interests and career orientation continue to differ substantially from men’s overall (Gottfredson, 1986b). Data from the National Center for Education Statistics (1989) show that between 1971 and 1986, the percentage of degrees awarded to women increased somewhat and reached parity at the bachelor’s level (from 43% to 51%) and the master’s level (from 40% to 50%). Women’s representation more than doubled at the doctoral level (from 14% to 35%), but remained far below parity. Women increased their representation at all degree levels in all fields where they had been underrepresented, often increasing it by a factor of 10 in the two fields in which they had been least well represented—engineering (from 1% to 12%) and business and management (from 4% to 31%).

Nonetheless, women still differed substantially from men in 1986 in the fields in which they obtained their degrees. Women still tended to greatly predominate in education (76%, 73%, and 53%, respectively, at the bachelor’s, master’s, and doctoral levels) and to be underrepresented in engineering (13%, 12%, and 7%), the physical sciences (27%, 24%, and 17%), mathematics (46%, 35%, and 17%), and business and management (46%, 31%, and 22%).

More flexible job structures and benefits packages will go a long way toward reducing work-family conflicts. However, the foregoing data indicate that the availability of women can still be expected to differ substantially across different fields and levels of work for some time to come.

Ethnic differences in academic achievement and job skills have been a matter of grave national concern, as is clear in Workforce 2000. Minority skill deficits are still relatively large, especially for blacks, and clearly limit employment opportunities. The proportions of blacks and Hispanics who are qualified for particular jobs are often smaller than the proportions of whites and Asians. They are often woefully smaller for higher-level jobs (Gottfredson, 1986a, 1986b).

Only from one-third to two-thirds as many blacks and Hispanics as whites and Asians, proportionately, obtain bachelor’s, master’s, or doctoral degrees (Berryman, 1983). National Center for Education Statistics (1989) data for 1985 show that the fields of those degrees are fairly similar for whites and Hispanics, although Hispanics tend to be more highly represented in education and the social sciences at the bachelor’s and master’s levels but proportionately more highly represented than whites in engineering at the doctoral level. The patterns for blacks and Asians depart markedly from those of whites. Blacks are highly overrepresented and Asians underrepresented in education compared to whites at the master’s level (42% and 10% of blacks and Asians versus 28% of whites) and doctoral level (45% and 8% of blacks and Asians versus 24% of whites). The converse is true for engineering at all degree levels: 6% and 20% of blacks and Asians versus 9% of whites at the bachelor’s level; 3% and 20% versus 6% at the master’s level; and 4% and 24% versus 6% at the doctoral level.

More aggressive recruitment and extensive provision of scholarships and training will help to reduce such gaps in qualification, but employers will be faced by divergent applicant pools for the foreseeable future unless education and social policies change fundamentally.

These ethnic differences mean that adverse impact is the rule, not the exception, when hiring and promotion procedures are job related and when they predict job performance equally well for all groups (Schmidt, 1988; Sharf, 1988). On the other hand, substantially reducing or eliminating adverse impact by ethnicity often entails introducing racial bias (against whites and Asians) into procedures and otherwise reducing their validity. This, in turn, leads to losses in productivity as well as violating the principles of merit and fairness as traditionally defined. Adverse impact can usually be reduced substantially only by lowering standards for the less qualified groups (say, through race norming) or by lowering standards for all groups of job applicants (say, by setting low cut-off scores on employment tests). The first strategy, preferential treatment, lowers productivity somewhat in the short run, and the disaffection it generates is likely to erode productivity yet further in the long run. The second strategy, lowering entry or performance standards for all groups, avoids preferential treatment but at the cost of large immediate losses in productivity (Hunter, Schmidt, & Rauschenberger, 1984).

Nonetheless, employers are expected to attain workforce balance in a nondiscriminatory way. On the one hand, they must satisfy the Office of Federal Contract Compliance Programs, which requires goals and timetables in producing workforce balance. Unless employers show progress toward workforce balance, they risk not only losing their government contracts but also being sued for discrimination. On the other hand, they must not violate Title VII of the Civil Rights Act of 1964, which forbids discrimination on the basis of race as well as sex, religion, or national origin. If employers use quotas or preferential treatment to attain workforce balance, as they often must do, they can be sued for reverse discrimination.

Personnel selection research predicted another consequence of the differential skills dilemma that diversity programs now address: low minor-
Diversity Principles to Enhance Management Practice

The verdict is still out on the diversity movement in business. The movement can mobilize more of the productive capacity of all workers—especially women, native minorities, and immigrants—while at the same time creating common bonds across social groups. Or it can sap national productivity and increase intergroup tensions.

The following principles are offered in the spirit of promoting what is most constructive in the diversity movement and avoiding that which seems counterproductive. These principles are drawn from the experiences recounted in this volume and elsewhere and from analyses of the dilemmas discussed above.

Develop Individuals, Not Groups

It is a truism in management that employees should be helped to develop as individuals. This principle remains valid in the face of group differences. A concerted effort to develop individual employees as unique individuals will at the same time address the particular characteristics or disadvantages found disproportionately in some ethnic or gender groups. Singling out particular ethnic or gender groups for special treatment may be perceived as preferential treatment and generate its negative side effects.

Stress Variance, Not Just Average Differences

There are differences among ethnic and gender groups along a variety of dimensions, including values, interests, skills, abilities, and experience. Executives and managers should be aware of the average differences they are likely to encounter between different groups of job applicants and employees so that they can better plan organizational policy and evaluate its effects. The failure to appreciate the sometimes large job-related differences by ethnicity and gender can have far-reaching consequences, as the contentious history of the civil rights movement illustrates.

However, knowledge of average differences is less important for the general employee. Stereotyping may, in fact, be reinforced if employees are taught only about average differences; for example, about "how women think," "how Native Americans feel about competition," and the like. Rather, they should be impressed with the variance, or diversity, of individuals within any social group and the consequent fact that no individual can automatically be assumed to be representative of his or her group. Becoming more aware of the wide range of differences among individuals to which they should be alert helps employees to avoid misunderstanding and miscommunication. That range of differences may be far greater than they realized, and it may become even greater as the workforce becomes more diverse.

Cultural differences across nations are generally much larger than the cultural differences across groups in the United States. Chances for miscommunication are myriad, especially because superficial similarities, such as speaking English, may lead one to underestimate more fundamental differences in values and behavior. Consequently, instruction in group differences is essential for all employees. However, appreciation of the variance within other cultures is still important. For instance, nationals who choose to work or associate with Americans or other foreigners should not be assumed to be typical members of their culture.

Treat Group Differences as Important, but Not Special

Ethnic and gender differences in beliefs, backgrounds, skills, and the like are important and should be respected. However, employers should not elevate them as "special" or more important than other differences among employees. There is no doubt that issues of ethnicity and gender may be especially difficult for employees to work through. But that is different from the organization itself elevating them to special status. An emphasis on group differences rather individual differences can divide the workforce, invite blame and resentment, and risk the development of an "us versus them" mentality. Group differences should be attended to as factors in meeting business objectives, but not as ends in themselves.

Tailor Treatment to Individuals, Not Groups

It follows, then, that programs to assist, train, appraise, promote, and consult employees should not be conditioned on group status per se unless there is a compelling reason to do so. Rather, programs should be targeted
to the specific strengths and weaknesses, advantages and disadvantages of individuals, some of which may be presumed to differ across groups. For example, special career tracks for only blacks or women are demeaning to blacks and women and they arouse resentment among others. By contrast, flexible jobs or benefits packages may be especially important to women, but they are generally available to all employees at a site who need or want them. Compensatory treatment to overcome past disadvantages may sometimes be needed, but it should be provided on the basis of individual, not group, characteristics. Conditioning rights, responsibilities, and opportunities on ethnicity or gender as a first, not a last, resort constitutes an implicit endorsement of "group rights."

Find the Common Ground

Common ground among employees should be found and common bonds created when employees are quite diverse. For example, an organization might foster an overarching, group-neutral performance goal or ethic to which members of diverse groups can subscribe and work toward together. Group differences may be respected and effectively utilized, but they should be subservient to the common goal, not vice versa.

Reexamine but Maintain High Standards

Employers should ensure that their hiring and performance standards are as clear and job related as possible. The clearer and more job related they are, the more they will enhance employee productivity and perceptions of fairness. To be perceived as fair, those standards must also be common across groups. Preferential treatment corrodes morale and thus productivity. In the absence of a convincing rationale, treating ethnicity or gender per se as a job qualification or an aspect of merit constitutes differential standards. Unfortunately, improvements in workforce parity and workforce productivity do not always go hand-in-hand. Where the two conflict, productivity should take priority. Sacrificing high standards for parity is a burden that neither the organization nor its employees can bear in the long run.

Test Assumptions and Support Claims

Employers should test the assumptions undergirding their personnel policies and support the claims they make about the effects of those pro-

grams. For example, if ethnicity or gender per se is presumed to be an asset (say, in certain markets), that assumption should be tested. If it is not tested, it may be viewed as mere ideology and a pretext for reverse discrimination. Likewise, claims that a program has succeeded should be accompanied by evidence, and the kinds of evidence presented should match the kinds of claims being made.

Solicit Negative as Well as Positive Feedback

Employers should solicit broad feedback on the negative as well as the positive side effects of their programs. For example, praise from one constituency must be balanced against the reactions of others who may have become disaffected. Ignoring or discounting a program's unwanted side effects only squanders opportunities for improving the program and allows problems to fester. In view of the dilemmas in dealing with diversity, organizations should expect their programs to have unwanted side effects, especially at first.

Set High but Realistic Goals

The dilemmas in dealing with diversity should not dissuade employers from tackling the issue aggressively. There is much to be gained from good managing-diversity programs and much to be lost if workforce diversity is mismanaged. But employers should also be realistic, and they should be careful not to generate inflated expectations among employees. As the authors in this volume repeatedly argue, progress is slow and incremental. Neither managers nor employees should expect a "quick fix." Most programs are extensively refined in the light of experience, and some are judged unsuccessful and then are terminated. Enduring improvement in the management of diversity requires people and programs that recognize the complexity of organizational change and that confront the hard choices it sometimes requires.

REFERENCES


