

# INDIVIDUAL PROCESSES

PART



<b>Chapter 2</b>	Diversity, Equity, and Inclusion (DEI)	31
<b>Chapter 3</b>	Personality and Individual Differences	55
<b>Chapter 4</b>	Perception and Learning	79
<b>Chapter 5</b>	Emotions, Attitudes, and Stress	101
<b>Chapter 6</b>	Motivation: Concepts and Theoretical Perspectives	127
<b>Chapter 7</b>	Motivation: Practices and Applications	149

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## 2

## DIVERSITY, EQUITY, AND INCLUSION (DEI)

### LEARNING OBJECTIVES

By the end of this chapter, you will be able to:

- 2.1 Explain the importance of DEI in OB
- 2.2 Discuss diversity in the workplace
- 2.3 Discuss how diversity influences identity in the workplace
- 2.4 Describe the impact of equity and equality in the workplace
- 2.5 Illustrate the power of inclusion in a working environment
- 2.6 Identify the different ways businesses can promote a DEI culture

## Case Study: Dolby Laboratories, Inc.

Dolby Laboratories, the creators of Dolby Digital, Dolby Atmos, and Dolby Vision audiovisual technologies, is an American company with offices and employees worldwide. For more than 50 years, the household name has developed standards in audio noise reduction and home and cinema surround sound, but the fact that a company's workforce spans time zones, languages, and cultures doesn't guarantee that it will be a diverse, equitable, and inclusive employer. Dolby utilized innovative hiring practices and created employee organizations to support its goals for diversity, equity, and inclusion, which quickly proved very popular.

Blind hiring, a common practice for reducing bias in recruitment, traces its beginnings to the performing arts industry. In the 1970s, less than 5% of musicians at the top North American orchestras were women. Members of the Toronto Symphony Orchestra noticed how white and male dominated their ensemble was and implemented a simple change to their audition procedure that quickly increased the diversity of the band's composition. Similar to the contemporary TV singing competition *The Voice*, where contestants perform for judges whose backs are turned to the singer, the orchestra erected a sonically transparent screen to separate symphony hopefuls from the judges, concealing their identities so they would be evaluated solely by their musical ability. The practice of "blind" auditions soon became the standard for orchestras nationwide, and by 1997 female musicians comprised 25% of the top American symphonies' performers.<sup>1</sup>

Outside the concert hall, however, most business recruitment relies on résumé reviews and candidate interviews; there is no audition to be blinded. Traditional blind hiring techniques merely redact applicants' names and other identifying information from their résumés. This can help job seekers avoid being overlooked by recruiters with unconscious biases, such as preference for one gender over another or names that sound a certain way, but still misses the meritocratic aspect of the blind symphony auditions.<sup>2</sup> This simple form of blind hiring wasn't good enough for Dolby, and they sought a more comprehensive solution.

Dolby Laboratories was one of GapJumpers' first clients, adopting the company's innovative blind audition technology in 2015.<sup>3</sup> Entrepreneur Petar Vujosevic had cofounded GapJumpers in 2014 as a platform where employers design challenges for prospective talent to complete when applying to their job postings. "We've essentially applied software technology to allow companies to experience the same kind of results that orchestras have achieved with blind hiring," Vujosevic says. "Right now, we are able to do blind auditions for software engineering roles, design roles, marketing roles, communication roles and allow candidates that might on paper not be a good fit, prove that they actually are."<sup>4</sup>

Blind hiring (and utilizing analogous tech solutions like GapJumpers) can help companies reduce bias during the talent acquisition process, but that's just one element of creating a diverse, equitable, and inclusive organization. Even a company with a multicultural and gender-inclusive workforce must take intentional steps to empower its employees and make them feel valued and visible at all levels of the organization.

As part of its Diversity, Inclusion, and Belonging strategy, Dolby has instituted 13 volunteer-led Employee Networks (ENs), communities organized around ethnicity, sexual orientation, and other social dimensions of diversity. More than 32% of the Dolby Labs workforce participates in its ENs.

Lauren Glover, senior manager of people communications and experiences, says of Dolby ENs, "Having Employee Networks be so visible in the Company's strategy is powerful. As a Black employee, as the Co-Founder of Obsidian, as a person of a certain dimension of diversity, I feel safe and empowered to say, 'This is how I want the company to reach people like me—and here's how we go and do it.'"<sup>5</sup>

As Dolby's website states, "Dolby's ENs include: WE focused on Women's Empowerment, Spectrum supporting LGBTQ+, PAX focused on the Pan-Asian Experience, Obsidian for employees who are Black or of African descent, Mundo for our Latinx/Hispanic community, DIVE—our Dolby's Indigenous Voices Elevated group, the Anti-Racism Community, Path for new and



early-career employees, the Parents Network, INxS: Inclusion at Sydney for our Australian office, a regional network for EMEA, one for China (expanding across Asia in FY22), and AGAPE for Dolby's Christian community."<sup>6</sup>

The creation of Employee Networks has paid dividends both for employee engagement and Dolby's research and development projects. Kelsey McIntosh, senior data analyst in the Intellectual Property Protection Group and coleader of WE, summarizes the impact of the groups: "When the employee networks started, you saw a shift in Dolby's culture. People were more engaged, more friendly. Now, you get to know people from other departments and have exposure to even more diverse ideas and experiences. There's always something fun and meaningful happening, and it is all driven by the employees."<sup>7</sup>

### Critical-Thinking Questions

1. What is blind hiring, and how can it reduce biases in the recruitment process?
2. Where do facially unbiased hiring practices fall short, and what did Dolby Laboratories do to complete the DEI triad?
3. Describe some of the day-to-day benefits of Dolby's Employee Networks. If you were at Dolby Labs, would you join any of the 13 existing ENs? Would you create your own?

## DEI IN OB

**Diversity, equity, and inclusion** (DEI) is a term used to describe programs and policies that encourage the representation and participation of diverse groups of people, including people of different genders, races and ethnicities, abilities and disabilities, religions, cultures, ages, and sexual orientations and people with diverse backgrounds, experiences, and skills and expertise.<sup>8</sup> DEI has become a hot topic for organizations all over the world, even more so since the onset of the COVID-19 pandemic. Systemic racial violence and injustice, hate crimes, social activism, and stalled career growth of women in the workplace have shined the spotlight on DEI, leading large numbers of corporations to pledge their commitment by devoting more attention and resources to DEI. For example, Dolby has created a DEI organization by implementing blind audition technology into its recruitment strategies to promote fairness in its hiring processes and formed 13 volunteer-led Employee Networks focusing on ethnicity, sexual orientation, and other social dimensions of diversity.

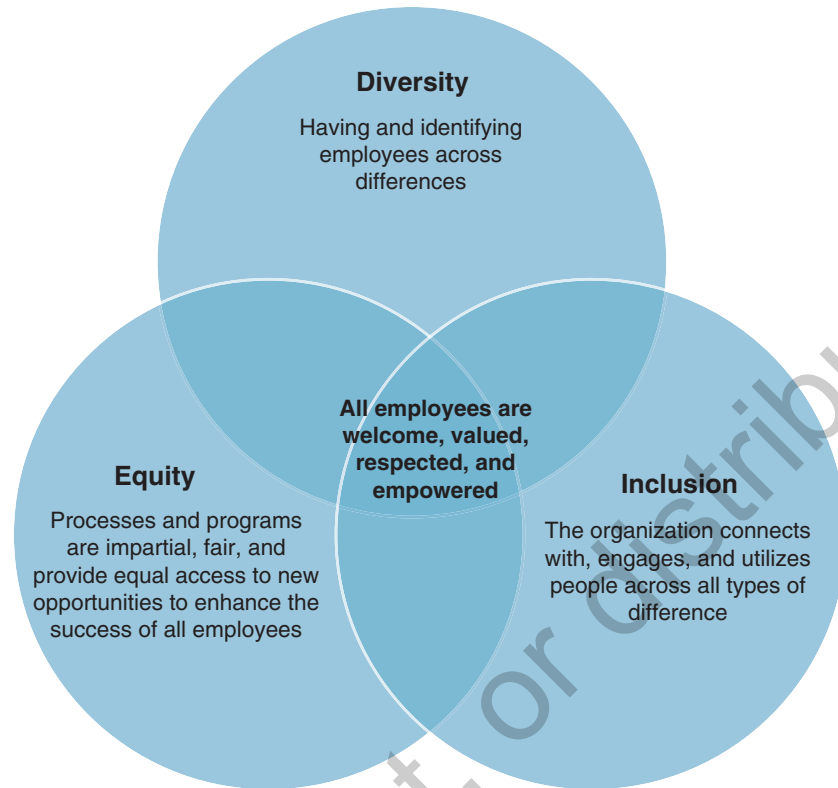
Why is DEI so important in the workplace? Because today's workplace welcomes more people from different backgrounds and different experiences than ever before. Globalization has led to a workforce of cross-cultural work teams composed of people from diverse backgrounds who deserve to be treated fairly and equitably. As Figure 2.1 depicts, each element of DEI interacts with the others to create a culture that supports employee views, beliefs, and values.

In the business world, the benefits of supporting DEI initiatives are enormous. For example, studies have shown that companies that champion DEI are more likely to outperform their less diverse peers, earn higher revenues, attract a larger customer base, and increase their profits. Companies with higher DEI also demonstrate a rise in employee satisfaction, retention, and engagement.<sup>9</sup> In contrast, research shows that organizations lacking in DEI can promote stereotyping, which can lead to destructive discriminatory behaviour.<sup>10</sup>

**Stereotyping** is the tendency to believe that certain people or things share the same characteristics. Stereotypes can exist at every level of an organization and are often based on incorrect assumptions about a person's gender, culture, religion, or physical characteristics. For instance, the belief that women with blond hair aren't intelligent is a common example of a stereotype. Research shows that people who experience negative stereotyping in the workplace are more likely to have lower career confidence, fewer career aspirations, and poorer job attitudes than those who are not stereotyped.<sup>11</sup> Stereotyping can lead to discrimination if it is not addressed.

**Discrimination** is the unfair treatment of people and groups based on certain characteristics, such as race, age, gender, religion, disability, or sexual orientation.<sup>12</sup> While stereotyping involves prejudiced

FIGURE 2.1 ■ DEI



beliefs about individuals or groups, discrimination is the process of acting on those beliefs. Making derogatory comments about a person's race or color, excluding particular groups or individuals from the recruitment process, and paying unequal salaries to equally qualified employees in the same role are examples of workplace discrimination.

The following sections explore each element of DEI in greater depth.

## DIVERSITY IN THE WORKPLACE

**Diversity** is the presence of differences within a given setting and is expressed in many forms, including race and ethnicity, gender and gender identity, sexual orientation, socioeconomic status, language, culture, national origin, religion, age, strength and ability, and political standpoints.<sup>13</sup>

In the past, banking heavyweights Morgan Stanley and Bank of America Merrill Lynch have paid millions settling sex discrimination and race discrimination claims. Widely publicized cases like these have encouraged organizations to care more about diversity and realize the importance of respecting individual differences in order to form and build successful professional relationships. In broader terms, **workplace diversity** refers to the degree to which an organization includes people from different cultures and backgrounds; it involves recognizing, respecting, and valuing both individual and group differences by treating people as individuals in an effort to promote an inclusive culture.<sup>14</sup>

As our case study shows, Dolby is a great example of a company that implements recruitment strategies targeted specifically at underrepresented groups. Dolby has an excellent reputation for fairness because of its commitment to DEI.

One of the most effective ways organizations can encourage acceptance of differences and create a harmonious workforce is through the management of diversity.

However, there are also challenges to managing a diverse workforce—diversity does not simply mean recognizing the differences between us. For diversity to succeed, managers must promote inclusiveness, tackle discrimination, and respect and value the differences between people.

In a recent survey of the “top 50 companies for diversity” run by DiversityInc, hotel giant Hilton took the number-one spot while department store chain Kohl’s came last on the list.<sup>15</sup> McKinsey research has shown that ignoring diversity is bad for business. Companies that don’t foster a diverse workforce may be negatively perceived by customers, existing employees, and potential younger candidates who value diversity as a priority in organizations.<sup>16</sup>

### Surface-Level and Deep-Level Diversity

There are two main types of diversity: surface-level diversity and deep-level diversity (see Figure 2.2).<sup>17</sup>

**Surface-level diversity** describes the easily perceived differences between us, such as age and generation, race and ethnicity, gender and sexual orientation, and physical and/or mental ability. This type of diversity can lead to discrimination when managers or recruiters judge or stereotype others on the basis of superficial differences. For example, if they believe performance declines with age, they will choose a younger candidate over an older candidate.

In contrast, **deep-level diversity** describes verbal and nonverbal behaviors that aren’t as easily perceived because they lie below the surface. Deep-level diversity may include attitudes, values, beliefs, and personality traits. People first identify surface-level differences in others and then become aware of deep-level differences as they get to know someone. For example, initially Myra and Jorge might treat each other with caution because of dissimilarities between their cultural backgrounds or native languages. As their relationship deepens and they learn about each other’s underlying attitudes, values, and beliefs, however, their surface-level perceptions of difference may subside. Myra and Jorge may begin to find common ground and recognize the similarities they share with one other.

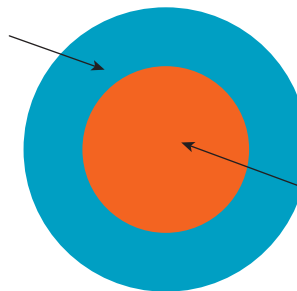
### Age/Generation Diversity

With workforce demographics shifting and the number of mature people in the workplace rising, many organizations are finding ways to leverage age diversity, which means including people of all different ages within the workplace.<sup>18</sup> According to a recent report from the New School’s Schwartz Centre for Economic Policy Analysis, more than 3 million Americans age 50 and older have lost their jobs due to the pandemic recession. Ageism campaigner Kate Edwards said that the pandemic has “doubled down on the subtle perception that [older workers] are different. Now you are not just an intellectual liability but you are a physical liability to the company, you’re old, you’re vulnerable to Covid-19, you could be dead next week.”<sup>19</sup>

**FIGURE 2.2** ■ Surface-Level and Deep-Level Diversity

#### Surface-Level Diversity

- Age and Generational Differences
- Race and Ethnicity
- Gender and Sexuality
- Physical and Mental Ability



#### Deep-Level Diversity

- Personality Traits
- Values
- Attitudes
- Beliefs

Source: Huszycz, G., & Endres, M. (2013, February). Joint effects of gender and personality on choice of happiness strategies. *Europe’s Journal of Psychology*, 9(1), 136–149.

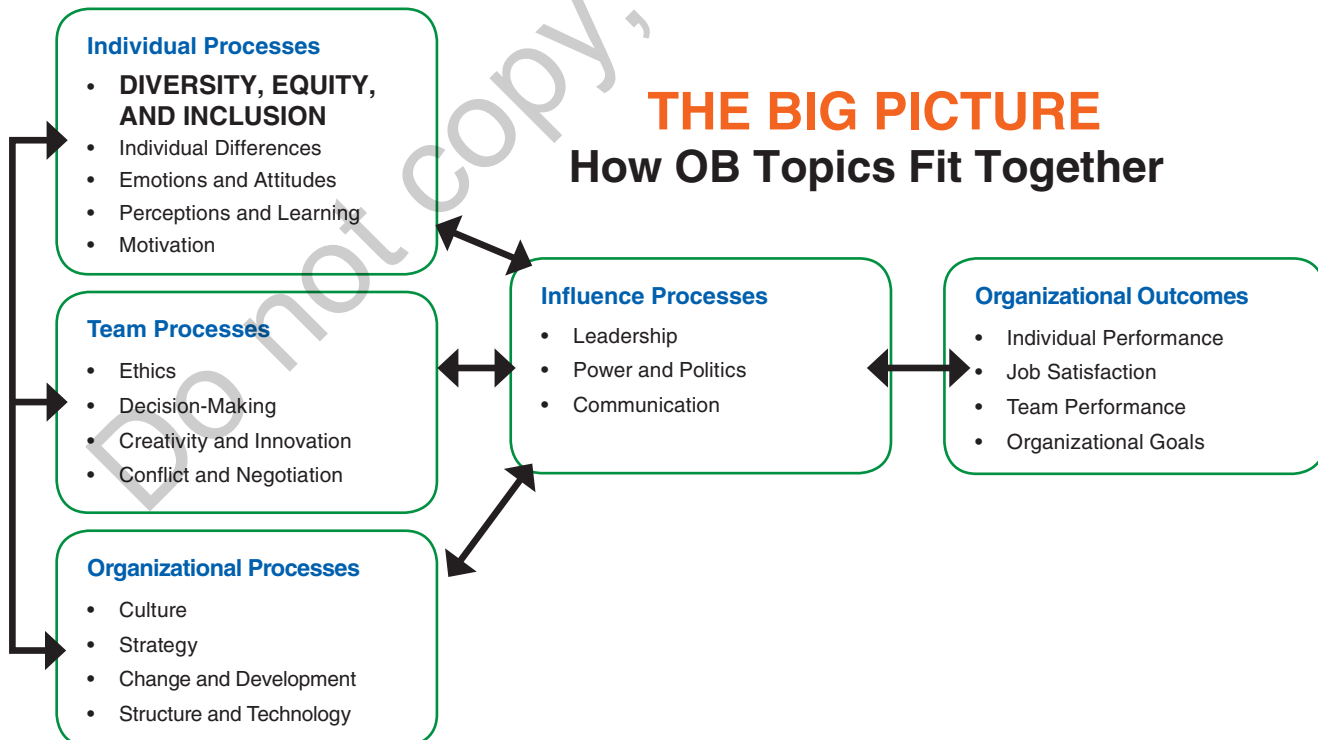
Regardless of the discrimination against older workers during the pandemic, it is no easy task managing age diversity, particularly as today’s workforce spans five generations:

- Traditionalists (also known as the Silent Generation (born 1925 to 1945))
- Baby boomers (1946 to 1964)
- Generation X (1965 to 1980)
- Millennials (1981 to 2000)
- Generation Z (2001 to 2020)

Managers need to treat age-diverse workforces thoughtfully, without falling prey to stereotypes often portrayed by the popular media. For example, traditionalists and baby boomers are often described as “old-school,” conservative, averse to change, and not up-to-date with the latest technology, while younger employees such as Gen Xers are considered to be independent but despondent, millennials are thought to be driven and technology savvy but entitled, and Gen Zers are regarded as progressive but disloyal. These generalizations are dangerous and problematic because they often influence opinions before the employees start their new jobs. One study found that employees subject to age-based stereotypes were less likely to commit to their role or pursue long-term professional goals.<sup>20</sup>

Applying these stereotypes to individuals could lead to bias and conflict among workers of different ages in an organization. Organizations dealing with a multigenerational workforce need to focus on the strengths and weaknesses of their individual employees and should be able to foster the transfer of knowledge across age groups while bridging differences and building on commonalities in order to create a cohesive, dynamic workforce.

Managers of multigenerational teams need to find ways of addressing age diversity by encouraging communication between team members, respecting the opinions of others while sharing and emphasizing organizational values, creating a collaborate environment that fosters greater learning and





**FIGURE 2.3** ■ Age Diversity. Today's workforce spans five generations, including baby boomers (media giant Oprah Winfrey), Generation X (Williams-Sonoma CEO Laura Alber), and millennials (Facebook founder Mark Zuckerberg).



Source: Images by Mike Marsland/Mike Marsland/WireImage, Getty/Bloomberg/Contributor, © iStockphoto.com/FLDphotos

knowledge sharing, and cultivating an understanding that people are all different and have the capacity to offer valuable insights regardless of their age or generation.<sup>21</sup>

### Race and Ethnicity

Today's workplace is made up of people from different racial groups and ethnicities, yet racial and ethnic prejudice persists. Sometimes the terms *race* and *ethnicity* are used interchangeably, but **race** is related to factors of physical appearance such as skin, hair, or eye color, whereas **ethnicity** is associated with sociological factors such as nationality, culture, language, and ancestry.<sup>22</sup>

No one should ever feel uncomfortable because of their race or ethnicity. Racial and ethnic prejudice often stems from ignorance and stereotypes that individuals may not even be aware influence them. Racial and ethnic discrimination has played a prominent role in U.S. history, and it is only in the last few decades that significant strides have been made to overcome such discrimination. There is much more work to be done. For instance, along with women, people of color (POC) have experienced difficulties during the COVID-19 pandemic, particularly in relation to health and safety in the workplace, household responsibilities, and career prospects, compared to white people.<sup>23</sup> Women of color are also more likely to face discrimination at work, leading to burnout, stress, and negative feelings about their roles.<sup>24</sup>

Making an effort to develop a deeper sense of racial and cultural awareness by becoming familiar with the history of racial and ethnic discrimination in the United States and learning about various languages and cultural traditions goes a long way toward building group harmony in the workplace. And treating every person you work with as an individual rather than a collection of predetermined labels goes a long way toward establishing trust and understanding.

### Gender Diversity

**Gender diversity** is the equal representation of men, women, and nonbinary people in the workplace.<sup>25</sup> In the United States, the treatment of women in the workplace—like the treatment of people of color—has come a long way during the past 50 years. In the past, wealthier women were often expected to take care of their children and their home rather than having a career, while women with less financial stability often did double duty caring for their own households as well as working to supplement their family's income. The jobs available to women were limited and paid less than similar jobs available



Kamala Harris is the first woman, the first Black American, and the first South Asian American to be elected vice president.

KAMIL KRZACZYNSKI/Contributor/Getty Images

to men, and most employers considered women to be physically, emotionally, and mentally inferior to men in their ability to contribute to the workplace.

Today, women occupy positions and roles in every industry, and laws and regulations have been put in place to counteract discrimination against them. However, though women have made great strides in achieving equality, differences in salary and hiring practices remain. For example, many women are still hampered by a **glass ceiling**, an invisible barrier that limits their ability to progress to more senior positions.<sup>26</sup> In 2021, Jane Fraser smashed the glass ceiling by becoming the first female CEO on Wall Street to take the chief leadership position at Citibank.<sup>27</sup> Although Fraser's ascent undoubtedly advances the progression of women to executive positions, it is worth noting that in 2020, women made up only 5% of CEOs globally and were outnumbered by men approximately 17 to 1 at the CEO level.<sup>28</sup>

Associated with the glass ceiling is a phenomenon known as the **glass cliff**, whereby women or ethnic minorities are given leadership positions during periods of crisis without any support.<sup>29</sup> Although many leadership roles give people an opportunity to prove themselves, glass cliff positions often result in stress, burnout, and career setbacks. Research shows that glass cliffs exist in a variety of industries, including corporations, politics, and sports. For example, studies have shown that white women and women of color are more likely to be promoted to CEO positions in struggling companies. Similarly, in the field of U.S. college men's basketball, researchers found that coaches from ethnic minorities were more likely than their white counterparts to be appointed as coaches of losing teams.<sup>30</sup>

Michelle Ryan, director of the Global Institute for Women's Leadership at the Australian National University, believes that glass cliff positions could have a negative impact

on gender equality. Ryan said, "Having women in glass cliff positions can help reinforce gender stereotypes that women aren't good at leadership . . . If women are in risky and precarious positions their performance might be evaluated more negatively, and hence the cycle of inequality continues."<sup>31</sup>

Organizations can address the glass cliff phenomenon by acknowledging it, educating people about its destructive impact, and ensuring that all leaders are given the same support irrespective of their racial group, gender or ethnicity.

Another example of gender inequality is the gender pay gap. Although this has narrowed somewhat over the over the last few decades, it still exists. For instance, in 2020, women were paid less than men for comparable jobs and would need to work an extra 42 days to earn the same as their male peers.<sup>32</sup>

Finally, McKinsey surveys showed that women were among the diverse groups who experienced difficulty balancing work and home life during the pandemic. Women were more likely than men to express their concern about the increase in household responsibilities, and U.S. mothers were four to five times more likely to reduce their working hours than fathers in order to cope with childcare, home-school, and other domestic duties. Mothers also spent an extra three hours a week on childcare and housework compared to fathers. One in four women in corporate roles had considered reducing their workload or leaving the workforce altogether because of the pressure of this "double shift."<sup>33</sup> Overall, 3 million women dropped out of the workforce during 2020 and the beginning of 2021.<sup>34</sup>

## Sexual Orientation

**Sexual orientation** refers to a person's sexual identity and the gender(s) to which they are attracted. Types of sexual orientation include lesbian, gay, bisexual, transgender, queer, and asexual (LGBTQ+). According to a 2021 Gallup Poll based on 15,000 interviews with Americans age 18 and older, 5.6% of adults identify as LGBT, with more than 50% of those identifying as bisexual.<sup>35</sup>

The United States has come a long way during the past few decades in fighting discrimination against sexual and gender identities in the workplace. Same-sex marriage was legalized in all 50 states in 2015, and in 2020, the Supreme Court ruled that the 1964 Civil Rights Act, which prohibits discrimination based on sex as well as gender, race, color, national origin, and religion, should also include sexual orientation and gender identity. This means employers across the nation who fire employees based on their sexual or gender preference will be breaking civil rights laws.<sup>36</sup>

Although this is positive news from a legal standpoint, more needs to be done in the workplace to address LGBTQ+ needs. Reports showed that, like women, LGBTQ+ employees struggled during the COVID-19 pandemic, but for different reasons. LGBTQ+ employees were more likely to experience isolation, lack of connectivity, and fear of job loss compared with their straight and cisgender counterparts. They also reported feeling overwhelmed by workload increases and stressed out over performance reviews.<sup>37</sup>

## Diversity of Abilities

**Ability diversity** is the representation of people with different levels of mental and physical abilities within an organization. More than 60 million people in the United States have a **disability**, a physical or mental impairment that substantially limits one or more of their major life activities, and just 17.9% of them are employed.<sup>38</sup> Unemployment has risen since the COVID-19 crisis, particularly among people with disabilities; as of August 2020, over 1 million had been dismissed from the workplace since the pandemic began. Most of the job losses have been in retail and hospitality, the argument being that people with underlying conditions are more at risk in public-facing roles.<sup>39</sup>

Although people with physical and mental impairments may not be able to carry out certain tasks, there is still a huge range of tasks they can excel at. Skills can be taught, and people can be trained to improve their skills; jobs may or may not require particular physical abilities, like the ability to walk unaided. Employers also must ensure that the physical work space is adapted to certain needs and foster a working culture and recruitment process that are open to people with disabilities. For example, British telecommunications company Virgin Media has partnered with disability charity Scope to make sure employment opportunities are accessible to disabled people; other large companies, such as professional services network EY and multinational technology organization Microsoft, have created hiring programs focusing on neurodiverse candidates, including those with autism.<sup>40</sup> Managing ability diversity begins with selecting employees with abilities that fit the role best. This in turn leads to increased productivity and job satisfaction.

## Legal Framework for Diversity

Following the 1964 Civil Rights Act, successive presidents issued executive orders requiring **affirmative action**, proactive steps taken by organizations to counteract discrimination against underrepresented groups and women.<sup>41</sup> The Americans with Disabilities Act (ADA) addresses discrimination against people with disabilities.<sup>42</sup>

The U.S. Equal Employment Opportunity Commission (EEOC) is the government agency charged with “enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information.”<sup>43</sup> The EEOC reported that more than 60,000 workplace discrimination charges were filed in 2021; discriminatory acts targeting race and disability accounted for the highest numbers of charges.<sup>44</sup> What are the practical implications of these legislative acts for managers? Table 2.1 lists some of the issues involved.

**TABLE 2.1 ■ A Legal Framework for Diversity in Practice**

Job advertisements	It is illegal for an employer to publish a job advertisement that discourages someone from applying for a job because of their race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability status, or genetic information.	For example, a help wanted ad that seeks “females” or “recent college graduates” may discourage men and people over 40 from applying and may violate the law.
Recruitment	It is illegal for an employer to recruit new employees in a way that discriminates against them because of their race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information.	For example, an employer’s reliance on word-of-mouth recruitment through its mostly Hispanic workforce may violate the law if the result is that almost all new hires are Hispanic.
Job referrals	It is illegal for an employer, an employment agency, or a union to take into account a person’s race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information when making decisions about job referrals.	For example, an employer’s preference for candidates who go to a certain church may violate the law.
Job assignments and promotions	It is illegal for an employer to make decisions about job assignments and promotions based on an employee’s race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information.	For example, an employer violates the law when they give preference to employees of a certain race when making shift assignments or when they segregate employees of a particular national origin from other employees or from customers.
Pay and benefits	It is illegal for an employer to discriminate against an employee in the payment of wages or employee benefits on the basis of their race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information. Employee benefits include sick and vacation leave, insurance, access to overtime and overtime pay, and retirement programs.	For example, an employer violates the law when they pay Hispanic workers less than African American workers because of their national origin, or when they pay men and women in the same workplace unequal pay for equal work.
Discipline and discharge	It is illegal for an employer to take into account a person’s race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information when making decisions about discipline or discharge.	For example, when a white employee and an Asian employee commit a similar offense, an employer violates the law by disciplining them differently.
Employment references	It is illegal for an employer to give a negative or false employment reference (or refuse to give a reference) because of a person’s race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information.	For example, an employer contacted to supply a reference for a female worker violates the law by citing having children or pregnancy as a negative trait.



**TABLE 2.1** ■ A Legal Framework for Diversity in Practice (*Continued*)

Reasonable accommodation and disability	The law requires an employer to provide reasonable accommodation to an employee or a job applicant with a disability, unless doing so would cause significant difficulty or expense for the employer. A reasonable accommodation is any change in the workplace (or in the ways things are usually done) to help a person with a disability apply for a job, perform the duties of a job, or enjoy the benefits and privileges of employment.	Reasonable accommodation might include, for example, providing a ramp for a wheelchair user or providing a reader or an interpreter for a blind or deaf employee or applicant.
Reasonable accommodation and religion	The law requires an employer to provide reasonable accommodation for an employee's religious beliefs or practices, unless doing so would cause difficulty or expense for the employer.	Reasonable accommodation might include, for example, providing structured breaks during the day for prayer or to attend religious services.
Training and apprenticeship programs	It is illegal for a training or apprenticeship program to discriminate on the basis of an race, color, religion, sex (including gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information.	For example, an employer violates the law by denying training opportunities to African American employees because of their race.
Terms and conditions of employment	It is illegal for an employer to make any employment decision on the basis of a person's race, color, religion, sex (including their gender identity, sexual orientation, or pregnancy), national origin, age (40 or older), disability, or genetic information.	An employer violates the law by discriminating when making decisions about hiring, firing, promotions, or pay, or when granting breaks, approving leave, assigning work stations, or setting any other term or condition of employment, however small.

Source: U.S. Equal Employment Opportunity Commission. (n.d.). *Prohibited employment policies/practices*. <http://www1.eeoc.gov/laws/practices/index.cfm?renderforprint=1>.

## DIVERSITY AND IDENTITY

Diversity means embracing an individual's whole identity, but elements of a person's personality are often discriminated against.

**Intersectionality** is a term coined by Kimberlé Crenshaw, a professor at Columbia Law School, to describe how different types of discrimination—against race, class, gender, religion, sexual orientation, disability, or other individual characteristics—may overlap with one another, manifesting in negative outcomes.<sup>45</sup> In other words, people experience prejudice and discrimination in different ways. For instance, not all women share the same experiences just because they are the same gender; white women may not experience oppression or discrimination in the same way as women of color. Organizations must take race and gender into account when identifying barriers for women of color by taking the following steps:<sup>46</sup>

- **Separate pay data by gender and race:** Although many organizations have made moves to address the gender pay gap between men and women, very few companies focus on the disparity in pay in terms of race *and* gender. For example, PayScale reported that women of color are more likely than white women to be paid less at the beginning of their careers, a gap that widens throughout their careers. By disaggregating the pay data by gender and race, organizations can uncover the biggest pay gaps and take steps to close them.
- **Provide employee engagement surveys by race and gender:** Like pay data, employee engagement surveys tend to be analyzed by race or gender, which doesn't provide



organizations with a holistic view of every employee's experience. Analyzing the results of employee engagement surveys by race, ethnicity, and gender gives organizations a better opportunity to address any issues around employee satisfaction, well-being, and inclusion.

- **Fund and support employee resource groups (ERGs) for specific groups:** Organizations must focus on setting up ERGs for the most marginalized and underrepresented groups in the workplace in order to achieve an inclusive environment. For instance, an ERG led by white women may not appeal to women of color when they don't share the same concerns.
- **Take an intersectional approach to diversity training:** Some organizations focus solely on gender and diversity of thought, thereby avoiding racial diversity and failing to discuss the challenges faced by people of color. This can lead to a general lack of understanding of how people from different races experience discrimination and could also alienate women of color in the organization.
- **Improve gender representation and include racial representation:** Although many initiatives have been put in place to improve gender representation in the workplace, particularly in visible or senior roles, data show that women of color aren't benefiting in the same way as white women. Organizations can address this issue not just by creating a target for the number of women serving on the company board but also by specifying how many of those board members will be women of color.

Research has found that organizations that don't include intersectionality in their DEI programs and initiatives tend to have greater wage inequality, fewer opportunities for professional development, increased discrimination in hiring practices, higher levels of sexual harassment (particularly among women of color), and bigger turnover rates.<sup>47</sup>

### Microaggressions

People with intersectional identities may experience **microaggressions**: verbal, behavioral, or environmental slights or insults made against a target person or group.<sup>48</sup> A white person telling a person from an ethnic minority, "You're so articulate!" is an example of a verbal microaggression, as the remark suggests surprise that a person from an ethnic background would have the ability to speak well; a security guard following a person of color around a store to ensure nothing is stolen is an example of a behavioral microaggression; and a student who attends a college where all the buildings on campus are named after white people is an example of an environmental microaggression.

Microaggressions may be subtle, seemingly innocuous, and sometimes even well intentioned; nevertheless, racial slights are stigmatizing and harmful and can have detrimental effects on targeted individuals and groups as well as the organization itself. For example, in 2021, Salesforce received criticism for its DEI efforts when two employees publicly resigned, citing a culture of discrimination and microaggressions.<sup>49</sup> Research shows that daily experiences of microaggressions can lead to low self-esteem, higher stress levels, anxiety, and depression.<sup>50</sup> Organizations can prevent microaggressions at work by creating a culture of psychological safety. Table 2.2 outlines several ways in which leaders can manage microaggressions at work.

### Stigmatized Identities

Some people are reluctant to disclose their full identities in the workplace for fear of mistreatment or discrimination. These are called **concealable stigmatized identities** (CSIs), identities that are kept hidden because they carry negative stereotypes.<sup>51</sup> Examples of CSIs include sexual orientation, religion, and mental illness. Although some identities such as race, gender, and age are mostly visible to others, CSIs are not always immediately obvious. Research shows that employees with mental illness and expectant mothers tend to take a position of nondisclosure at first, preferring to weigh the pros and cons before they disclose any information.<sup>52</sup> Sexual orientation minorities, employees with disabilities,

**TABLE 2.2 ■ How to Manage Microaggressions in the Workplace****Manage microaggressions when they happen**

Leaders are responsible for how team members behave at work and must also lead by example. Calling out microaggressions as they occur encourages other employees to do the same. Identifying microaggressions also provides leaders with opportunities to raise questions about the culture, the types of microaggressions in play, why the situation happened in the first place, and what can be done to prevent it from happening in the future.

**Create a listening strategy**

Employees who are negatively impacted by microaggressions need a safe space where they can express their concerns to their leaders without fear of ridicule or dismissal. Leaders can create a listening strategy by making sure employees feel heard, taking the time to check in with them, sharing the actions that will be taken to address the situation, and updating them on the outcome.

**Use moments of microaggression to build self-awareness**

There are times leaders themselves unknowingly contribute to microaggressions through lack of awareness or understanding. Leaders must take steps to overcome unconscious biases and prejudices in order to confront microaggressions head on. Building self-awareness in this way enable leaders to educate others about the differences between people and different lived experiences.

Source: King, M. (2021, June 21). *Three ways leaders can manage microaggressions at work*. Forbes. <https://www.forbes.com/sites/michelleking/2021/06/21/three-ways-leaders-can-manage-microaggressions-at-work/?sh=156272843540>.

employees with mental illness, and people from a lower socioeconomic status have also been found to be more likely to conceal their identities for fear of being stigmatized by others.<sup>53</sup>

However, researchers have also discovered that perceptions of one's work environment play a large role in making the decision to disclose identity. For instance, people working in hostile or unsupportive work environments were less likely to be truly authentic for fear of being treated differently, being stereotyped, or losing their jobs.<sup>54</sup> Other studies showed that people who had been discriminated against in the past based on their mental illness or sexual orientation were less likely to disclose their identities at work.<sup>55</sup> With regard to mental illness, factors such as requesting time off for doctor appointments and needing workplace accommodations were reported to influence disclosure decisions.<sup>56</sup>

To counteract the destructive impact of CSIs, organizations need to foster a safe culture where employees feel empowered and comfortable enough to express their authentic selves at work.

### Stereotype Threat

Social identities such as a person's race or gender can trigger **stereotype threat**, or a fear of confirming a negative stereotype about one's own group.<sup>57</sup> For example, an individual who is concerned that performing badly on an exam will confirm negative beliefs about the intelligence of their gender, race, or other social identity group is experiencing stereotype threat.

When identity is tied to negative outcomes, people tend to look for cues to confirm the threat. If the threat is confirmed, the individual will think about whether they have the ability and desire to deal with it. If the answer is no, they are more likely to perform badly.<sup>58</sup> In contrast, if the cues do not confirm an identity threat, performance is more likely to remain steady or improve.<sup>59</sup>

Stereotype threat can have a destructive impact on the individual and society as whole. The fear of confirming negative stereotypes (such as weak intellectual ability) may lead to lack of motivation, low confidence, and poor engagement.<sup>60</sup> For instance, some women may choose to avoid a STEM career for fear they will not live up to their male counterparts, thereby confirming the negative stereotype that men are better at STEM subjects than women.<sup>61</sup> At a societal level, the impact of stereotype threat can lead to a culture of self-doubt where people make little effort to succeed because they presume that failure is inevitable.<sup>62</sup> Stereotype threat may also discourage people from applying for jobs, putting themselves forward for promotion, or performing to their optimal level.

Organizations can reduce stereotype threat at work by analyzing the threat and taking actions to reduce it, such as challenging negative stereotypes when they arise, creating support groups for underrepresented employees, providing training to improve communication between managers and underrepresented groups, and actively working to eliminate microaggressions in the workplace.<sup>63</sup>

## CAN DIVERSITY AND MERITOCRACY BOTH BE ENCOURAGED?

### EXAMINING THE EVIDENCE

One of the challenges organizations face as they strive to enhance organizational diversity is the paradoxical tension between the values of diversity and meritocracy. A meritocracy is a system in which people are selected or advanced based on demonstrated abilities and merit. A diversity-meritocracy paradox can arise when policies aimed at benefiting and providing opportunities to marginalized groups are perceived as threatening advantaged groups and vice versa. Recently, researchers Alison M. Konrad, Orlando C. Richard, and Yang Yang explored this paradox, noting that diversity and meritocracy are interrelated such that advancing each value can enhance the other by increasing perceptions of fairness and justice.<sup>64</sup> They suggest that successfully managing the diversity-meritocracy paradox involves ensuring that diversity practices are perceived as having process integrity while meritocracy practices are perceived as being focused on individual competence. Balancing these two perceptions can create what these researchers call an “organizational ambidexterity” that may help organizations simultaneously respond to pressures to enhance both diversity and meritocracy.

### Critical-Thinking Questions

1. What specific actions can managers take to increase the fairness perceptions of both diversity and meritocracy initiatives in organizations simultaneously?
2. Toward this end, which organizational practices should be identity blind and which should be identity conscious?

## EQUITY AND EQUALITY IN THE WORKPLACE

**Equity** is the process of ensuring that processes and programs are impartial and fair and provide equal access to new opportunities so as to enhance the success of all employees. Organizations achieve equity when they create an inclusive, diverse, and equal working environment. Although equity is sometimes confused with equality, the two terms are very different. Whereas equity is based on individual needs, **equality** is the process of ensuring that everyone is given the same opportunities and resources regardless of individual need.<sup>65</sup> For instance, the decision to provide all schools with computer labs that have the same quantity of computers and are accessible during the same hours of operation is an example of equality. The provision of more computer labs with longer hours of operation in lower-income neighborhoods where many people may not have a computer at home is an example of equity.<sup>66</sup>

Although some companies have made great progress in cultivating a fair and equal workplace, high levels of inequity still exist, as evidenced by sexual harassment, gender-based hiring, gender pay gaps, and pay disparity between white and POC/LGBTQ+ groups (Table 2.3).

Managers can create a more equitable workplace by providing transparency for the wage range across different roles, ensuring equitable benefits for all employees, and continually assessing equity practices. In 2021, French personal care company L’Oreal became the first company worldwide to receive EDGE (Economic Dividends for Gender Equality) certification after achieving organizational gender pay equity through the use of a pay assessment tool. The tool allows companies to go beyond gender, age, disability, race, ethnicity, and sexual orientation by analyzing policies, practices, and numbers across different areas in the organization, including equal pay, recruitment and promotion, leadership training and development, flexible working, and company culture. Thanks to feedback from 3,500 of its employees, L’Oreal has a greater understanding of how to meet the needs of its staff and adapt its policies to create a more fair and equitable company.<sup>67</sup>

**TABLE 2.3** ■ 10 Ways Inequity Exists in the Workplace

Women still earn 20% less than men
Mothers earn less than women without children
Older workers are fired more frequently during periods of rising unemployment
Workers with disabilities with higher education than their peers are paid less
Black workers earn less than three-quarters of the pay given to white workers
Asian American and Pacific Islander (AAPI) women earn less than white males
Native American women earn less than their white male peers
Latinx workers with a college degree earn less than white male peers
LGBTQ+ workers still face compensation inequities
Transgender men experience pay increases when they transition, whereas transgender women experience pay decreases

Source: Johanson, K. (2021, August 5). 10 ways inequity still very much exists in the workplace. *Newsweek*. <https://www.newsweek.com/10-ways-inequity-still-very-much-exists-workplace-1616254>.

## INCLUSION

Although more and more organizations are dedicated to the progression of DEI, inclusion remains the most difficult element to measure across the company.

**Inclusion** is the practice of ensuring that people are welcomed and feel a sense of belonging in the workplace.<sup>68</sup> An inclusive working environment is a place where everyone feels valued and respected, where all employees are involved in decision-making processes and feel comfortable sharing their ideas, and where everyone is considered part of the team.<sup>69</sup> Inclusive workplaces build awareness, encourage connection with others, and nurture a culture of empathy and mutual respect.

A recent Gartner survey showed that “setting goals and tracking DEI progress through metrics” was one of the main priorities for DEI leaders in 2021.<sup>70</sup> Yet although some companies have the tools to assess diversity and equity, tracking inclusion isn’t so straightforward. In another Gartner survey sent to almost 10,000 employees around the world, respondents were asked to rate their level of agreement with statements indicative of an inclusive environment, such as those assessing fair treatment, respect for differences of others, trust, belonging, and diversity.<sup>71</sup>

These responses are a useful way for organizations to measure the inclusivity in work environments and take action to address certain issues. When organizations successfully measure DEI, they are up to 20% more likely to have an inclusive culture than their peers.<sup>72</sup>

Coupon code site Coupon Lawn, based in Toronto, champions inclusion by celebrating cultural events, holidays, and movements such as Pride parades, Women’s Day, and Martin Luther King Jr. Day together as a team as a way of showing respect to employees from various backgrounds. This initiative increases awareness and builds knowledge and understanding about events that other employees may not have been exposed to before.<sup>73</sup>

### Inclusion and the Formerly Incarcerated

Currently, the DEI sector mostly focuses on people of color, women, people with disabilities, and people who identify as LGBTQ+. But what about the formerly incarcerated? Statistics show there are 5 million ex-prisoners living in the U.S., and just 27% of that number are employed. Only 50% with a criminal record receive a call back.<sup>74</sup>

Diversity and inclusion speaker and former prisoner Shelley Winner believes that companies are too afraid to hire incarcerated people, as they perceive them as violent, lazy, and a liability. Yet if

companies do open up their recruitment policies to the formerly incarcerated, not only are they offering new job opportunities for people with criminal records but they are also helping to solve the issue of mass incarceration by keeping people out of prison.<sup>75</sup> As Michelle Cirocco, chief social responsibility officer for Televerde, a company based in Phoenix, Arizona, that focuses on preparing and training incarcerated women for release, said, “inclusion means everyone.”<sup>76</sup>

Dave’s Killer Bread, based in Milwaukee, Oregon, is a good example of a company that gives second chances to people with a criminal history. Founder Dave Dahl spent 15 years in prison before joining the family bakery, creating a unique brand of healthy, organic bread and growing the business exponentially. In 2015, Dahl sold the business to Flowers Foods, a producer and marketer of packed bakery food, for \$275 million, but the principle of giving ex-convicts a second chance holds fast.<sup>77</sup>

## PROMOTING A DEI CULTURE

Despite the commitment of many organizations to DEI, many DEI programs falter, and progress remains stagnant in some industries. At the end of 2020, only one in six diverse employees felt more supported since the beginning of the COVID-19 crisis.<sup>78</sup> Here are some reasons that companies are struggling to implement their DEI programs:

### Failure to Reduce Bias

Many organizations attempt to implement DEI training programs to raise awareness of bias. **Bias** refers to the tendency to show prejudice against another person or group. DEI training can help reduce **implicit bias**, which is a set of positive or negative stereotypes someone may unconsciously hold toward a person or group, and break down prejudices or psychological barriers among those who struggle to accept coworkers they perceive as different.

Many organizations design DEI programs around reducing bias by giving managers a list of dos and don’ts in the hope that by following these rules, they will suspend their biases. Studies have shown that DEI programs aren’t very effective, as people don’t suspend their bias so easily and tend to forget everything they’ve learned within a few hours or days.<sup>79</sup>

Another study carried out by Harvard organizational sociology professor Frank Dobbin found that employees tended to react negatively to mandatory DEI programs because they felt like they were being “controlled.” This can provoke a backlash; for example, managers who resent being ordered to give up their time so they can be lectured or being told what to do tend to harbor more bias as a result.<sup>80</sup>

How do companies reduce bias? In some studies, voluntary training has helped to reduce bias. When people make their own decision to take DEI training (rather than perceiving it as something they have been forced into), they are more likely to be more open to it.

#### 1. Antiquated Hiring Tests

DEI programs often stumble because of inadequate skills tests. A 2017 study published in the *Proceedings of the National Academy of Sciences* found that racial discrimination in hiring has remained consistently high over the last 25 years.<sup>81</sup> The study also discovered that candidates whose résumés bore white-sounding names were more than 20% more likely to proceed to an interview than candidates with Latinx- or Black-sounding names. The cost of discriminatory hiring can be enormous, with big companies such as Microsoft and Wells Fargo paying out millions of dollars to settle allegations of discriminatory hiring tests. Hiring tests can actually highlight bias rather than reduce it.<sup>82</sup>

To make hiring fairer and more unbiased, Google, Apple and IBM have eliminated the requirement for college degrees from their job postings as part of their DEI initiative. This move opens up opportunities for everyone, not just for people with a four-year-degree.



Companies must also tailor hiring tests for the specific role rather than relying on a one-size-fits-all approach that doesn't provide accurate insight into candidates' capabilities.<sup>83</sup>

Despite the evidence questioning the effectiveness of DEI programs, it is vital that organizations create environments that embrace every employee, regardless of background, age, culture, ethnicity, or other differences. Here are more positive ways managers can promote DEI:

## 2. Equitable Recruitment Programs

Implementing college recruitment programs specifically targeted at diverse colleges and universities and not just majority-white institutions motivates managers to actively involve themselves in the hiring processes. As a consequence, they become more focused on the goal itself rather than their own biases. These recruitment practices could also be monitored by a diversity task officer or a diversity task team. Dolby is a good example of a company that has made its recruitment practices more equitable through the implementation of blind hiring processes.

## 3. Mentoring

Mentoring encourages managers to get involved with people from different races, ethnicities, and genders by coaching and sponsoring them for key projects and assignments, which again helps to reduce whatever biases they may hold. Ivy League professor and TEDx speaker Dr. Eli Joseph credited much of his success to mentors and believed they are particularly essential for enabling people of color “to identify their strengths and weaknesses, as well as their areas for growth, while preparing them to accomplish their professional goals and objectives.”<sup>84</sup>

## 4. Connecting Diverse Groups Through Storytelling

Increasing contact between diverse groups of people in the workplace and providing a safe space to learn from each other's experiences without judgment builds inclusion, cultivates relationships, and allows people to work together as equals. For example, when people share stories about their different experiences, they gain empathy and an expanded concept of standing in someone else's shoes. One study found that storytelling is a useful inclusion tool that may change perspectives and have a lasting impact on our ability to respond without prejudice. Companies can encourage storytelling through social forums and meetups, listening sessions, and round-robin questions in meetings.<sup>85</sup>

## 5. Collect, Count, and Compare DEI Data

Organizations need to install systems to collect and count DEI data on and compare this data to the numbers at other organizations. For example, HR systems used to gather data such as workforce demographics, employee experience, and feedback from employee programs can be a powerful way for organizations to increase DEI accountability and transparency.<sup>86</sup>

## 6. Hire for DEI at Senior Levels

Many companies are investing in supporting DEI by changing their policies, adding new resources, revamping the traditional approach to the working day, and ensuring that practices are fair and equitable for all. There is a huge opportunity for all companies to build DEI workplaces if they create conditions where everyone can thrive.

DEI modeling begins at the top. DEI programs will only be successful if there are a range of senior decision-makers who represent a wide variety of different opinions, views, and perspectives.<sup>87</sup> A lack of diversity across senior management impacts decision-making and sends a poor message about DEI to employees.

## IN REVIEW

**2.1 Explain the importance of DEI in OB**

**Diversity, equity, and inclusion** (DEI) is a term used to describe programs and policies that encourage the representation and participation of diverse groups of people, including people of different genders, races and ethnicities, abilities and disabilities, religions, cultures, ages, and sexual orientations and people with diverse backgrounds, experiences, and skills and expertise. DEI is so important in OB because today's workplace is populated with more people from different backgrounds and different experiences than ever before, and they deserve to be treated fairly and equitably. In the business world, the benefits of supporting DEI initiatives are enormous: better financial performance, a larger customer base, and significant rises in employee satisfaction, retention and engagement.

**2.2 Discuss diversity in the workplace**

**Workplace diversity** refers to the degree to which an organization includes people from different cultures and backgrounds; it involves recognizing, respecting, and valuing both individual and group differences by treating people as individuals in an effort to promote an inclusive culture. There are two main types of diversity: **Surface-level diversity** describes the easily perceived differences between us, such as age/generation, race/ethnicity, gender, sexual orientation, and ability. **Deep-level diversity** describes verbal and nonverbal behaviors that are not as easily perceived because they lie below the surface, such as differences in attitudes, values, beliefs, and personality.

**2.3 Discuss how diversity influences identity in the workplace**

Diversity means embracing an individual's whole identity, but elements of a person's personality are often discriminated against. **Intersectionality** describes how different types of discrimination—against race, class, gender, religion, sexual orientation, disability, or other individual characteristics—may overlap with one another, manifesting in negative outcomes. People with intersectional identities may experience **microaggressions**—verbal, behavioral, or environmental slights or insults made against a target person or group. Some people are reluctant to disclose their full identities in the workplace for fear of mistreatment or discrimination. These are called **concealable stigmatized identities** (CSIs), identities that are kept hidden because they carry negative stereotypes. Social identities such as a person's race or gender can trigger **stereotype threat**—a fear of confirming a negative stereotype about one's own group.

**2.4 Describe the impact of equity and equality in the workplace**

Although equity is sometimes confused with equality, the two terms are very different: **equity** is the process of ensuring that processes and programs are impartial, are fair, and provide equal access to new opportunities so as to enhance the success of all employees; **equality** is the process of ensuring that everyone is given the same opportunities and resources regardless of individual need.

Managers can create a more equitable workplace by providing transparency for the wage range across different roles, ensuring equitable benefits for all employees, and continually assessing equity practices.

**2.5 Illustrate the power of inclusion in a working environment**

**Inclusion** is the practice of ensuring that people are welcomed and feel a sense of belonging in the workplace. An inclusive working environment is a place where everyone feels valued and respected, where all employees are involved in decision-making processes and feel comfortable sharing their ideas, and where everyone is considered part of the team. The DEI sector mostly focuses on people of color, women, people with disabilities, and people who identify as LGBTQ+, but some organizations are focusing on giving opportunities and second chances to the formerly incarcerated.

**2.6 Identify the different ways businesses can promote a DEI culture**

Many DEI programs falter for a number of reasons: failure to reduce **bias**, which refers to the tendency to show unfair prejudice against another person or group; antiquated hiring tests; and mandatory training programs. Managers can promote DEI by implementing more equitable college recruitment programs; by reducing **implicit bias**, the set of positive or negative

stereotypes someone may unconsciously hold toward a person or group; by breaking down prejudices or psychological barriers among those who struggle to accept coworkers they perceive as different; through mentoring and storytelling; by tracking DEI data to monitor DEI levels; and by hiring for DEI at organizational levels.

## KEY TERMS

Ability diversity (p. 39)	Glass ceiling (p. 38)
Affirmative action (p. 39)	Glass cliff (p. 38)
Bias (p. 46)	Implicit bias (p. 46)
Concealable stigmatized identities (p. 42)	Inclusion (p. 45)
Deep-level diversity (p. 35)	Intersectionality (p. 41)
Disability (p. 39)	Microaggressions (p. 42)
Discrimination (p. 33)	Race (p. 37)
Diversity (p. 34)	Sexual orientation (p. 39)
Diversity, equity, and inclusion (p. 33)	Stereotype threat (p. 43)
Equality (p. 44)	Stereotyping (p. 33)
Equity (p. 44)	Surface-level diversity (p. 35)
Ethnicity (p. 37)	Workplace diversity (p. 34)
Gender diversity (p. 37)	

## UP FOR DEBATE: DEI BUSINESS INITIATIVES AS PART OF PERFORMANCE REVIEWS

An important part of a manager's performance review each year should be how well they have incorporated DEI efforts into the company. Agree or disagree?

Explain your answer.

## EXERCISE 2.1: WE'RE NOT ALL THE SAME

### Objective

The purpose of this exercise is to gain a greater understanding of diversity.

### Instructions

This is an individual exercise. Find someone different from you—older, younger, different gender, different race, or other difference. Explain that you're studying the concept of diversity for a class and ask their permission to be interviewed. Ask questions such as, "Have you ever felt that you weren't included in an event or situation?" "Do you think you were ever passed over for a job or promotion because of biases from a manager?" and "How can we best learn from one another?"

Once you have interviewed the individual, write a memo to your professor detailing what you've learned from this experience.

### Reflection Questions

1. How did you go about finding someone to talk to? Did you face any resistance to your request for an interview? Explain.
2. What was your key takeaway from this experience? What did you discover that you weren't aware of before this?
3. What if someone selected you as their person to interview because you were different from them? How would you respond?

Exercise contributed by Steven Stovall, Southeast Missouri State University.

## EXERCISE 2.2: YOUR UNIVERSITY'S DEI OFFICE

### Objective

The purpose of this exercise is to gain a greater understanding of diversity, equity, and inclusion (DEI) offices.

### Instructions

Most institutions of higher education now have a diversity, equity, and inclusion (DEI) function or office. There are different names for these, including DEI Office, Diversity Committee, Office of Diversity, and so forth. In groups of three to six, discover whether your university has such an office or function on campus. If so, find out what services and opportunities your university's DEI efforts support. If you can't locate a DEI office or function, have your group develop a set of five goals for such an effort on your campus.

### Reflection Questions

1. Why is having a DEI office or committee on your campus important?
2. How easy was it to locate information about your university's DEI efforts? What could the university do differently to support this?
3. Are your university's DEI efforts student focused or employee focused? Or is it a combination of both? What should it be? Explain.

Exercise contributed by Steven Stovall, Southeast Missouri State University.

## EXERCISE 2.3: DEFINING DIVERSITY

### Objective

The purpose of this exercise is to grasp the meaning of diversity.

### Instructions

All of us approach diversity through our personal lens on the world. However, each of us is different from everyone else in numerous ways. Beyond demographic differences such as age, race, and gender, there are other ways we are unique. Some of us come from very poor backgrounds or rural or urban areas. Others may have been raised in a broken home or have mental or behavioral issues. Still others might consider themselves different because they don't have ready access to resources or have obstacles that prevent them from getting jobs or being among the public. Diversity, in its broadest sense, is wide ranging.

With this in mind, the instructor will capture on the board at the front of the room the class's definition of diversity. The process begins with one person providing an idea of how they think diversity should be defined. Then the next person will give their thoughts, and so on until everyone has contributed.

As a class, try to piece the information written on the board into an overarching definition of diversity.

### Reflection Questions

1. How did your definition of diversity differ from those of some of your classmates?
2. What surprised you about this discussion?
3. How did the class arrive at a cohesive definition of diversity? Did everyone agree? Explain.
4. How has your definition of diversity changed after participating in this exercise?

Exercise contributed by Steven Stovall, Southeast Missouri State University.

## ONLINE EXERCISE 2.1: DIVERSITY IN THE WORKPLACE

### Objective

The purpose of this exercise is to gain an appreciation of organizations' diversity efforts.

### Instructions

Conduct an online search for an organization that promotes diversity among employees— for example, by instituting inclusive methods of recruiting new hires or by prioritizing inclusivity on their boards or among the staff. You might also seek an organization that approaches marketing to consumers with a strong sense of diversity in mind.

Once you locate an example of an organization promoting diversity, examine the level of diversity being offered. For example, do they seem to focus on women, or do they take broader strokes of inclusivity? Write a paper for your instructor that answers the following questions.

### Reflection Questions

1. When organizations promote diversity, do you feel they're doing it for reasons of true diversity, or is it to ensure customers buy more of their products or services? Explain.
2. What approaches did the organization you selected use to promote diversity? Are they outlined on their website? Did you find an article discussing their diversity efforts? Have they made diversity an integral part of their infrastructure by establishing a DEI office, strong policies and procedures, and fully transparent diversity initiatives?
3. How does seeing or reading about an organization's diversity efforts impact your perceptions of that organization?

Exercise contributed by Steven Stovall, Southeast Missouri State University.

## ONLINE EXERCISE 2.2: HAVE YOU FELT EXCLUDED?

### Objective

The purpose of this exercise is to understand feelings of exclusion and discrimination.

### Instructions

In an online discussion group, post an experience you had where you felt excluded or discriminated against. Think about a time when you felt you weren't being included because of the color of your skin, your gender, or others' unfounded perceptions of you. Describe the situation, and then share your feelings about the experience.

### Reflection Questions

1. Describe your thoughts about sharing something so personal.
2. As you read others' posts, did you feel a sense of connection with others who may have gone through something similar to you? Discuss.
3. Were you surprised that so many people had experiences of exclusion? Why or why not?

Exercise contributed by Steven Stovall, Southeast Missouri State University.

## CASE 2.1: CBRE GROUP, INC.

In the early 2020s, diversity, equity, and inclusion (DEI) has been an increasing focus of conversations about organizational behavior and corporate culture as workers seek to be more visible, empowered, and represented in their industries. At the same time, consumers are increasingly considering how a



brand's values compare to their own when making purchasing decisions. Many new businesses are being built from the ground up with DEI principles in mind, and established firms are learning to incorporate inclusive best practices into their organizations. Coldwell Banker Richard Ellis Group, Inc., has an over-100-year history in commercial real estate and is a leader in corporate diversity, equity, and inclusion, not just within the organization and its workforce but also in regard to its suppliers and marketplace stakeholders.

Headquartered in Dallas, Texas, CBRE Group, Inc., is the largest commercial real estate services and investment firm in the world. CBRE employs more than 100,000 people worldwide, serving clients in more than 100 countries. The company's diversity, equity, and inclusion efforts have been widely recognized by prominent publications in recent years. Forbes named CBRE one of America's Best Employers for Diversity in 2018, 2019, and 2020. The company was added to 3BL Media's 100 Best Corporate Citizens list in 2020, has been on Ethisphere's World's Most Ethical Companies list for seven years running and on Bloomberg's Gender-Equality Index twice, was honored as a Best Place to Work for LGBTQ Equality according to the Human Rights Campaign, and earned a perfect score on the Corporate Equality Index (CEI) eight years in a row. In 2021, the Disability Equality Index, a collaboration between the American Association of People With Disabilities and Disability:IN, called CBRE a "Best Place to Work for Disability Inclusion," and the *Dallas Business Journal* named CBRE an Outstanding Diversity & Inclusion Organization in 2021.<sup>88</sup>

The large brokerage created a brand-new chief diversity officer role in June 2020 and promoted Tim Dismond, a division president in the company's Global Workplace Solutions (GWS) Enterprise business, to be its first officeholder. While many organizations relegate DEI responsibilities to the realm of human resources, ancillary to strategic business decision-making, CBRE made diversity and inclusion coequal to the company's most important functions. As a member of CBRE's executive committee, Dismond is one of 12 global executives who set the company vision and report directly to Bob Sulentic, CEO and president of CBRE.<sup>89</sup>

In an interview with National Real Estate Investor, Dismond detailed CBRE's three-pronged diversity and inclusion strategy: "I'm focusing on our resources across three key areas: culture, talent and marketplace. With each, I've identified several programs and initiatives intended to create a more diverse and inclusive workplace." For culture, the company is introducing interactive inclusion-focused training for managers that addresses microaggressions and unconscious bias. Prior to Dismond's promotion, some of CBRE's talent-focused DEI policies stipulated that:

- a visibly diverse candidate should be included at the in-person interview stage for all positions at the Director level and above.
- the panel of interviewers for all positions at the Director level and above should include a visibly diverse interviewer.
- a diversity and inclusion-focused objective [should be] included in all performance appraisals for employees at the Director level and above.<sup>90</sup>

Since 2020, the company has launched many more holistic talent initiatives, including:

- increasing the funding of a program that targets diverse talent for Advisory and Global Workplace Solutions business segments
- implementing global policies regarding such matters as racial misconduct, employment of relatives, and diverse interview slates and panels for open positions in order to create a more equitable workplace
- introducing a new mentoring program, EMERGE, that is designed specifically for Employee Business Resource Groups

- sponsoring unconscious bias training for CBRE employees and leaders
- continuing to partner with organizations such as CREW Network, the National Black MBA Association, Disability:IN, and Reaching Out MBA
- targeting recruiting programs for Historically Black Colleges & Universities (HBCUs) to introduce the CRE industry and the different career paths to students<sup>91</sup>

One way CBRE is promoting DEI in the marketplace is by engaging in social-justice-focused philanthropy, having contributed \$1,000,000 each to the National Urban League and the Legal Defense and Educational Fund in 2020. However, CBRE's most substantial commitment to DEI outside its own workforce is its spending on diverse suppliers.

In October 2020, CBRE pledged to spend \$1 billion with diverse suppliers in 2021 and to grow that annual spending to \$3 billion by 2025. If the company succeeds, it will join the Billion Dollar Roundtable (BDR), a prestigious association of 28 companies that are global leaders in supplier diversity and spend more than \$1 billion with suppliers who are women, veterans, disabled, or members of POC/LGBTQ+ groups.<sup>92</sup> BDR members promote and share supply chain diversity best practices and encourage other corporations to increase their diverse supplier spending commitments every year.<sup>93</sup> Tim Dismond said of the spending pledge, "Supplier diversity allows us to make an even greater contribution to the long-term economic stability of our communities. Our commitment will directly benefit underrepresented business and in turn, those businesses will elevate the people and areas where they are located by creating sustainable jobs and tax revenue."<sup>94</sup> Dismond added, "I am proud to share that we are currently trending to surpass our 2021 goal and are implementing additional strategies to strengthen the relationships and opportunities we have with minority suppliers."<sup>95</sup>

CBRE Group has earned its many DEI accolades by demonstrating its commitment to promoting diversity, equity, and inclusion when attracting, retaining, and developing talent within their workforce and in the marketplace with their suppliers and stakeholders. In just a few years they may be one of the top spenders on diverse suppliers and thus one of the biggest voices on the future of inclusive supply chains.

### Critical-Thinking Questions

1. How does CBRE Group promote diversity, equity, and inclusion in the marketplace, outside its workforce?
2. What did CBRE do differently than most organizations when creating Tim Dismond's role and establishing a diversity officer?
3. Do you know the kinds of suppliers your favorite companies use to manufacture and deliver their products and services? Research a company you admire and see how they stack up against CBRE and others with a seat at the Billion Dollar Roundtable.

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