UNIVERSITY OF LJUBLJANA
FACULTY OF ECONOMICS

MASTER'S THESIS
MANAGING THE DIVERSE WORKFORCE

Ljubljana, November 2015   ŽIVA BANFI

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TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

INTRODUCTION

In the last few decades, the world has seen many significant changes that have had an effect on the workforce; societies are becoming increasingly multicultural, laws and regulations about migration are getting looser, and organisations are opening branches, and/or merging with and acquiring organisations in other countries. As a consequence, the composition of the workforce is also changing. The 'typical' worker is no longer a white male, and the search for the best employee(s) now transcends gender and race. Organisations are becoming aware of the importance of recognising and valuing other characteristics as well, like personality, functional background, disability, age, education, etc.

In order to be successful, organisations need to ensure that their work process is not disrupted and that their employees work together as well as possible. Because the composition of the workforce has changed, its management also needs to be adapted appropriately; the goal of diversity management is to create an environment, in which all employees and their talents are valued (Kandola & Fullerton, 1994). Organisational leaders and the leaders of diverse teams, thus, play a crucial part in assuring that diversity becomes a competitive advantage of the organisation, not a stumbling block. They need to familiarise themselves with diversity initiatives that are appropriate and/or necessary for their diverse workforce, and relentlessly strive to assure a fair organisational environment.

A lot of research has been carried out, both globally and in Slovenia, on the relationship between specific diversity characteristic(s) and the effects on the organisations. Research consistently shows that if diversity is successfully managed, organisations benefit from the improved bottom line as a result of increased and improved innovation, access to new markets, and employing the best people for a specific role (Allen et al., 2004; McCuiston et al., 2004; Kandola, 1995). However, unsuccessful management of the diverse workforce includes consequences like increased turnover and reduced social cohesion (Fujimoto et al., 2013).

Thus, the purpose of this thesis is to research the relationship between workforce diversity and its management and organisations. In order to achieve this, my main research questions are concerned with how different characteristics of an individual impact work; which initiatives organisations can employ to manage diversity; and what is the state of diversity management in the Slovene organisations.

I have set the following objectives: I will research different types of diversity and their effect on an individual's work experience, and review the state of workforce diversity (and its management) and legal requirements regarding diversity in Slovenia. Furthermore, I will examine the process of implementing and managing diversity and diversity initiatives

in organisations, the benefits and problems this can potentially bring, and explore the use of diverse work teams and the role of their leaders in ensuring their success.

In this thesis, I set the following 3 hypotheses:
- Hypothesis 1: The role of the HR department is crucial to the success of the diversity initiatives.
- Hypothesis 2: Diversity initiatives mainly focus on surface-level characteristics.
- Hypothesis 3: Workforce diversity results in the employment of the high-quality employees.

The research for this thesis is carried out by reviewing secondary data; I examine literature from both Slovene and foreign sources, which include journal articles, books, textbooks, published research and analyses, websites and other literature. Furthermore, for the purpose of examining diversity in Slovenia, I review the Slovene Employment Relationships Act, and refer to the statistical data, obtained from the Statistical Office of the Republic of Slovenia. I also refer to the studies carried out by Society for Human Resource Management and the European Commission. Lastly, I also use the knowledge obtained at lectures during my Master's degree.

This thesis consists of 4 chapters; first chapter defines diversity and focuses on different types of it. It explains the difference between the deep- and surface-level diversity and their different characteristics, and the impact of these characteristics on work. The second chapter presents different facets of diversity management – it begins with its definition and guidelines for the implementation, presents the benefits and problems associated with the workforce diversity, and continues by focusing on diverse work teams and the role of their leader. This chapter then goes on to focus on diversity initiatives – it examines those barriers that can prevent their success, and presents initiatives organisations can make use of. The second chapter is concluded by the review of the best organisations for diversity and the initiatives they employ.

The third chapter presents the state of diversity in Slovenia – it offers the statistical data on several work- and diversity-related aspects, and refers to the Employment Relationships Act to explain legal obligations of Slovene organisations in regards to diversity. It also presents the research on diversity in Slovene organisations. The fourth chapter presents the findings of 2 studies regarding diversity in organisations regarding those facets of workforce diversity and its management that are covered in the thesis. This chapter also presents the findings in regards to the set hypotheses.

1 THE DIVERSE WORKFORCE

1.1 Diversity

Diversity is an inherent characteristic of the humankind (Greif, 2009, p. 9), and it refers to those characteristics that individuals perceive make them different from another person (Friday & Friday, 2003, p. 863). Kandola and Fullerton (1994, in Gröschl & Doherty, 1999, p. 262) explain that diversity consists of both visible and non-visible differences, such as gender, age, disability, personality and others.

Authors offer different classifications of human characteristics; Robbins and Judge (2011, p. 43) distinguish between surface-level and deep-level diversity. They explain that surface-level diversity entails those characteristics that are easier to notice − gender, race, ethnic group, age and disability; typical for these characteristics is that they can evoke certain stereotypes in people, even though they do not in itself necessarily reflect how people think and feel. Deep-level diversity includes differences in values, personality and attitudes.

Kreitz (2008, p. 102) presents a different classification into 4 groups, often used by researchers: personality (characteristics, abilities, etc.), internal characteristics (sexual orientation, gender, race, ethnic background, etc.), external characteristics (religion, marital status, culture, etc.), and organisational characteristics (a position or department within an organisation, membership in the union, etc.).

Haas (2010, p. 460) writes about other categorisations of personal characteristics that can serve as the basis for diversity: authors like Mililiken and Martins (1996) categorise characteristics into visible (e.g. race, age, gender), and less visible (e.g. personality, education) ones, while others like Webber and Donahue (2001) link the attributes to the organisational environment, separating them into highly and less job-related. The former category includes attributes like the functional background, educational level, and organisation and team tenure, while the latter includes gender, age, nationality, etc.

Some differences in characteristics between individuals are more visible and obvious, and they affect the way we behave, react, feel, accept and understand things and the world, as well as the way we work. Taking into consideration the effect those differences have on work can help organisations put the abilities and capabilities of their employees into optimal use, which in turn has a positive effect on the quality and quantity of work (Greif, 2009, p. 9). Greif (2009, p. 9) points out that diversity is among they key potentials in employment, because it serves as the source of creativity and innovation, while also contributing to the progress and development of a more fair society.

In terms of workforce diversity, Rosenzweig (1998, p. 646) explains 2 aspects – diversity in numerical composition and diversity as inclusive behaviour. The former is usually manifested when organisations increase the rate of employees with a certain characteristic (on the basis of e.g. gender, nationality) and offer them promotions within all levels of the company. Diversity is also concerned with inclusive behaviour, because it promotes individual differences and an environment that allows for success of all employees (Rosenzweig, 1998, p. 646).

For the purpose of this thesis, I have decided to present various human characteristics in line with the classification by Robbins and Judge (2011, p. 43), and present the following characteristics: the deep-level ones will cover personality, values, attitudes, perception, attribution and abilities. The sub-chapter on surface-level diversity will cover age, gender, race, cultural background, disability, sexual orientation and working parents.

1.2 Deep-level diversity

1.2.1 Personality

Personality is manifested in the ways an individual reacts to things and interacts with other people (Robbins & Judge, 2009, p. 139). Over the years, different classifications and models have emerged; this dissertation will present the following ones: the 5-factor model of personality, the Dark Triad personality traits, and Type A/Type B personality types.

It is important that managers know the personality traits of their employees; the use of personality tests may help them with deciding who to hire for a certain role, and the knowledge obtained by administering personality tests can help employers understand and manage their workforce better (Robbins & Judge, 2009, p. 139). The research carried out by Sackett and Walmsley (2014, p. 543) shows that in job interviews, basic personality tendencies are assessed most frequently (approximately 35% of the time), followed by social skills (28% of the time) and mental capabilities (16% of the time). Personality affects employees' job satisfaction, because people who see themselves more positively are more likely to enjoy and be fulfilled by their jobs, as well as decide for challenging jobs; they also set ambitious goals and persevere when faced with difficulties, whereas people with negative self-evaluations are more likely to be stuck in boring, repetitive jobs (Robbins & Judge, 2009, p. 119-120).

1.2.1.1 The 5-factor model of personality

Over the last few decades, the 5-factor, or the Big 5, model has emerged within the field of psychology (Sackett & Walmsley, 2014, p. 539) with a main premise that 5 basic dimensions underlie all others and can explain most of the significant variation in

personality (Robbins & Judge, 2009, p. 142). These 5 dimensions are agreeableness, extraversion, emotional stability, conscientiousness, and openness to experience.

Agreeableness describes people who are flexible, cooperative (Sackett & Walmsley, 2014, p. 539), as well as warm and trusting (Robbins & Judge, 2009, p. 142). People who score low on agreeableness are argumentative, mistrustful and sceptical (Sliter, Withrow & Jex, 2015, p. 27).

Extraversion captures how comfortable a person is with relationships; people who score high on this dimension are sociable, gregarious and assertive (Robbins & Judge, 2009, p. 14). The polar opposite of an extraverted person is an introvert, whose characteristics are quietness, introspection and reservation (Sliter et al., 2015, p. 27).

Emotional stability refers to how calm and level-headed people are, and how appropriate their emotional reactions are (Sliter et al., 2015, p. 28). Robbins and Judge (2009, p. 143) define it as an individual's ability to withstand stress, with its polar opposite being neuroticism, describing anxious, nervous and insecure people.

Conscientiousness is a reflection of reliability (Robbins & Judge, 2009, p. 142); people scoring high on this dimension are responsible and organised. They also work hard, strive for achievement, persevere in the face of adversity and can be depended on (Sackett & Walmsley, 2014, p. 539). People scoring low on this dimension can be easily distracted, and are disorganised and unreliable (Robbins & Judge, 2009, p. 143).

Openness to experience is a dimension reflecting how fascinated a person is with novelty and how wide his/her range of interests is. People scoring high on this dimension are creative and curious, whereas those scoring low are conventional and prefer the familiar (Robbins & Judge, 2009, p. 143).

The dimensions of the Big 5 model of personality greatly affect the behaviour of individuals in organisations:

Table 1: Influence of the Big 5 Model dimensions on organisational behaviour

Dimension	Relevance to work	Effect on work
Agreeableness	More popular, more conforming	High performance in jobs requiring interpersonal interactions, low levels of deviant behaviour

table continues

continued

Dimension	Relevance to work	Effect on work
Extraversion	Increased social skills, better at expressing emotions	High performance in jobs requiring interpersonal interactions, improved leadership skills, high satisfaction with both life and the job
Emotional stability	Fewer negative thoughts and emotions	High satisfaction with both life and the job, lower stress level
Conscientiousness	More persistent and disciplined, good at organising and planning	High performance, improved leadership skills
Openness to experience	Improved learning abilities, more creative and flexible	Improved leadership skills, easier adaption to change

Source: S.P. Robbins & T.A. Judge, *Organizational Behavior,* 2009, p. 144.

Employers are interested in how the above-mentioned personality traits affect various categories of employee behaviour, especially task performance, organisational citizenship behaviour and counterproductive work behaviour (Rotundo & Sackett, 2002, in Sackett & Walmsley, 2014, p. 541). Task performance refers to performing tasks that a worker is hired to carry out (Campbell, 1990, in Sackett & Walmsley, 2014, p. 541); organisational citizenship behaviour refers to the actions that benefit a specific organisation by contributing to its social and psychological aspects (Organ, 1997, in Sackett & Walmsley, 2014, p. 541), and counterproductive work behaviour refers to behaviour that is not in line with the interests of the organisation (Sackett & DeVore, 2001, in Sackett & Walmsley, 2014, p. 541).

For these categories of employee behaviour, conscientiousness has been top-ranked (when it comes to counterproductive work behaviour, it is connected to preventing, not causing it). Furthermore, research has shown that conscientiousness, agreeableness and emotional stability are those 3 personality attributes that are most strongly valued in the workplace (Sackett & Walmsley, 2014, p. 542), and the combination of these traits is believed to be a good predictor of performance (Ones & Viswesvaran, 2001, in Sackett & Walmsley, p. 542). It is necessary, however, to be aware that although most managers give priority to task performance, others may and do assign greater importance to (preventing) counterproductive work behaviour (Sackett & Walmsley, 2014, p. 542).

1.2.1.2 The Dark Triad

Research shows that differences in individuals' personalities affect who may engage in counterproductive work behaviour; the personality model used to explain and predict this behaviour covers the personalities of the so-called 'Dark Triad' – Machiavellianism, narcissism and psychopathy (DeShong, Grant & Mullins-Sweatt, 2015, p.55).

Individuals high in Machiavellianism are pragmatic, maintain emotional distance, and tend to manipulate more, believing that ends justify the means; their behaviour at work is, however, moderated by situational factors, and they tend to be especially successful when they interact with people face-to-face and/or when situations have minimal rules and regulations (Robbins & Judge, 2009, p. 146). Thus, whether people high in Machiavellianism make good employees depends on the type of the job – they flourish in jobs that require good bargaining skills, or offer high rewards for winning (Robbins & Judge, 2009, p. 146).

Narcissism is a personality trait reflected in the individual's grandiose sense of self-importance and self-entitlement; such people are arrogant and require constant and excessive admiration, treating those who they feel threatened by as if they were inferior in order to receive the admiration of their superiors (Robbins & Judge, 2009, p. 146). Research by O'Boyle and colleagues (2012, in DeShong et al., 2015, p. 56) has shown that narcissistic individuals often engage in counterproductive work behaviours of embezzlement, bullying and white-collar crimes.

Psychopathy is expressed by insincerity and superficiality, and may even include taking part in a crime (Hare & Neumann, 2009, in DeShong et al., 2015, p. 56). In the research carried out by O'Boyle and colleagues in 2012 (in DeShong et al., 2015, p. 56), psychopathy at workplace was linked to aggressive and dangerous workplace behaviours.

1.2.1.3 Type A/Type B personality

Individuals with the Type A personality are characterised by their striving to always achieve more in less time; Robbins and Judge (2009, p. 148) describe their typical attributes – constant movement, impatience with the rate of most events taking place, desire to do several things at the same time, obsession with numbers and measuring success. In the North American culture, characteristics synonymous with the Type A are usually highly appreciated and desired, as they are seen as an indicator of ambition; however, because individuals with the Type A personality operate under constant stress, long hours and pending deadlines, they often emphasise quantity over quality and make poor decisions (Robbins & Judge, 2009, p. 148).

Robbins and Judge (2009, p. 149) explain that in contrast, individuals with the Type B personality are seldom subjected to a great number of things and events in a decreasing amount of time; rather, they are able to relax without feelings of guilt, and do not suffer from impatience as a result of time stress. However, in job interviews, individuals with the Type A personality regularly display behaviour desirable by most employers, such as high drive and competence, making their chances of getting hired better than those of the individuals with the Type B personality (Robbins & Judge, 2009, p. 149).

1.2.2 Values

Behaviour of individuals at work is also influenced by their values, defined by Robbins and Judge (2009, p. 150) as beliefs that certain behaviour is superior to or more desired by an individual or society than another. They contain both content and intensity attributes; the former express that a certain way of conduct or end-state is important, whereas intensity attributes express the level of this importance. Most values are established in early years, and they are relatively enduring and stable (Robbins & Judge, 2009, p. 151).

Milton Rokeach developed the Rokeach Value Survey (RVS), which consists of 2 sets of values, each containing 18 individual value items. It divides the values into the terminal (the end-states a person desires to achieve in the course of lifetime) and instrumental (preferable behaviour and means of achieving the terminal values) ones (Robbins & Judge, 2009, p. 151). The terminal values in the RVS are: a comfortable life, an exciting life, a sense of accomplishment, a world at peace, a world of beauty, equality, family security, freedom, happiness, inner harmony, mature love, national security, pleasure, salvation, self-respect, social recognition, true friendship and wisdom; the instrumental values involve being: ambitious, broad-minded, capable, cheerful, clean, courageous, forgiving, helpful, honest, imaginative, independent, intellectual, logical, loving, obedient, polite, responsible and self-controlled (Robbins & Judge, 2009, p. 152).

Discussing values in relation to work is highly relevant, because a person enters an organisation with preconceived notions of what is right and wrong, influenced by his/her values, which can sometimes cloud the objectivity and rationality (Robbins & Judge, 2009, p. 151). Several studies have also confirmed that people within the same occupation or occupational category (e.g. corporate managers, students, parents) tend to have similar values; this can make it difficult for such groups to negotiate with one another, and can even lead to a serious conflict (Robbins & Judge, 2009, p. 152).

1.2.3 Attitudes

Attitudes express how an individual (un)favourably evaluates objects, people, etc., and feels about certain things (Robbins & Judge, 2009, p. 109). According to Robbins and

Judge (2009, p. 109), attitudes have 3 components: a cognitive component, which expresses the belief about how things are (e.g. 'my salary is low'); an affective component, which is the emotional aspect of an attitude (e.g. 'I am disappointed with how low my salary is'); and the behavioural component, which is the intention to behave in a certain way (e.g. 'I will search for a new job with a better salary').

There are several attitudes that play an important role in the work setting – job involvement, organisational commitment, perceived organisational support, employee engagement, and job satisfaction.

1.2.3.1 Job involvement

Job involvement expresses how people identify with the job they carry out, and how their self-worth is affected by how they perceive their performance (Robbins & Judge, 2009, p. 113). A high level of job involvement has employees really care about the work they do and identify with it; it has several consequences for the organisation, because it is positively related to the job performance, as well as reduction in the rate of absenteeism and resignation (Robbins & Judge, 2009, p. 113).

1.2.3.2 Organisational commitment

Organisational commitment refers to an employee's desire to remain with the organisations, because of identifying with it (Robbins & Judge, 2009, p. 113). This particular attitude has 3 dimensions (Robbins & Judge, 2009, p. 113-114) – affective commitment, continuance commitment and normative commitment. The affective commitment expresses a belief in the values of the organisation and emotional attachment to the organisation, e.g. an employee working at a veterinarian clinic may be affectively committed to the clinic, because he/she loves the clinic's involvement with the animals; the continuance commitment expresses the perceived economic value of continued employment with an organisation as compared to leaving it, e.g. an employee may be committed to the organisation, because it pays him/her a good salary, which takes care of the family; and the normative commitment expresses moral or ethical obligation to continue working for the organisation, e.g. an employee leading a new project remains with the organisation, because he/she does not want to let it down in the crucial times.

Organisational commitment is positively related to the performance, but research has shown that this relationship is strongest for the new employees, and is significantly weaker for the more-experienced employees (Robbins & Judge, 2009, p. 114). Research has also found, just like with job involvement, the negative relationship between organisational commitment and both absenteeism and turnover; furthermore, a strong relationship has been found between affective commitment and various outcomes at work (turnover,

absenteeism, career satisfaction, intention to leave the company), where it was a strong predictor of such outcomes in 72% of the cases, in comparison with 36% for the normative and 7% for the continuance commitment (Robbins & Judge, 2009, p. 114).

1.2.3.3 Perceived organisational support

Perceived organisational support expresses how valued and looked-after by the organisation the employees feel (Robbins & Judge, 2009, p. 157). In general, employees perceive their organisation as supportive when they consider their rewards fair and supervisors supportive, and when they believe that they have a voice in the decisions; in this case, employees are more likely to have higher levels of job performance (Robbins & Judge, 2009, p. 115).

1.2.3.4 Employee engagement

Employee engagement expresses how satisfied with and enthusiastic about the work an employee is (Robbins & Judge (2009, p. 115). Highly-engaged employees are passionate about their jobs, and feel strong connection to their organisation, and that is positively related to higher levels of customer satisfaction, productivity, higher profits and lower turnover (Robbins & Judge, 2009, p. 117).

1.2.3.5 Job satisfaction

Job satisfaction is "[…] a positive feeling about a job resulting from an evaluation of its characteristics" (Robbins & Judge, 2009, p. 118). Robbins and Judge (2009, p. 118-119) explain that the main aspects of work that affect job satisfaction are work itself, salary, opportunities for advancement, supervision and coworkers; enjoying the work a person does is usually most strongly related to high levels of overall job satisfaction. Job satisfaction is also related to the factors outside of work itself – an individual's personality affects his/her core self-evaluations (belief about one's work and competence); people with positive core-self evaluations reach higher levels of job satisfaction, because they see their work as challenging and fulfilling (Robbins & Judge, 2009, p. 119-120).

Job dissatisfaction can have great consequences; Robbins and Judge (2009, p. 121) present a framework, which explains possible responses of a dissatisfied employee. The framework has 2 dimensions – constructive/destructive and active/passive, and there are 4 possible responses (Robbins & Judge, 2009, p. 121): the active and destructive response (exit) involves behaviour directed towards leaving the organisation, like looking for a new position elsewhere and resigning, whereas the active and constructive response (voice) involves active attempts for improvement, like discussing problems with supervisors and suggesting possible improvements. The passive and destructive response (neglect) involves

letting conditions to worsen, like absenteeism or being late, and not putting enough effort into work, but the passive and constructive response (loyalty) involves waiting for the conditions to improve, like defending the organisation from criticism, and trusting it will do what is necessary and right.

1.2.4 Perception

Robbins and Judge (2009, p. 173) define perception as the process where sensory input is organised and deciphered, so as to give the meaning to the situation. The 3 components of perception are the perceiver, who is trying to interpret a certain observation or an input from senses; the target of perception, which is what the perceiver is trying to interpret; and situation, which presents the context of the perception (George & Jones, 1996, p. 94).

Because it is influenced by individual's thoughts, feelings and experiences, perception can be different from the objective reality; this is crucial in the work setting, because every decision a manager makes is connected to his/her perception, and needs to be accurate in order to not hurt both the workers as well as the organisation (George & Jones, 1996, p. 94). George and Jones (1996, p. 95) write that in the organisational setting, accurate perception affects greatly the motivation and performance, because in order to be able to motivate the diverse employees to perform at a high level, managers need to understand and perceive them as they really are. This enables the managers to assign them with the right tasks, communicate with them more effectively, as well as enable the employees from all levels to successfully work together.

Another area affected by perception in the workplace is fairness and equity – managers need to ensure that their perceptions of each individual employee's performance are as accurate as possible, in order to fairly treat and compensate them for their work (George & Jones, 1996, p. 95). If the diverse employees feel their treatment has been unfair and that they are being discriminated against (for example, when receiving bonuses for their performance), this may lead to their lowered efforts and resentment of both the organisation and their managers. Furthermore, perception also affects ethical action, especially in regards to the diverse workforce, because as George and Jones (1996, p. 95) explain, the need for the correct perception of the diverse employees is not just a legal, but also an ethical requirement; thus, such members receive appropriate opportunities and rewards, and discrimination is avoided.

Perception biases result in inaccurate perceptions of the target when people tend to interpret information wrongly (George & Jones, 1996, p. 109). The following table presents and explains the most common perception biases:

Table 2: Common perception biases

Source of bias	Description
Primacy effect	Occurs when the first pieces of information about a target largely affect the perception of it. This perceptional bias is very common in job interviews, and can also pose a problem if the long-term employees' decline in performance goes unnoticed due to their previous successes.
Contrast effect	Occurs when the perception of the target is distorted by how the perceiver perceives others in the situation. For example, this can occur when an average-performing employee in a group of high-performing employees is perceived less favourably as he/she would have been in a group of average- or low-performers.
Halo effect	Occurs when the general impression of a target distorts the perception of its specific dimensions. For example, when an employee has made a good impression on the manager, he/she may be perceived as a high-performer, despite the fact that his/her work is full of mistakes.
Similar-to-me effect	Occurs because people prefer and perceive more positively those similar to them, which can be especially problematic during job interviews and performance appraisals.
Harshness, leniency, and average tendency	Occurs because certain managers tend to be either overly harsh or overly lenient, and some rate everyone as average. This is problematic because employees are not fairly compensated for their work, and it makes it difficult to evaluate the work of employees with different supervisors.
Knowledge of predictor	Occurs when knowing how a target stands on a predictor of performance influences how the target is perceived. For example, a manager perceives a potential candidate at a job interview more positively, because he/she knows the candidate obtained a high score at university tests.

Source: J.M. George & G.R. Jones, *Understanding and Managing Organizational Behavior,* 1996, p. 109-114.

1.2.5 Attribution

Attribution describes how people explain the cause of behaviour; in the work setting, attributions for behaviour affect how decisions are made and which actions are taken (George & Jones, 1996, p. 114) Attribution can be either internal or external; the former assigns the cause of behaviour to a certain characteristic of the target, with the most common internal attributions being ability, effort and motivation (George & Jones, 1996,

p. 115). External attribution, on the other hand, ascribes the cause of the individual's behaviour to the factors outside of him/her, most commonly to the task difficulty, and luck or chance (George & Jones, 1996, p. 115). The reason attribution is so important in the organisational setting is that employees and managers often react to a certain behaviour based on why they think it occurred; for example, managers deal with both low- and high-performing employees based on the attributions they make, and the attributions employees make for their own behaviour affect their actions (George & Jones, 1996, p. 118).

Like perception, attribution can also be inaccurate due to biases (George & Jones, 1996, p. 118-120), like the fundamental attribution error – humans tend to attribute the behaviour of other people to internal, rather than external factors. Managers who are dealing with the diverse workforce need to be especially aware of this bias and ensure they avoid it, because as George and Jones (1996, p. 119) explain, erroneous stereotypes about certain characteristic groups, like women or older workers, may cause employees to wrongly attribute the behaviour to internal factors, when it is actually due to the external ones; for example, a manager might contribute the fact that an older employee is struggling with the new computer software to his/her age, rather than the fact the software itself is problematic.

Another attribution bias is the actor-observer effect; while people tend to attribute the behaviour of others to internal factors, they tend to attribute their own to external factors; this also results in perceiving others' behaviour as relatively stable, and one's own as varying with the situation (George & Jones, 1996, p. 119-120). The reason behind this bias might be that people focus on the situation when they are behaving, and place focus on the other person, rather than the situation, when the other person is behaving. George and Jones (1996, p. 120) explain the bias of self-serving attribution as the human tendency to take credit for successes and avoid blame for failure; for example, when an employee gets promoted, he/she will attribute this to his/her hard work and abilities, but if the other employee gets promoted instead, this might be attributed to the manager's unfairness.

1.2.6 Abilities

Ability is an individual's mental or physical capacity to do a certain thing; abilities play an important part in organisational behaviour, because they determine the level of an employee's performance, and, consequently, also the organisational performance (George & Jones, 1996, p. 51). There are 2 basic types of abilities – the cognitive (also known as mental) and the physical ability; the former consists of 8 categories of abilities.

Table 3: 8 categories of cognitive ability

Category	Description
Verbal ability	Ability to understand and use spoken and written language; consists of verbal comprehension (command of vocabulary and ability to understand written materials) and verbal fluency (ability to produce words and sentences quickly). Jobs that typically need this kind of ability include comedians, teachers and lawyers.
Numerical ability	Ability to solve arithmetic problems and work with numbers. Jobs that typically need this kind of ability are waiters, investment bankers and engineers.
Reasoning ability	Ability to produce solutions for problems and understand the principles by which the problems can be solved. Jobs that typically need this kind of ability are psychologists and therapists.
Deductive ability	Ability to make correct conclusions from a range of observations or evaluate the implications of several facts. Jobs that typically need this kind of ability are researchers.
Ability to see relationships	Ability to correctly perceive how things are related to each other and apply this understanding and knowledge to other relationships and situations. Jobs that typically need this kind of ability are anthropologists and travel agents.
Ability to remember	Ability to recall things; this ability plays a crucial part in learning how to read, write and speak a foreign language. Jobs that typically need this kind of ability are within the customer service.
Spatial ability	Ability to pinpoint the location or an arrangement of objects in regards to one's own position, and imagine how an object would appear if its position in space was altered. Jobs that typically need this kind of ability are air traffic controllers, clothing designers and architects.
Perceptual ability	Ability to discover visual patterns and perceive relationships within and across patterns. This ability has 3 components; perceptual speed (ability to quickly detect similarities and differences), perceptual closure (ability to determine what an incomplete visual image actually represents), and flexibility of closure (ability to detect hidden images in what appears to be an ordinary scene). Jobs that typically need this kind of ability are photographers and pilots.

Source: J.M. George & G.R. Jones, *Understanding and Managing Organizational Behavior*, 1996, p. 51-54.

People also differ in physical ability, which consists of motor skills and physical skills; the former refers to the ability to physically manipulate objects in space, while the latter refers to a person's fitness and strength (George & Jones, 1996, p. 54).

1.3 Surface-level diversity

1.3.1 Age

Age diversity expresses how certain characteristics that are associated with age differ or how they are just subjectively perceived to differ among people in a group (Ellwart, Bündgens & Rack, 2014, p. 951). Eyerman and Turner (1998, in Arsenault, 2004, p. 127) define generation as people who went through the same time and consequently share a culture and a collective memory. Differences between generations are important, because they stem from different values, attitudes, ambitions and mindsets of people (Zemke, Raines & Filipczak, 2000, in Arsenault, 2004, p. 124); furthermore, different historical events also leave strong memories that shape feelings about authority, institutions and family (Conger, 2001, in Arsenault 2004, p. 124-125).

Many industrialised countries are currently experiencing great demographic changes within their workforce; there is a growing number of older workers, but also quite a low number of young individuals with potential (Hertel, van der Heijden, de Lange & Deller, 2013, p. 730). Some employees are now choosing to work even in their late 60s and 70s, which means there are currently 4 generational cohorts working together (Mencl & Lester, 2014, p. 257). Hillman (2014, p. 241) explains that the current research describes these 4 cohorts as Traditionalists, Baby Boomers, Generation X and Generation Y; Robbins and Judge (2009, p. 153) refer to these generations as Veterans, Baby Boomers, Xers and Nexters respectively. As the employees from older generations retire, younger employees assume their jobs; as Hillman (2014, p. 241) explains, this generational shift is considered as the cause for the conflict due to the discrepancy in the work values.

Table 4: Generations and their characteristics

Generation	Entry to the workforce	Current age	Defining moments	Core values	Preferred leadership style
Veterans	1950s	65+	The Great Depression, World War II	Hard work, conformity, respect for the authority, loyalty to the organisation	A simple and clear directive style

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continued

Generation	Entry to the workforce	Current age	Defining moments	Core values	Preferred leadership style
Baby Boomers	1965-1985	Mid-40s to mid-60s	John F. Kennedy assassinated, civil rights and women's movements	Success, optimism, personal growth, dislike of authority; loyalty to the career	A collegial style, with lots of communication and sharing of responsibility; despise the traditional hierarchy
Generation X/Xers	1985-2000	Late 20s to early 40s	The Challenger incident, AIDS	Work/life balance, diversity, fun, team-orientation, dislike of rules; loyalty to the relationships	Like to be challenged and like change, tend to be fair and competent
Nexters	2000 to present	Under 30	Terrorism, computers	Optimism, financial success, confidence, self-reliance but team-orientation; loyalty to both self and relationships	Prefer a polite relationship with authority, believe in collective action

Sources: S.P. Robbins & T.A. Judge, *Organizational Behavior*, 2009, p. 153; R. Zemke, C. Raines & B. Filipczak, *Generations at Work: Managing the Clash of Veterans. Boomers, Xers, and Nexters in Your Workplace*, 2000, in P.M. Arsenault, *Validating Generational Differences – a Legitimate Diversity and Leadership Issue*. The Leadership & Organization Development Journal, 2004, p. 124-141.

Robbins and Judge (2009, p. 153) point out the following about this classification − there should be no assumption made that this could be applied universally (it is based on the characteristics of the North American employees), and the categories are loose and not necessarily precise.

Age diversity can cause conflicts in the workplace; Hillman (2014, p. 241) believes it is the duty of managers to know how to mitigate conflict that may arise as a result of different work-related values between generations. Smola and Sutton (2002, in Hillman, 2014, p. 241) define a work-related value as an evaluative standard about what is correct and what is not, and about the results that individuals wish to achieve with work. The clash in the work values may occur due to miscommunication, issues of work-life balance, the difference in the use of technology (Carver & Candela, 2008, in Hillman, 2014, p. 241), as well as teamwork issues or difficulties of the older worker – younger supervisor relationship (Collins, Hair & Rocco, 2009, in Hillman, 2014, p. 241). If the management does not properly address the differences in these values, this can result in low organisational morale, increased turnover and reduced profits (Carver & Candela, 2008, in Hillman, 2014, p. 241). Furthermore, Twenge, Campbell, Hoffman and Lance (2010, in Hillman, 2014, p. 242) believe that it is necessary for the managers to consider how competencies, behaviours and attitudes are affected by generational differences, and ensure that their management strategies address these differences appropriately.

Hertel et al. (2013, p. 731-732) write about stereotypes regarding older workers – while there are certain positive ones, like high reliability and strain resistance, there is a prevalence of the negative ones. They mention the contribution by Kunze, Boehm and Bruch (2013) titled 'Age, Resistance to Change and Job Performance', which tackled the most frequent stereotypes regarding older workers – that they are more cognitively rigid, short-term focused, and tend to resist change much more than their younger co-workers. Surprisingly, the results showed that older workers are less resistant to change, which the authors explained by higher capacities of emotional regulation, which may help them in overcoming adversities in times of change. Furthermore, a common perception is also that older workers lack flexibility and resist new technology, which makes them much more vulnerable in times of cutbacks (Robbins & Judge, 2009, p. 82-83).

Hertel et al. (2013, p. 736) claim that organisations must be aware of the fact that the chronological or perceived age might stop people from correctly judging employees' abilities and motivation. For example, Deal, Altman and Rogelberg (2010, in Hillman, 2014, p. 242) believe that certain differences between people of different generations can be attributed to the individuals, not the generations they belong to, like the use of modern technology. Thus, they think employees should be treated as individuals, without making any special accommodations for different generations.

Age diversity can bring great advantages to the company when it is properly managed – it offers a variety of perspectives, which can help make well thought-out decisions and improve responsiveness to the customers (Mencl & Lester, 2014, p. 257), as well as boost creativity and innovation (Zemke et al., 2000, in Arsenault, 2014, p. 124). Older workers are usually perceived by other employees as having such positive characteristics like experience, good judgement, strong work ethic and commitment to quality (Robbins &

Judge, 2009, p. 83). Furthermore, Hertel et al. (2013, p. 730) claim that current demographic changes offer great opportunities due to high diversity of skills.

Robbins and Judge (2009, p. 83) observe that older workers are less likely to resign from their job position, since their tenure is longer and usually provides them with higher salaries, more paid vacation days and more attractive pension benefits. Younger workers, on the other hand, have grown up in circumstances of job insecurity and downsizing being regular practices (Gowing, Kraft & Quick, 1998, in Mencl & Lester, 2014, p. 259). Because of this, they are aware of their need to remain relevant in the job market, and are thus more eager and likely to take part in training programmes that help them develop new skills than older workers (Mencl & Lester, 2014, p. 259). Another reason older workers may not be so enthusiastic or concerned with additional training and developing new skills is because they may feel they have satisfied their need for growth by reaching certain levels in the organisational hierarchy, which might also explain why promotions become less important as workers get closer to their retirement (Mencl & Lester, 2014, p. 259). The decline of cognitive processing over time also causes older workers to learn more slowly and with more difficulty, thus making them more reluctant to take part in training activities (Jain & Martindale, 2012, in Mencl & Lester, 2014, p. 259). Conversely, Robbins and Judge (2009, p. 83) write that there is a widespread belief that as employees age, their productivity declines, but claim that the evidence contradicts this, and that most jobs are not so demanding to be affected by any declines due to age.

In general, older workers have lower levels of avoidable absences, but higher levels of unavoidable absences, probably due to poorer health and longer recovery periods associated with aging (Robbins & Judge, 2009, p. 83). Research has also shown a significant negative relationship between age and growth-related motives (Hertel et al., 2013, p. 730); typically, younger employees wish to enjoy their work, which should also be in line with their interests and capabilities (Arnett, 2004, in Le, Donellan & Conger, 2014, p. 45).

1.3.2 Gender

In the last few decades, gender composition of the workforce has been changing drastically; for example, in the United States of America, the number of women between ages of 25 and 54 active in the workforce increased from 50% in 1970 to 75% in 2005 (Mencl & Lester, 2014, p. 258-259). Bukhari and Sharma (2014, p. 553) attribute the increase in the number of women in organisations to Equal Employment Opportunity legislations, pressure from the competitors and customers, and the need to obtain the competitive advantage by employing the most talented individuals. Organisations that wish to succeed in the current knowledge economy need to recognise the importance of gender diversity. By doing so, they set themselves up for fresh ideas, strong growth, positive

organisational image, fewer discrimination lawsuits, as well as the enhanced ability to hire qualified workers (Bukhari & Sharma, 2014, p. 551).

Along with their numbers, the roles of women in companies are gradually changing as well; in the past, it has been automatically assumed that women will be the ones taking care of their family, which is why they had usually worked jobs with less responsibility, sometimes even just for a temporary period (Buhkari & Sharma, 2014, p. 551). Today, men are no longer seen as the superior gender, and women do not consider their work as only temporary. Now, it is against the law to treat women differently (in terms of advancement and hiring; this applies to most countries, unfortunately not all). Achieving a workplace with a fair gender treatment thus requires more than just increasing the rate of female employees; policies and procedures should be adapted to include the needs of women, and training on gender sensitivity provided (Kolb, Fletcher, Meyerson, MerillSands & Ely, 1998, in Bukhari & Sharma, 2014, p. 553).

Jonsen, Maznevski and Schneider (2010, p. 549) write that despite the improvements in the working conditions and positions of women, there are still certain barriers that affect their careers; the 'glass ceiling' metaphor refers to the obstacles women face when they wish to achieve leadership positions. The 'glass elevators' and 'glass cliffs' metaphors are used to denote the greater scrutiny women may be exposed to when they assume leadership roles (Ryan & Haslam, 2005, in Jonsen et al., 2010, p. 549). Women have identified stereotypes as a significant barrier on the path to the most senior positions; these stereotypes may actually result in the 'self-fulfilling prophecy' – women internalise the idea that they are less capable than men, which results in women not identifying with potential leadership positions, and potentially lower motivation and performance (Jonsen et al., 2010, p. 552).

Jonsen et al. (2010, p. 556-563) propose, based on research and literature, 3 different paradigms in regards to gender and leadership:
- the gender-blind view; according to this view, there is no significant difference between male and female leaders, which is why they should be treated the same. The advocates of this view consider fewer women in management roles as a result of women's historical roles as mothers, as well as of the fact they can decide to stay at home. Organisations can miss out on capable and good managers if the female workers are under-represented. Those who believe in this view are likely to implement human resource (HR) initiatives that increase opportunities for women. Jonsen et al. describe these initiatives as those that "[…] might include mandating that job candidate pools include a certain proportion of women, targeting awareness campaigns to women without changing the content of the campaign (i.e. encouraging female high school students to go into engineering), and ensuring that there is a certain proportion of women in high potential pools within the organi[s]ation. The HR system gives women opportunities and encourages them to try to take advantage of them, but does not change anything in their performance assessment or in the nature of the opportunities

themselves". When successful, such initiatives result in increased women's awareness about the ways they can achieve professional development or advancement.

- the gender-conscious view; according to this view, there is a significant difference between male and female leaders, which is why they should be treated accordingly. The advocates of this view believe that the contribution of women has been undervalued and that by increasing their number, the scope of perspectives will increase as well, resulting in improved innovation and high performance. The proponents are likely to implement those HR initiatives that focus on particular characteristics of women and their needs, beginning with programmes like flexible work time or part-time work, and the re-entering into the workforce after the maternity leave. The performance criteria and reward systems may get rewritten, in order to also include those behaviours that women supposedly excel at – e.g. supporting others and community-building. The main focus of these HR systems is on creating a customised work experience for women, placing appropriate value on their unique characteristics and empowering them. If these initiatives are implemented successfully, women will feel appreciated for their views and will be more committed to the organisation, as well as better equipped to constructively manage different roles. However, there is a possibility of such initiatives resulting in stereotypes, which is disempowering to both women and those men who do not conform to the stereotype.

- the 'perception creates reality' view; according to this view, male and female leaders are not significantly different, but because people believe they are, this results in stereotypes that create barriers. Proponents of this paradigm are likely to implement those HR initiatives that contradict gender stereotypes, which they see as limiting to the potential for individual performance. The main objective of these initiatives is to dispel stereotypes for both genders; they may do so by showcasing role models of women in non-traditional occupations and organising training sessions on assertive behaviour and forceful communication, or providing men with more experience of working with women, so that they can re-examine their stereotypes. If the implementation of these HR initiatives is successful, women in such organisation will have more freedom to act authentically, without worrying about the expectations and bias from others. The organisations employing these HR initiatives might also see reduction in stereotyping in other categories as well, such as race. However, some evidence has suggested that focusing on stereotypes (e.g. in training) can actually result in enhancing ready-existing stereotypes (Kossek & Zonia, 1993, in Jonsen et al., 2010, p. 562-563).

Robbins and Judge (2009, p. 84) write about certain differences between genders that have been proven by research: male employees are slightly more likely to expect success and be aggressive, and less willing to conform to authority than the female employees. Furthermore, women have consistently higher rates of absenteeism, most likely due to the fact that they have traditionally been taking care of the children and home, which is why they are usually expected to take care of the ill children; this might also explain why

women prefer non-traditional work schedules, such as part-time work, flexible work schedules or telecommuting (Robbins & Judge, 2009, p. 84).

1.3.3 Race

Race is a term that refers to "[…] groups of people who have differences and similarities in biological traits deemed by society to be socially significant, meaning that people treat other people differently because of them" (Race and Ethnicity Defined). Robbins and Judge (2009, p. 85) write about research findings in regards to race and work in the US organisations; the employees tend to favour co-workers of the same race when it comes to performance evaluations, getting promoted, and receiving pay raises. Furthermore, African Americans seem to be in inferior position to their white colleagues when it comes to employment, because they regularly receive lower ratings in employment interviews, lower salaries and fewer promotions.

Greif (2009, p. 51) writes that in Europe, non-white migrants suffer higher levels of unemployment due to the following reasons: prejudice and stereotypes resulting in the employers' reluctance to hire them, lack of knowledge and experience of attracting and retaining non-white employees, and other factors which affect this group, like lack of education or knowledge of the local language.

1.3.4 Cultural background

Culture is defined by House, Javidan and Hanges (2002, in Rašković & Kržišnik, 2010, p. 17) as "[…] a set of shared motives, values, beliefs, identities, interpretations and meanings of significant events, resulting from common and every day experiences of members within collective groups (societies) that are passed across ages and generations". There are 2 major researches that have been carried out with the intention of studying differences amongst national cultures, and each has established its own framework. Geert Hofstede studied over 100.000 IBM employees from more than 40 countries in the 1970s, and established the Hofstede's Framework for Assessing Cultures, which found that employees vary on 5 dimensions of national culture (Robbins & Judge, 2009, p. 158):

Table 5: 5 dimensions of national culture according to Hofstede's Framework

Dimension	Description
Power distance	The rate to which people accept the unequal distribution of power in organisations. Societies that are high on power distance usually consist of a caste or class system.

table continues

continued

Dimension	Description
Individualism versus collectivism	Societies that are high on individualism consist of people who prefer to act as individuals instead of members of groups. In societies high on collectivism, people expect others within their group to take care of them.
Masculinity versus femininity	The rate to which men and women are perceived as equal in a society. In cultures high on masculinity, men and women have their own separate roles; in cultures high on femininity, both genders are treated as equals and have similar roles.
Uncertainty avoidance	The rate to which people in a society prefer structured/unstructured situations. Cultures high on this dimension emphasise laws and regulations, and individuals are less likely to take risks and accept change.
Long-term versus short-term orientation	The society's long-term rate of focus on traditional values. In cultures high on long-term orientation, people value perseverance and frugality, and focus on the future. In cultures that are short-term oriented, people accept change more easily and value the present moment.

Source: S.P. Robbins & T.A. Judge, *Organizational Behavior*, 2009, p. 158.

Another framework that describes different dimensions of cultures is the GLOBE Framework for Assessing Cultures, which has begun in 1993. It is an ongoing cross-cultural research on leadership and national culture that has been using data from over 825 organisations in 62 countries (Robbins & Judge, 2009, p. 159). It has identified 9 dimensions on which national cultures differ, and some are similar to the ones in the Hofstede's framework (Robbins & Judge, 2007, p. 129):

Table 6: 9 dimensions of national cultures according to GLOBE framework

Dimension	Description
Assertiveness	The rate to which society pushes people to be tough, assertive and competitive.

continued

Dimension	Description
Future orientation	Similar to Hofstede's long-term/short-term orientation, this dimension refers to the rate to which society pushes and rewards behaviour like planning and investing in the future.
Gender differentiation	Similar to Hofstede's masculinity/femininity, this dimension refers to the rate to which society maximises differences in gender roles.
Uncertainty avoidance	This dimension is the same as in Hofstede's framework, and it refers to the rate to which a society relies on laws, norms and procedures to reduce the unpredictability of the future.
Power distance	This dimension is the same as in Hofstede's framework, and it refers to the rate to which people expect equal distribution of power in the society.
Individualism versus collectivism	This dimension is the same as in Hofstede's framework, and it refers to the degree to which people are pushed by societal institutions to integrate into groups in organisations or society.
In-group collectivism	Refers to the rate to which people are proud of belonging to smaller groups, like family or friends, and their employing organisation.
Performance orientation	Refers to the rate to which society rewards people for improved performance and excellence.
Humane orientation	Refers to the rate to which society encourages people to be fair, altruistic, caring and kind.

Source: S.P. Robbins & T.A. Judge, *Organizational Behavior,* 2007, p. 129.

Robbins and Judge (2009, p. 114) give an example of organisational commitment of Chinese, Canadian and South Korean workers to show how cultures differ one from another. The Chinese had the highest levels of normative and affective organisational commitment, probably because their culture emphasises loyalty to a group, which could

also be represented by the employer. Thus, people feel loyal to their organisation, and this feeling only grows with time spent there. Continuance organisational commitment was lower for the Chinese workers than for the Canadian and South Korean ones, because the Chinese value loyalty to their group much more than their individual concerns.

Slovenia scores relatively high on the dimensions of gender differentiation, power distance and in-group collectivism, and relatively low on the dimensions of performance orientation and future orientation (Rašković & Kržišnik, 2010, p. 21).

1.3.5 Disability

In 1990, the United States of America passed the Disabilities Act, which is attributed with increasing the numbers of workers with disability (Smola & Sutton, 2002, in Mencl & Lester, 2014, p. 259). This act prescribes that employers enable the workers with both temporary and/or permanent disability to carry out work (Lombardo).

Bučiuniene and Kazlauskaite (2010, p. 534-536) have been researching the employment of people with disability in the Baltic countries. On the basis of experience of Rimi Lithuania, a supermarket chain which has successfully integrated people with disability into their workforce, 3 main challenges that concern the employment of people with disability have been identified (Bučiuniene & Kazlauskaite, 2010, p. 534-536):

- attraction of people with disability; certain countries offer tax deductions to organisations employing people with disability in large numbers, which is why they tend to search for jobs within such organisations, and do not apply for jobs where they would compete for positions with the healthy employees. Problems with attracting people with disability also occur because advertising for jobs specifically for them would discriminate against healthy workers. Furthermore, associations helping people with disability usually focus on other aspects of their lives, not helping them search for employment possibilities, which is why their employment works best on the basis of recommendation from their peers.
- work adjustments necessary to meet the needs of employees with disability; in the case of Rimi Lithuania, the employer nor the potential employees (people with disability) knew what kind of a job they could carry out, since for the majority of people with disability, this was their first job. They had to assess their capabilities (e.g. how long they could sit at a cash register, how heavy a load they could lift), so they were encouraged by the organisation to come and experience what working for them was like.
- preparing both managers and co-workers to work alongside people with disability; Rimi Lithuania made sure that someone from the HR department accompanied the people with disability to the supermarket on their first day, and spent some time working with them and their supervisor. Apart from that, they were also working with

24

the store managers, because they tended to get scared by the bare mentioning of people with disability. Furthermore, the organisation organised seminars where their staff was taught working and communicating with people with disability – e.g. for working with hearing-impaired, they organised lessons on sign language, gave them guidelines on how to speak with them, how this type of disability affects employees with it, etc.

1.3.6 Sexual orientation

Greif (2009, p. 56-57) writes that sexual minorities (gays, lesbians, bisexuals) are those individuals who differ from the majority because they are not heterosexual. Recent sociological estimates claim that about 15% of each society consists of homosexual population; the reason they are considered a minority is, thus, not because of their small numbers, but rather because of their lack of societal power and influence (Greif, 2009, p. 57).

Cunningham (2011, p. 453) writes about problems that lesbian, gay, bisexual and transgender (LGBT) employees face at workplace: in the United States of America, they do not receive federal protection from employment discrimination; their salaries are 30% or more lower than the salaries of their heterosexual counterparts (Blanford, 2003, in Cunningham, 2011, p. 453), and they are often pressured into hiding their sexual orientation at work (Ragins, Singh & Cornwell, 2007, in Cunningham, 2011, p. 453). Furthermore, Greif (2009, p. 59) writes about other consequences of homophobia at the workplace: feelings of insecurity and exclusion, decreased motivation and concentration, lower productivity, harassment and violence at the workplace, increased absenteeism, and increased level of switching jobs.

1.3.7 Working parents

Eek and Axmon (2013, p. 693) write about the so-called work-family conflict, which occurs when employees encounter conflict between their work and household demands, and is associated with increased absenteeism and mental health problems for both men and women. However, Leschyshyn and Minnotte (2014, p. 438) write that in the United States of America, mothers are more likely to leave their workplace than fathers. Stone (2007, in Leschyshyn & Minnotte, 2014, p. 438) writes that in reality, professional mothers do not leave their workplace voluntarily, but are rather forced out of it due to the lack of support, which makes it hard to simultaneously have a professional career as well as a family life. Eek and Axmon (2013, p. 693) explain that stress and work-family conflict increase with the number of children at home, and are at peak between the ages of 35 and 39.

Leschyshyn and Minnotte (2014, p. 439) write that loyalty of the working parents to the employing organisation may increase as a result of assistance with the challenges they

receive from supportive work environments. This support may be important especially for women, because they are exposed to the widespread belief that taking care of the children is primarily their responsibility. Those workplaces that offer compensations for over-time work, allow working parents to occasionally take a day off, and allow the possibility of less working hours if requested, play a positive part in the decreased work-family conflict (Eek & Axmon, 2013, p. 693). Studies show that working parents who encounter positive attitudes from their colleagues and managers face lower stress levels, and have increased levels of work engagement (Eek & Axmon, 2013, p. 702). There are other important factors that reduce the work-family conflict and the stress of working parents: a clear back-up structure in case of absences, flexibility which increases the parents' feelings of control over the situation, and positive attitude towards parenthood at the workplace (Eek & Axmon, 2013, p. 702).

2 DIVERSITY MANAGEMENT IN ORGANISATIONS

2.1 Diversity management

Diversity management is a human resource strategy (Gröschl & Doherty, 1999, p. 262), whose purpose is to create a workforce, heterogeneous in its nature, that will present no (group of) member(s) with a (dis)advantage and will reach its potential in a fair, impartial environment (Torres & Bruxelles, 1992, in D'Netto & Sohal, 1999, p. 531). Furthermore, Kandola and Fullerton (1994, in Gröschl & Doherty, 1999, p. 62) believe that the core concept of managing diversity involves accepting the fact that a diverse population forms the workforce, and that by harnessing their differences, a productive environment can be created where everyone is valued and the set organisational goals are achieved.

Diversity management has evolved from the earlier concepts of Equal Opportunity (EO) and Affirmative Action (AA); both EO and AA were primarily driven by legal demands, focusing on the disadvantaged groups with the main goal of increasing the representation of target groups in organisations (Gröschl & Doherty, 1999, p. 262). The main differences between EO and AA and diversity management are that unlike Equal Opportunity and Affirmative Action, whose main focus is on the disadvantaged staff that is being discriminated against, diversity management views differences among employees in a positive way, and also includes those factors of diversity that are not covered by law (Maxwell, Blair & McDougall, 2001, p. 469).

Arredondo (1996, p. 217) explains that the continued need and focus on diversity management is due to both external and internal factors; the former include the increasing rate of immigration, the existence of emerging markets, progress in the field of technology, and the need for new skill sets (linguistic, technical, etc.). Internal factors are changes in

the workplace (increased cultural and linguistic diversity, growing number of women and people of colour in managerial roles, etc.), the need for effective interpersonal communication, practices that increase the motivation of a diverse workforce and reward it, and continued business success.

According to Sippola (2007, p. 256-258), 4 different paradigms regarding diversity management exist:

Table 7: The 4 paradigms of diversity management

Paradigm	Description
Resistance	This paradigm does not consider diversity as important, which is why organisations seek to maintain their status quo, as well as their demographic and cultural homogeneity. For this reason, training is usually not available; if it is, it is usually intended for the minority members during their induction process with the intention of presenting them with norms and values of the organisation, so that they can successfully adapt to the ready-existing workplace culture.
Discrimination and fairness	Organisations following this paradigm encourage the sameness instead of diversity, and have such policies and statements that support equality. To avoid discrimination, equal treatment and positive actions are encouraged, and usually carried out by increasing the numbers of minority groups. Because diversity is considered costly, minorities are adapted to the dominant culture. If training is offered, it can help the majority increase their knowledge of cultural awareness and legislative equality.
Access and legitimacy	Organisations adapting this paradigm aim to maximise the potential of each individual and effectively manage differences. They see diversity as helpful for their business, because it offers access to a new customer base, and is thus a competitive advantage. Training in such organisations is usually targeted at the majority, in order to change their attitudes, improve their communication, and avoid possible conflicts.
Learning and effectiveness	Organisations following this paradigm wish to manage diversity by making changes in thinking, tasks and work environment. Managing diversity is connected to their mission, vision and strategy, and employees are perceived as strategic assets. Training is intended to increase skills and competencies of all employees, in order to create an inclusive culture.

Source: A. Sippola, *Developing Culturally Diverse Organizations: a Participative and Empowerment-Based Method*, 2007, p. 256-258.

2.2 Diversity management implementation

It is impossible for organisations to reap the benefits of having a diverse workforce if they do not manage it properly. First of all, they need to make sure that their strategies for managing diversity match their mission and values (Kossek and Lobel, 1996, in Gröschl & Doherty, 1999, p. 265). Kreitz (2008, p. 102-103) points out the 3 prerequisites for successful diversity implementation and development in organisations: top management commitment, skilled HR manager(s) with broad organisational knowledge, and shared realisation that diversity management is an on-going and lengthy process. Development of diversity in organisations requires the change of thought and behaviour in employees, because people generally tend to prefer working in homogeneous groups and resist change. For these reasons, the role of the HR managers is crucial; since the success of diversity relies on small changes and actions by employees at all levels, the HR managers are the ones who are strategically positioned to communicate and partner with managers from all levels (Kreitz, 2008, p. 103).

There are several best practices that organisations can use to implement and manage diversity; Kreitz (2008, p. 103) draws from the report by the U.S. Government Accountability Office 'Diversity Management: Expert-identified Leading Practices and Agency Examples' that identified 9 leading best practices:

Table 8: 9 leading best practices of diversity management

Best practice	Description
Top leadership commitment	Top-level management should demonstrate and communicate a vision of diversity across all levels of the organisation.
Including diversity into the organisation's strategic plan	Both the strategy and the plan for diversity management need to be in line and developed in line with the organisation's strategic plan.
Linking diversity to performance	Organisations need to understand that the work environment that fosters diversity and inclusiveness can improve productivity and both individual and organisational performance.
Measurement	Both quantitative and qualitative measures should be taken of how various aspects overall impact diversity programmes.
Accountability	Leaders need to be responsible for diversity, and link the performance assessment and compensation to the diversity initiatives' progress.
Succession planning	Organisations need to identify a diverse talent pool and develop them into potential future leaders.
Recruitment	Organisations need to attract and employ qualified and diverse individuals.

table continues

continued

Best practice	Description
Employee involvement	Employees need to be actively involved and contribute to driving diversity in an organisation.
Diversity training	Management and staff need to be informed and educated about the benefits of diversity for the organisation.

Source: P.Kreitz, *Best Practices for Managing Organizational Diversity*, 2008, p. 103.

Allen, Dawson, Wheatley and White (2004, p. 13-15) propose a 5-stage approach to implementing and improving diversity, which captures most of the functions necessary in managing an organisation. The steps are:

1. planning; first, organisations need to review their current diversity status and determine where they wish to be in the future. This stage also entails creating a plan on how to get there. It is imperative that managers understand they need to include diversity objectives in their planning, and assure their subordinates are accountable for achieving them.
2. organising; this stage offers a long-lasting structural approach to achieving goals. The commitment to the process of diversity management is demonstrated by actual willingness to reorganise the organisation, so that the minority members are also provided with opportunities.
3. staffing; this stage refers to the efforts to recruit, place, train and retain the minority employees, in which managers should be personally involved. Organisations also need to develop specific diversity recruitment and retention goals, as well as programmes to help the minority members socialise within the organisation.
4. directing; involves motivating, communicating and leading employees. Managers must know how to communicate throughout the organisation, and establish network to support diversity efforts; this can be helped by linking new minority employees with the established managers.
5. controlling; employees need to be held accountable for violating diversity policies, and there must be zero tolerance for intentional discrimination. Managers also need to instil positive attitudes towards diversity, shifting from defensive diversity management to a proactive approach.

2.3 Benefits of employing a diverse workforce

In the past, organisations employed a diverse workforce primarily to satisfy legal demands – by doing so, they could not be guilty of discrimination, since their workforce represented the demographics in the society (Allen et al., 2004, p. 13). In the last few decades, this attitude has changed and the concept of diversity in the workplace has progressed to a more proactive one, with more and more business leaders believing that diversity influences the bottom-line by more effectively understanding the customer base, which can

also lead to improved image of the organisation (Kandola, 1995, in Maxwell et al., 2001, p. 471). Employing a diverse workforce can also help companies reach specific market segments; Rosenzweig (1998, p. 646) writes that, for example, many organisations have their female employees communicating and working with their female clients.

Having a diverse workforce can be a competitive advantage, because the existence of varying views can lead to improved organisational performance due to increased creativity and innovation, which occur as a result of unique approaches to solving problems (Allen et al., 2004, p. 13). McCuiston, Wooldridge and Pierce (2004, p. 74) write that the benefits from implementing diversity-promoting policies include increased employee satisfaction and loyalty levels and attracting the best candidates. Greif (2009, p. 32-33) writes about other benefits of successfully managing diversity in organisations: improved employee morale and motivation, improved health and safety, improved solidarity, decreased fluctuation of the staff, lower levels of absenteeism, and decreased costs of recruitment.

Agrawal (2012, p. 386) writes that business opportunities are easier to spot due to different perspectives and orientations, which may also lead to the success in new markets. Wilson and Iles (1999, in Maxwell et al., 2001, p. 470) believe that diverse workforce contributes to greater profitability, because employers profit from using skills and potential of all employees. As Cassel (1996, in Maxwell, 2001, p. 470) writes, it is very expensive to not take them into account, because as Gröschl and Doherty (1999, p. 262) explain, successfully managing a diverse workforce reduces turnover- and lawsuits-associated costs.

When organisations decide to employ a diverse workforce and apply the principles of diversity management, they create an organisational environment which is attractive to people from various labour markets, ensuring that the people employed are the best ones for the job, regardless of their age, gender, race, etc. (Cornelius, 1999, in D'Netto & Sohal, 1999, p. 531). This can provide the organisation with a significant competitive advantage, even more so because different experiences and backgrounds allow employees to learn from each other (Rosenzweig, 1998, p. 647). Having a diverse workforce also ensures that even in the case of internal promotions for vacancies, there is always a 'supply' of diverse workers available for it (D'Netto & Sohal, 1999, p. 531).

Schneider and Northcraft (1999, p. 1450) believe that diversity is beneficial for the organisation also because having a diverse workforce brings with it a varied external network, which gives employees a greater access to information. Furthermore, if there is diversity in skills or backgrounds in organisations, there is a bigger chance that when problems occur, they will be more easily dealt with by someone familiar with it (Northcraft & Neale, 1993, in Schneider & Northcraft, 1999, p. 1450). Schneider and Northcraft (1999, p. 1450) also believe that functional diversity is important, because it increases the

chances that the organisation's workforce will possess any skill, information or contacts required to respond to any competitive challenges from the environment.

2.4 Problems with employing a diverse workforce

Diversity can present a double-edged sword for the organisations if it is not properly managed; if that is the case, even the bottom line be affected negatively, because organisations cannot function efficiently when all employees, especially the diverse ones, are not being put to effective use (Fernandez, 1991, in D'Neto & Sohal, 1999, p. 531). Often, the organisational leaders stand in the way of successful diversity management, because they view it as too expensive and disruptive to the productivity and the workplace itself (D'Netto & Sohal, 1999, p. 535).

One of the most common problems associated with the diverse workforce is the 'glass ceiling', the barrier to the promotion into management positions (Powell & Butterfield, 1994, in D'netto & Sohal, 1999, p. 533); even though individuals are qualified for a promotion, they are overlooked due to the attitudinal or organisational bias (US Department of Labour, 1991, in D'netto & Sohal, 1999, p. 533). Furthermore, it is possible that the employees who do not belong to any groups, targeted by specific diversity initiatives, experience feelings of injustice; they may also feel that their career opportunities are at risk, because certain employees have their opportunities improved by diversity instruments, like quotas or mentoring programmes (Groeneveld, 2011, p. 604).

Other negative outcomes, associated with employing a diverse workforce, are reduced social cohesion, relational conflicts and increased turnover (Fujimoto, Härtel & Azmat, 2013, p. 150). Furthermore, Fujimoto et al. (2013, p. 154) explain that research repeatedly shows that minority members are still subjected to more discrimination in connection to e.g. hiring and promotion, and groups like women and racial minorities also tend to earn less than the 'mainstream' workers, despite having similar qualifications. Robinson, McClure and Terpstra (1994, in D'Netto & Sohal, 1999, p. 535) explain that those work environments that are hostile and full of prejudice, also present obstacles to implementing diverse workforce.

Diversity can also negatively impact the functioning of the work teams; Schneider and Northcraft (1999, p. 1451) write that homogeneous teams usually take less time to organise and carry out their tasks in comparison to diverse ones. Furthermore, they believe that the odds of an employee leaving the organisation increase with the difference between him/her and other members of the team (Schneider & Northcraft, 1999, p. 1451).

The type of organisations that often faces problems with diversity management is the multinationals (Rosenzweig, 1998, p. 647). They face diversity on many levels, making it

much more complex than in those organisations that are primarily domestic. First of all, multinationals may face problems arising from the differences in language; potential problems may arise also from cultural differences, which are in turn reflected in management styles, approaches to team work, manners of expressing (dis)agreements, etc. Furthermore, employees working in different countries may face significantly different educational, legal and economic systems (Rosenzweig, 1998, p. 647).

2.5 Diverse teams in organisations

Organisations turn to using teams with the goals of solving problems, making decisions and stimulating innovation (Homan, van Knippenberg, Van Kleef & De Dreu, 2007, p. 1189). Due to increasing diversity of the workforce, teams can consist of members who are diverse in various characteristics.

Individuals in work teams can differ in their level/type of knowledge and skills, but they may also have different demographic characteristics or hold different beliefs. For these reasons, the so-called 'diversity faultlines' appear, which can potentially cause disruption to the whole functioning of the teams (Homan et al., 2007, p. 1190). Faultlines are defined by Bezrukova, Jehn, Zanutto and Thatcher (2009, in Meyer & Schermuly, 2012, p. 459) as "[…] hypothetical dividing lines that split a group into relatively homogeneous subgroups based on the group members' demographic alignment along multiple attributes". Gratton, Voigt and Erickson (2007, p. 23) consider these subgroups the major reason for the failure to collaborate and share information in diverse work teams.

As diverse teams are formed and begin working together, the initial faultlines occur on the basis of surface-level attributes (this is in line with the social categorisation). The divide into subgroups does not necessary occur on the basis of a single attribute – it can be a combination of several ones, e.g. gender and age, or nationality and job tenure (Gratton et al., 2007, p. 24). Each subgroup sees itself as the in-group, consisting of similar people who have something in common and thus like each other. As the members of a subgroup get to know each other and collaborate, their knowledge grows, which is vital for the successful group functioning, but it is imperative that the knowledge exchange occurs between subgroups, with the out-group(s) across the faultline boundary (Gratton et al., 2007, p. 24). As with recategorisation in the social categorisation theory, new faultlines eventually occur on a deeper level – based on deep-level attributes, such as personality or values, which are not visible at the time of the team formation, but are revealed through the interaction that follows (Gratton et al., 2007, p. 25).

Faultlines generally do not occur in teams where members share similar demographic attributes; surprisingly, the same holds true also for teams with a great degree of heterogeneity, where members do not have many attributes in common (Gratton et al.,

2007, p. 25). Faultlines can also differ in strength; Gratton et al. (2007, p. 25) explain that faultlines are especially likely to occur and be strong if the demographic characteristics of the subgroups' members are from categories that do not coincide, like all women being over the age of 50 and all men under the age of 30. Here, there is a strong faultline, formed by gender and age.

Researchers propose 2 theories to explain the effect of diversity in the work teams on the outcomes: social categorisation theory and social identity theory. Their main purpose is to explain why forming work teams out of diverse members can be detrimental to their success (Roberge & van Dick, 2010, p. 298).

Tajfel (1978, in Haas, 2010, p. 462) explains social categorisation as the process by which an individual groups people in the environment in such a way that makes sense to him/her. People categorise themselves and others into 'in-groups' and 'out-groups', based on perceived similarities and differences. From the short-term aspect, the surface-level diversity attributes are more likely to cause the process of social categorisation, but with time, the social categorisation can be carried out again – i.e. recategorisation – on the basis of the deep-level attributes, such as personality and values (Roberge & van Dick, 2010, p. 298). The social categorisation theory explains why diversity may have a detrimental impact on the performance of work teams – because of attitudinal and perceptual biases about 'in-group' and 'out-group' members, it is possible that the process of sharing task-relevant information is disrupted (Roberge & van Dick, 2010, p. 298).

Tajfel (1978, in Haas, 2010, p. 462) defines social identity as "[...] that part of an individual's self-concept which derives from [his/her] knowledge of [his/her] membership of a social group (or groups) together with the value and emotional significance attached to that membership". Social identity theory proposes that people favour their 'in-group' at the expense of the 'out-groups' (Schneider & Northcraft, 1999, p. 1448). Individuals identify and categorise themselves both on the basis of demographic (e.g. gender, race) as well as functional (e.g. professional or departmental affiliation) characteristics. Members of the 'in-group' assume that others within it share similar views and interests, and they perceive them as more trustworthy and predictable, and easier to communicate with (Schneider & Northcraft, 1999, p. 1448).

Members of the same social group are perceived to hold similar beliefs and behave in a similar fashion; this is crucial, because if team members can identify with one another, they are more likely to believe they have the same or similar goals, which increases the probability they will be able to cooperate and work together as a team (Eckel & Grossman, 2005, p. 373). Thus, the premise of the social identity theory is that when a team consists of members of different social categories, the problems will arise. It might prove difficult to combine different backgrounds, values and norms; even more so, because due to the processes of social identification, individuals might feel unease when dealing with

members from different social categories (Northcraft, Polzer, Neale & Kramer, 1996, in Eckel & Grossman, 2005, p. 372). Ayoko and Härtel (2006, p. 348) explain that because people show favouritism to members of their own social category and establish positive social identity with them, this may lead to discrimination, hostility and self-segregation among members of different social categories, as well as relationship conflict, typically about non-work matters.

2.6 Leading a diverse workforce

Leadership is defined by Yukl (1989, in Ayoko & Härtel, 2006, p. 351) as a process that sets the task objectives and strategies, defines culture of the organisation and is responsible for maintaining it, and ensuring that people identify with both the tasks and the culture. There are 2 terms usually in use in regards to leadership and diversity – diversity leadership and diverse leader(s). Even though they sound similar, they are not interchangeable; the former refers to the person who leads diverse work teams, whereas the latter refers to the leaders that differ from the members in regards to race, ethnicity and/or culture (Ayoko & Härtel, 2006, p. 346). Unfortunately, the organisational leaders often stand in the way of successful diversity management, because they view it as too expensive and disruptive to the productivity and the workplace itself (D'Netto & Sohal, 1999, p. 535).

The role of the leader is crucial to the effectiveness of a team, because apart from using his/her own attitudes, skills and abilities to benefit the group tasks, leaders also help members develop their competencies through the processes of coaching, monitoring and feedback (Ayoko & Härtel, 2006, p. 352). Ayoko and Härtel (2006, p. 352-354) believe that in order for the heterogeneous work teams to be successful, their leaders need both task-oriented and social-oriented leadership skills.

Within the scope of task-oriented skills, Ayoko and Härtel (2006, p. 352) include technical skills (being familiar with products, services, procedures, market, etc.); conceptual skills (being able to analyse complex events, notice trends, see changes and problems, come up with creative solutions, etc); and administrative skills (being able to plan, delegate, supervise, etc.).

The other set of skills, the social-oriented leadership skills, according to Ayoko and Härtel (2006, p. 352-355), include: conflict management skills, which include the knowledge of the conflict cycle, and the ability to understand one's own and others' style of conflict management; emotion management skills, which include interpersonal, social and emotional intelligence; and openness to dissimilarity, because if the leader is able to alleviate the 'in-group'/'out-group' distinction in teams, there will be less conflict and a higher level of cohesion, which will bring positive results, both task and social ones.

McCuiston et al. (2004, p. 78) propose 4 crucial factors for those leaders who strive for efficiency in culturally-diverse societies: a knowledge base in order to raise sensitivity and awareness of the workforce diversities, the ability to identify resources to improve lives of diverse individuals, the ability to foster open communication with others on the topic of cultural difference, and strategies that enable leaders to be the ones to maximise the benefits of a diverse workforce. Gratton et al. (2007, p. 25) carried out a research which showed that the main factor determining whether the occurring faultlines were destructive to the diverse team's functioning was the leadership style – specifically, whether the leader was task- or relationship-oriented. Based on this research, Gratton et al. (2007, p. 25) have identified 4 leadership styles:

Table 9: Leadership styles in diverse work teams

Leadership style	Characteristics
Task orientation	- leaders usually technically proficient, - focus is on the task at hand, - typical activities: creating project plans and work schedules, setting high but realistic goals.
Relationship orientation	- leaders usually skilled communicators and listeners, - focus is on the culture and relationships among the team members, - typical activities: encouraging a climate of trust, providing recognition for individual and team accomplishments.
Task orientation, switching to relationship orientation	- leaders start with the task-focused style, - with time and the project's progress, leaders focus on fostering collaboration among team members and increasing positive and trustful culture, - typical activities: setting targets and scheduling work.
Relationship orientation, switching to task orientation	- leaders begin with the relationship-focused style, emphasis is on socialisation and meetings, - with time and the project's progress, leaders focus on the task, - typical activities: setting goals and monitoring the progress of the team.

Source: Gratton et al., *Bridging Faultlines in Diverse Teams*, 2007, p. 22-29.

Gratton et al. (2007, p. 28) also provide a questionnaire for the team leaders to help them establish whether there is a great probability of faultlines emerging within the team (see Appendix 1).

2.7 Diversity initiatives

Organisations need to re-examine their policies, programmes and practices if they wish to maintain their competitiveness in the current economic environment, marked by demographic changes, global competition and a move away from the manufacturing-based to the service economy (Wentling, 2004, p. 166). It is necessary for the managers to attract and retain a diverse workforce, which can be achieved by implementing various diversity initiatives. Diversity initiatives are defined as those activities and programmes, as well as policies, that are aimed at changing the organisation's culture in regards to diversity (Arredondo, 1996, in Wentling, 2004, p. 167). Sippola (2007, p. 257-258) writes that the most effective diversity initiatives are those training interventions whose focus goes beyond individual-level development; the argument is that training is more effective when it focuses on changing the organisational climate and culture systemically, and it is also joined by changes in the HR policies and practices to ensure fairness.

Traditional diversity initiatives mainly fail because they are usually top-down, planned and employer-driven, focusing mainly on the issues deemed problematic by the employer, not the employees (Richards, 2001, in Sippola, 2007, p. 258). Ulrich (1997, in Sippola, 2007, p. 258) believes that even those initiatives that focus on the culture change in the organisation can be problematic if they occur as isolated events, and he suggests using a bottom-up approach, so that the new employee behaviours can be developed from their own view. In her research, Wentling (2004, p. 173-175) identified 3 groups of barriers to successful implementation of diversity initiatives: barriers of work environment, barriers of people in organisations, and barriers of diversity initiatives.

The 3 most common barriers of work environment identified by the research are competing agendas, size and complexity of the organisation, and economic changes (Wentling, 2004, p. 173). The competing agendas refer to the fact that organisations have many projects going on at the same time apart from the diversity, which are all perceived as important by the leaders, and require time as well as financial and human resources (Wentling, 2004, p. 173). According to Wentling (2004, p. 174), the size of the organisation affects the development and implementation of diversity initiatives, because their coordination becomes difficult due to the complexity of operations and the organisation's size. Furthermore, different units place different levels of importance on diversity, which can result in different speed with which branches or units adapt changes. Size of the organisation can also make it difficult or impossible to convey the diversity message to a large number of people if time is limited, and hard to reach agreements in a reasonable amount of time (Wentling, 2004, p. 174). Changes in the economy force organisations to

decrease financial resources and to reduce the number of their workforce, leading to reduction of the organisations, downsizing and flattening, which results in increased pressure and overloaded work schedules, and does not allow much time and financial resources for diversity initiatives (Wentling, 2004, p. 174).

Wentling (2004, p. 174) explains that the 3 most common barriers of people in organisations, identified by research, are people not understanding the value of diversity, people not fully supporting diversity, and slow involvement. The participants in Wentling's study explained that people do not understand the importance and value of diversity (Wentling, 2004, p. 174). Not having full support for carrying out diversity initiatives can be caused by the lack of understanding of diversity's value, and what it means for individuals and the organisation; the most serious barrier in this aspect is when the leaders do not offer their full support to the diversity (Wentling, 2004, p. 174-175). Furthermore, when leaders do not implement diversity initiatives in an appropriate time frame, this can result in people complaining, missing work, being dissatisfied, and eventually leaving the organisation (Wentling, 2004, p. 175).

Wentling (2004, p. 175) writes that diversity initiatives pose certain barriers, because they are difficult to evaluate, difficult to show return on investment and because organisational policies can interfere with diversity initiatives. According to the research carried out by Wentling, diversity initiatives are difficult to evaluate, because a lot of them are long-term and their impact and effectiveness are not as obvious as with some other types of business initiatives. It is also hard to measure the financial gains the diversity initiatives bring from the money invested (Wentling, 2004, p. 175). Furthermore, organisational policies interfere with diversity initiatives because they are often outdated and do not allow the change to occur, thus not allowing that diversity initiatives get implemented properly. Organisations need to develop such policies that allow the culture to adapt to the changes and that support diversity (Wentling, 2004, p. 175).

The participants in the Wentling's research most frequently mentioned 6 ways to prevent failure of diversity initiatives: obtain top management commitment, treat diversity as a business issue, conduct diversity initiative planning, provide diversity training and education, communicate the value of diversity, and approach diversity as branches, units or corporations are being created (Wentling, 2004, p. 176). Having the support from the top management has been seen as a way of preventing many barriers, because their participation and commitment can play a part in avoiding failures, for example by refusing to implement policies that might hinder the success of diversity initiatives (Wentling, 2004, p. 176). Furthermore, the issue of diversity has to be considered and treated as a serious business issue, and initiatives relating to diversity need to be connected to the corporate business strategy, thus making it more likely that corporate barriers, like competing agendas and economic changes, will be eliminated (Wentling, 2004, p. 176).

Failure can also be prevented by planning, because it takes a lot of time and effort to develop flexible and easy to understand diversity initiatives, connected to the corporate strategic plans. In regards to diversity training and education, Wentling (2004, p. 176) writes that they are useful in helping people see the real value and importance of the impact that diversity has, as well as reducing resistance to change and slow involvement. If diversity initiatives are implemented as new organisations/branches/units are being formed, this enables them to integrate diversity in the culture from the very beginning, instead of trying to change the already-established culture, which is much harder to change (Wentling, 2004, p. 176).

Wentling's research identified that most frequently mentioned factors assisting the success of diversity initiatives in the organisations belong to the category of human factors, the 3 most commonly mentioned ones being: recognition that diversity is a business imperative, acknowledging the benefits of the diversity, and people being personally committed to diversity initiatives (Wentling, 2004, p. 171). Furthermore, there are factors in the work environment that facilitate the diversity initiatives, the 3 most frequently mentioned ones by research being: having a culture that values diversity, top management support, endorsement and commitment, and recognition that diversity goes beyond the scope of merely a human resource issue (Wentling, 2004, p. 172).

2.7.1 Attracting the diverse workforce

Organisations that wish to employ a diverse workforce have several options to achieve this; D'Netto and Sohal (1999, p. 532) suggest that organisations first need to ensure that the job description and selection process comply with the anti-discrimination legislation. Greif (2009, p. 70-71) writes that traditional ways of recruitment (e.g. recruitment from within the organisation or moving employees to different positions in the organisation) do not result in inclusive employment. In order to attract a diverse pool of candidates, job opening advertisements should be posted in the ethnic language press alongside daily newspapers, and organisations should ensure that selection committees also include diverse managers and use such techniques that allow diverse individuals to be able to answer questions as best as they can (Morrison, 1992, and Schreiber, Price & Morrison, 1993, both in D'Netto & Sohal, 1999, p. 532). Greif (2009, p. 71) also underlines the importance of the diverse committees; she explains that it is the tendency of the selection committees to pick the candidates closer to their own culture and environment. Since the majority of the committees consists of white middle-class males, this can be problematic.

At this stage, the role of the HR department is crucial, because as D'Netto and Sohal (1999, p. 534-535) write, "[h]uman resource managers must solicit a trainable population, check required skills and competencies against the job, market jobs sufficiently ahead of needs, and extend the workforce boundaries to include the nationals of other countries".

Greif (2009, p. 71) suggests that jobs should be advertised in a manner that attracts diverse applicants: assure that the open position does not exclude certain people because of their personal circumstances, emphasise that applications from various candidates are welcomed, so as to reduce their worries about their age, gender, etc. affecting their chances, and use various channels to advertise the opening. Furthermore, she warns that it is imperative to have objective and non-discriminatory criteria for candidate selection, and to not make decisions based on intuition or personal values and feelings, as well as recommendations from 'friends' (Greif, 2009, p. 71). Greif (2009, p. 72) thus suggests thinking about the following aspects: where is the open position advertised; is the job description broad and inclusive enough even for the non-majority; are the selection tests culturally neutral; how does selection committee treat people who are visibly different, etc.

2.7.2 Initiatives for the ready-existing diverse workforce

2.7.2.1 Diversity training

Organisations must be aware that the composition of the workforce is changing, and it is necessary to make diversity training a priority. Lai and Kleiner (2001, in McGuire & Bagher, 2010, p. 494) explain that in diversity training, employees are taught about various differences that may exist among them and how to accept and make use of them, so that the work environment is effective. Its main goals are enabling a smooth integration of minority groups by presenting the workforce with the necessary skills, knowledge and motivation to work alongside them (Pendry, Driscoll & Field, 2007, in McGuire & Bagher, 2010, p. 494), and reducing and ending the discrimination of minority groups (Hemphill & Haines, 1997, in McGuire & Bagher, 2010, p. 495). McGuire and Bagher (2010, p. 495) provide the following table to demonstrate different priorities of diversity training at different levels:

Table 10: Diversity training priorities

Level	Priority of diversity training
Individual level	Foster positive attitudes to diversity, educate employees about diversity, and assist employees in overcoming diversity barriers.
Group level	Use inclusive activities to promote teamwork, promote respect and tolerance of differences, and re-examine recruitment, promotion, and other practices.
Organisational level	Provide mentoring and coaching programmes, develop organisational policies for diversity, promote a positive diversity culture, and organise diversity workshops.

table continues

continued

Level	Priority of diversity training
Societal level	Promote equality and social justice, put an end to discrimination, encourage participation of diverse groups, and promote positive relations among diverse groups.

Source: D. McGuire & M. Bagher, *Diversity Training in Organisations: an Introduction*, 2010, p. 493-505.

2.7.2.2 Flexible work arrangements

Michielsens, Bingham and Clarke (2014, p. 51) write that benefits of employing a diverse workforce can be enhanced by providing optimum working conditions, and one way of achieving this is by flexible work arrangements (FWA), especially the ones that allow for flexible work time (e.g. reduced working hours). Because the percentage of women in the labour market is increasing, organisations can respond to their family needs by offering them flexible work schedules (Wiatrowski, 1990, in Ahmad, Fakhr & Ahmed, 2011, p. 290). Eek and Axmon (2013, p. 693) explain that when working parents have the ability to occasionally take a day off or request a decrease in working hours, their work-family balance is improved.

However, while research shows that women struggle more with achieving the work-family balance than men, the focus should not be solely on providing only women with FWA, because Kossek, Lewis and Hammer (2010, in Michielsens et al., 2014, p. 52) explain that people with different lifestyles, generations and family situations may prefer to work differently. Flexible work arrangements might also be useful solutions in the case of employees whose schedules need to be altered because of religious demands (e.g. not working on Sundays, taking time off on certain religious holidays that might not be national holidays) (Greif, 2009, p. 62). However, flexible work arrangements can also cover spatial flexibility, like working from home (Horvath, 1986, in Ahmad et al., 2011, p. 290).

2.7.2.3 Mentoring programmes

Mentoring programmes are carried out with the goal of attracting and accelerating the growth of high-performing individuals through guidance and work with experienced leaders (Olson & Jackson, 2009, p. 47). The mentor is an individual with more seniority, and he/she helps the advancement of the mentee by using influence and experience (Kram, 1983, in Murrell, Blake-Beard, Porter Jr. & Perkins Williamson, 2008, p. 276). However, it is important that the mentor understands his/her role, and is genuinely interested in and well prepared for it (Poulsen, 2013, p. 257).

Individuals involved in the mentoring programmes can, as a result, receive higher salaries, and experience improved job satisfaction, and lower turnover rates (Blake-Beard, 1999, in Murrel et al., 2008, p. 276). Mentoring programmes can play an important part in the advancement possibilities of the mentees, because mentor's access and advocacy can help them be seen as individuals with high potential and capabilities to take on leadership roles within the organisation (McCall, Lombardo & Morrison, 1988, in Olson & Jackson, 2009, p. 48).

Poulsen (2013, p. 257) underlines the importance of matching mentees with mentors well; she writes that the more they are alike, the easier it will be for them to connect. On the other hand, the more they differ, the more effort is needed in order to build a relationship full of trust, but opportunities for learning are also much greater in this case. Poulsen (2013, p. 258-260) writes that the mentoring process consists of 4 stages; during the preparation stage, both the mentor and mentee decide whether the time and effort invested will match the outcomes and benefits of the mentoring programme. Then, they establish a relationship and build trust, and set rules for their goals, expectations, cooperation, evaluation, and ending of the mentoring programme. In the stage of learning and developing, learning takes place, and it involves both meeting with the mentor and the mentee's experimentation between the meetings (best practices suggest meeting once every 3-6 weeks). The purpose of the final, 'ending' stage is to end the mentoring programme constructively, by formally evaluating each individual outcome, giving feedback and discussing the next possible steps.

Poulsen (2013, p. 269) writes that diversity mentoring differs from the 'traditional' mentoring in that the differences between mentor and the mentee are more pronounced; Clutterbuck, Poulsen and Kochan (2012, in Poulsen, p. 268) define it as "[...] a developmental process of open dialogue that aims to achieve both individual and organisational change through shared understanding and suspending judgement within a relationship of mutual learning in which differences that exist are perceived integral to learning, growth and development". In diversity mentoring, even more consideration needs to be placed on selection, matching and preparation of mentor and mentee for the possible challenges, due to the specific diversity issues affecting them. However, if this is taken care of, diversity mentoring programmes should facilitate learning of both the mentor and the mentee.

2.7.3 Best practices and companies internationally

DiversityInc is a diversity publication that annually carries out a DiversityInc Top 50 survey, assessing diversity management in the United States of America and globally. The assessment is based on 4 criteria: talent pipeline (workforce breakdown, recruitment, diameter of existing talent and structures), equitable talent development (resource groups, mentoring, philanthropy, movement and fairness), CEO/leadership commitment

(accountability for results, personal communication and visibility), and supplier diversity (the spend with companies owned by people from underrepresented areas). The top 10 companies identified in 2015 are Novartis Pharmaceuticals Corporation, Kaiser Permanente, PricewaterhouseCoopers, EY, Sodexo, MasterCard, AT&T, Prudential Financial, Johnson & Johnson, and Procter & Gamble.

Novartis Pharmaceuticals Corporation earned the first place on the list by increasing the talent pipeline all the way to the top management for all under-represented groups; the company has also been achieving significant results especially in regards to women, having tripled their numbers at the top level since 2010. The company, which also has a strong representation of the Asian employees, even when compared with other DiversityInc Top 50 companies, uses mentoring programmes and has deep, visible CEO commitment. Kaiser Permanente, a healthcare organisation that placed second in the DiversityInc survey, fosters the culture of diversity through inclusive leadership, creating and sustaining cross-cultural competency, reducing health disparities, growing the supplier diversity programme, and achieving market growth across diverse populations.

PricewaterhouseCoopers, which placed third in the survey, targets a great deal of diversity efforts at women, who form a third of their top-level management; furthermore, all managers in the company, including senior partners, take part in the formal mentoring programmes. This organisation is also known for its flexible workplace arrangements, helping new parents successfully adapt to both home and work needs, and is a leader in the workplace openness for the LGBT community, having started an advisory board for openly gay and lesbian partners 10 years ago. EY (formerly known as Ernst & Young) invests in underrepresented groups through various programmes, such as its Global NextGen Inclusiveness Leadership Programme, which provides access to the senior leaders as mentors, and various opportunities to further develop market-focused skills. Furthermore, EY also includes diversity and inclusion in its community engagement efforts by focusing on building a better world for women, people with disabilities, LGBT people, and others.

For Sodexo, who placed fifth in the survey, diversity and inclusion have become the key business driver, which contributes to increasing employee engagement and expanding the business development opportunities. The company uses mentoring programmes, which require participation of all senior executives, and more than 60% of the pairings are cross-cultural; Sodexo measures engagement, retention and promotion of the mentees and carries out assessments of pairings every 3 months to ensure their success. MasterCard, who placed sixth in the DiversityInc Top 50 survey, places great importance on diversity and inclusion; it is a firm supporter of the LGBT communities, providing benefits for the same-sex couples, and has a diverse top management and a high number of Asian, Latino and female employees.

AT&T, which placed seventh on the DiversityInc Top 50 list, carries out diversity initiatives like mentoring, with over 80% of the managers taking part. Furthermore, it also makes use of supplier diversity, requiring of its main contractors to set and meet diversity goals. Prudential Financial placed eighth in the survey, and has strong senior leadership commitment to diversity, from the CEO down. Furthermore, its diversity and inclusion initiatives focus on talent development through mentoring and sponsorship programmes; as a result, Prudential Financial has a significant outreach to the multicultural marketplace.

A healthcare company Johnson & Johnson is at the ninth place on the DiversityInc Top 50 list, due to its strong leadership commitment to diversity, beginning with the CEO holding the senior executives responsible for the results in the areas of diversity and inclusion. Furthermore, this organisation uses cross-cultural mentoring initiatives, has the Johnson & Johnson Diversity University, which is an online resource to help employees build diversity competences, and has had a supplier diversity programme in place since 1998. Procter & Gamble, a consumer-products giant, earned the tenth place in the survey for several reasons – it is a leader in the talent development of people from underrepresented groups, has senior executives work as cross-cultural mentors and members and leaders of multicultural non-profit organisations, insists on supplier diversity, and offers flexible working arrangements. It is also a leader in employing and accommodating people with disabilities and multicultural marketing.

3 WORKFORCE DIVERSITY IN SLOVENIA

3.1 Composition of the Slovene workforce and legal requirements regarding diversity

Slovenia has a population of over 2.000.000 people, and it is also a home to over 100.000 foreign citizens. The main law regulating employment in Slovenia is Employment Relationships Act (Ur. l. RS, No. 42/2002, Ur. l. RS, No. 103/2007, hereinafter referred to as ERA); article 23 of ERA mandates that a foreigner or a person without citizenship can conclude an employment contract, if he/she fulfils the conditions prescribed by ERA, and the conditions determined in the special act regulating the foreigners' employment; if this is not the case, the contract is considered null and void.

Figure 1: Structure of the Slovene workforce (2nd quarter of 2015)
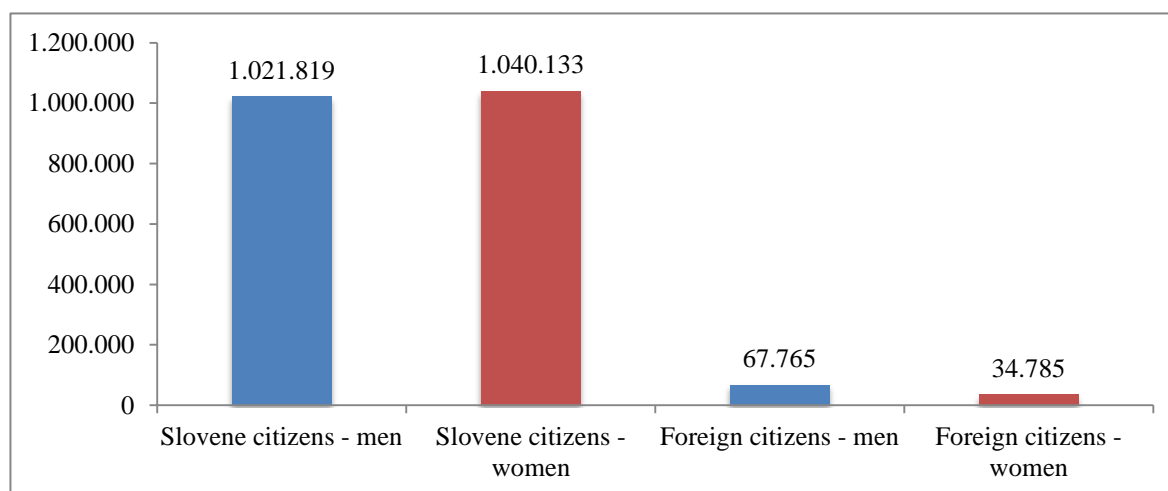
Source: Basic population groups by sex, Slovenia, quarterly.

Employment Relationships Act prohibits discrimination in Article 6, by demanding that the employers ensure equal treatment regardless of ethnicity, race, national or social background, gender, skin colour, health state, disability, faith, age, sexual orientation, family status, financial situation or other personal circumstances. The employers need to ensure this equal treatment in regards to gaining employment, training, promotion, pay, working hours, and other circumstances.

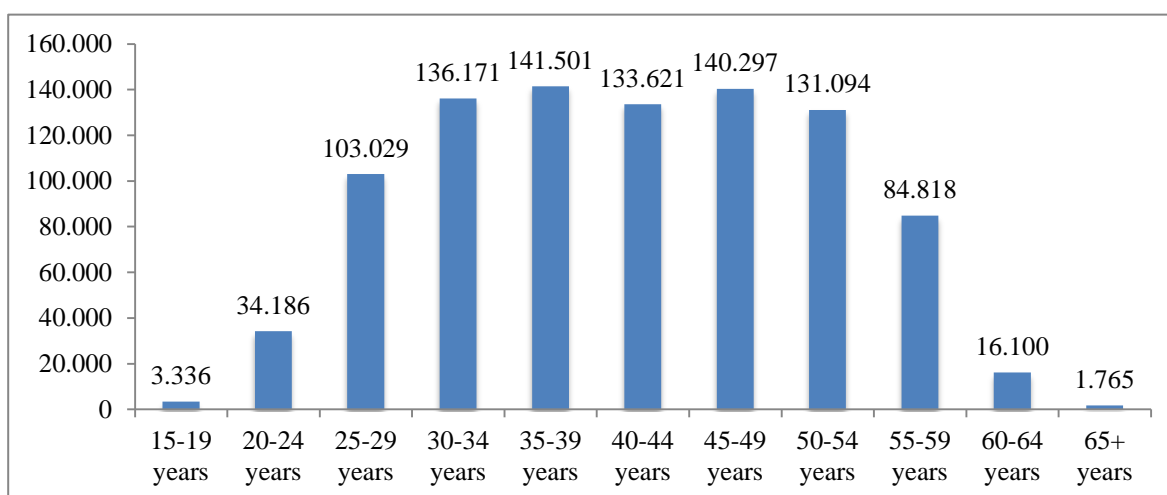Figure 2: Slovene population aged 15 or more by activity (year 2014)
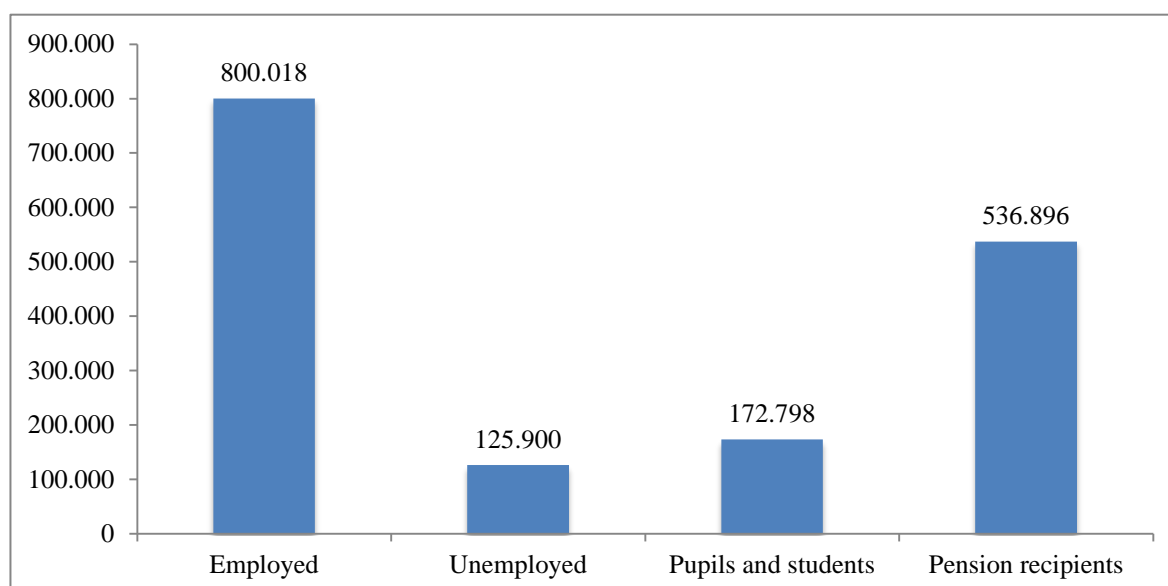
Source: Population aged 15 years or more by activity status, sex and education, Slovenia, annually.

Employment Relationships Act mandates in Article 21 that in Slovenia, the employment contract can be concluded with a person who has reached the age of 15; contracts with persons under that age are considered null and void.

Workers under the age of 18 are subjected to special protection in their employment relationship under articles 190-194 of ERA. Article 191 mandates that the worker under the age of 18 may not be ordered to perform underground or underwater work, work that is objectively beyond his/her physical and psychological capacity, work that involves harmful exposure to toxic and carcinogenic agents and radiation, work that involves risk of accidents that a young person is not able to recognise or avoid, etc. In certain cases, the executive regulation may allow workers under the age of 18 to undertake such work, for example in cases of practical education within the framework of educational programmes.
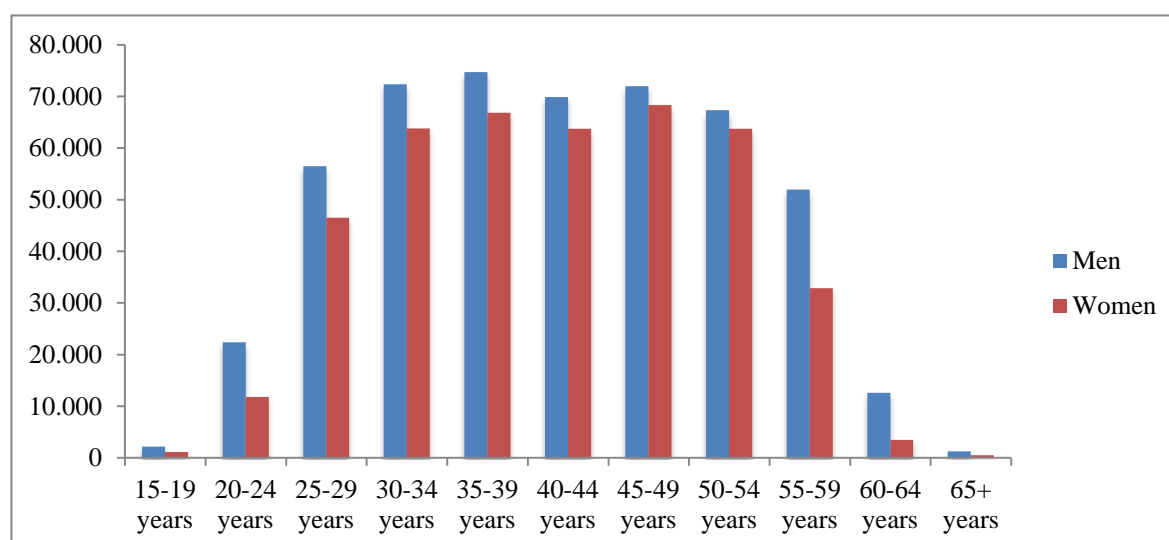
Figure 3: Active Slovene population by age (year 2014)

Source: Population aged 15 years or more by activity status, sex and 5-year age groups, cohesion regions, Slovenia, annually.

Workers over the age of 55 (hereinafter referred to as the older workers) also enjoy special protection under the Employment Relationships Act, and have the right to enter part-time work if they have partially retired. Furthermore, they cannot be ordered to work overtime or at night without their prior written consent. Employers also cannot terminate the employment contracts of an older worker for a business reason until the worker completes the minimum conditions upon which the right to old-age pension is conditioned, unless he/she is assured the right to the unemployment benefit until the fulfillment of minimum conditions for old-age pension.

Figure 4: Active Slovene population by age and gender (year 2014)

Source: Population aged 15 years or more by activity status, sex and 5-year age groups, cohesion regions, Slovenia, annually.

Article 27 of ERA mandates equal treatment on the grounds of sex, which is why the employers cannot advertise jobs specifically for only men or women, unless gender is a deciding condition for this work.

Second paragraph of Article 26 of the Employment Relationships Act orders that the employer must not demand the applicants to provide information on their family and/or marital status, pregnancy, family planning or other information, apart from that directly related to the employment relationship. Article 133 of ERA also mandates equal remuneration by the employer for equal work and for work of equal value, regardless of the workers' sex.

Employment Relationship Act mandates in Article 182 that, due to pregnancy and parenthood, workers have the right to special protection, and that the employer must enable them to reconcile their family and employment responsibilities. Employers must also provide pregnant and breastfeeding female employees with adjusted working conditions and working time if there is an indicated risk for her or her child's health. If this adjustment does not remove the risk, the employer must provide the worker with other appropriate work and a wage equivalent to the previous position. Article 115 of ERA also mandates that the employer cannot terminate the employment contract of the female employee during the period of pregnancy and breastfeeding, as well as the contract of parents on parental leave in the form of a full absence from work. Furthermore, a female employee who breastfeeds a child and works full-time, has the right to a breastfeeding break during working time, which cannot be shorter than 1 hour a day, as mandated by Article 187 of Employment Relationships Act.

Figure 5: Active Slovene population with disability (year 2014)
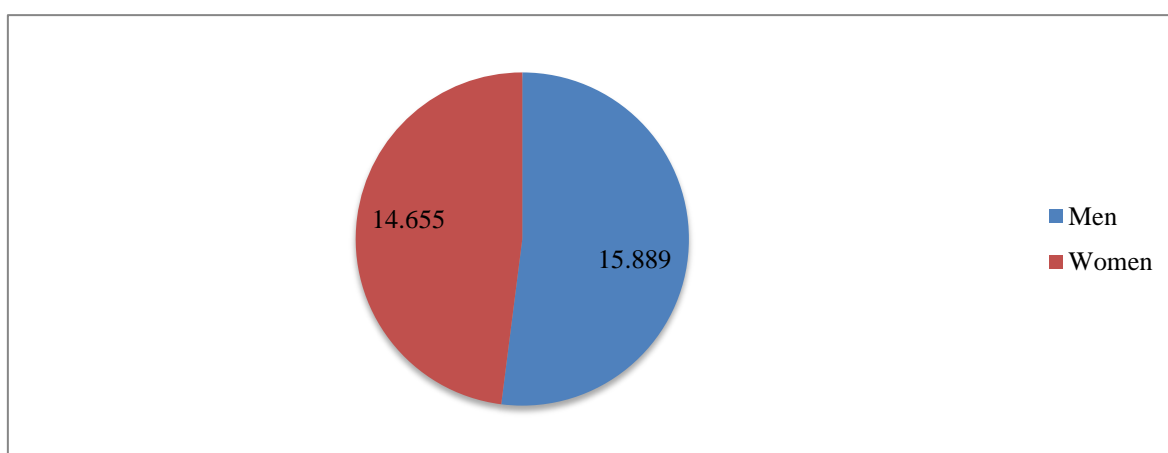
Source: Disabled persons in employment (excluding farmers) by activity (NACE Rev. 2) and sex, Slovenia, annually.

Employment Relationships Act also protects the rights of disabled workers, mandating in Article 195 that disabled workers be protected when it comes to employment and training. Furthermore, according to Article 196, when employers are sure of the work capacity of the disabled worker, they must ensure them another work, even part-time if necessary, that corresponds to their work capacity, wage compensation and occupational rehabilitation.

3.2 Diversity management in Slovene organisations

Research has been carried out on a sample of 20 Slovene organisations, and it has shown that only 30% of them consider diversity management necessary (Kosi, Nastav & Dolenc, 2012, p. 75-79). Organisations in this survey have expressed most positive attitudes towards diversity in age and gender, but were indecisive about national diversity; about half of the organisations are striving towards forming work teams that are diverse in age, and a third try to balance them in gender. Kosi et al. (2012, p. 56-58) have discovered that a majority of the organisations that have taken part in their research do not define workforce diversity as one of their values and do not offer training on the non-discrimination and diversity for all employees; furthermore, offering equal opportunities and achieving set goals in regards to diversity are not included in the criteria for performance evaluation of the managers. Over half of the organisations that have taken part in the research, however, are taking measures to ensure equal opportunities for all by clearly defining promotion criteria, available to all employees, allowing extra paid leave for family responsibilities, allowing extra leave for educational responsibilities, and mentoring programmes for younger employees.

Greif's research (2009, p. 39) has confirmed that Slovene organisations are generally understanding of parents with children and pregnant women; 58% of the interviewees

claimed that the employers show understanding of the needs of parents with small children, even though only 38% of young people are not burdened by trying to balance professional and personal life. Kosi et al. (2012, p. 41) give example of the retail corporation Mercator, which has received the certificate of a Family-Friendly Company in 2010, and offers measures like Lumpi packages for mothers, the use of the company's holiday homes (depending also on the age and number of children), educating leaders about balancing business and family life, and a free day for the parents of first-year pupils on their first day of school. Mercator has also obtained the Women Manager-Friendly Company Award, with women presenting 40% of the top management. This number is surprising in comparison with the research by Kosi et al. (2012, p. 52) which has shown that in the organisations they included, women present almost 42% of the workforce, but only 23.7% of them are in the top management.

Humar (2011) reports about a research of 46 Slovene organisations which has shown that in Slovenia, employers are mainly expressing concern when it comes to employing people who needed psychiatric help in the past, people over the age of 50, and the Roma people. However, discrimination on the basis of religion, sexual orientation and disability has not been detected. In Slovenia, quotas are in place for the employment of the disabled – organisations with at least 20 employees are legally bound to employ the disabled as at least 2% and not more than 6% of their whole workforce (Greif, 2009, p. 49). Mercator IP Invalidsko Podjetje (Mercator's 'Disability Company') was formed in 2008 with the intention of integrating the Mercator business group employees with disability into the work environment more suitable to their needs (Kosi et al., 2012, p. 42).

The disabled present 40% of the Mercator IP's workforce, and they can make use of various options, such as tax relief, good options for training, financial incentives, better understanding of the disabled on the part of managers and owners, ability for cooperation with other institutions (such as rehabilitation centres), etc. The company tailors work for each individual according to his/her physical restrictions, capabilities and knowledge, as well as the workplace (chairs, tables, etc.). Since the absenteeism in Mercator IP is twice as high as in the Mercator parent company due to physical and other therapies, several measures are in place to reduce it: active breaks during the work process for stretching, switching between the work places to prevent the same movement for a longer period which would cause the suffering of muscles and bones, encouraging the individuals to take care of their health, and involvement in the medical therapies of the employees (Kosi et al., 2012, p. 43).

Greif (2009, p. 37) writes about the research of over 200 Slovene organisations, which has focused on the treatment of older workers. Over 65% of organisations have no intention of promoting and making use of the concept of active aging, and only around 10% of them are using flexible work arrangements, aimed specifically at the needs of older workers. However, research by Žnidaršič and Dimovski (2009, p. 149-151) has also focused on the

Slovene older workers, and has identified several measures that organisations are taking in order to recruit, retain or meet the needs of the older workers. They have discovered that the most widely implemented measures by the organisations included in the research are the following:

Figure 6: Diversity measures regarding older workers (in %)
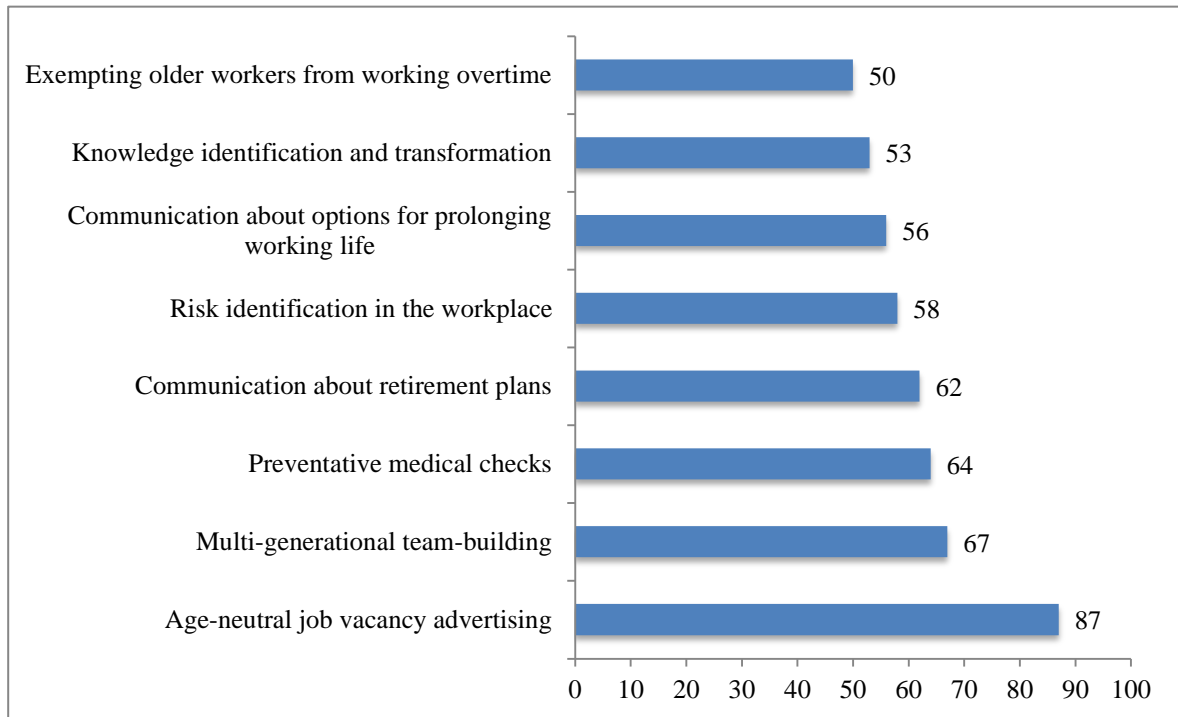
Source: J. Žnidaršič & V. Dimovski, *Active Ageing on the Company Level: the Theory vs. the Day-to-Day Practice in Slovenia,* 2009, p. 149-151.

4 RESEARCH ON DIVERSITY AND ORGANISATIONAL OUTCOMES

4.1 Research methodology

The aim of this chapter is to offer an overview of how organisations actually deal with different facets of diversity, presented in the previous chapters. In order to do so, I have turned to secondary sources to be able to get results from a larger number of organisations and from more countries than I could research on my own. For this reason, I present the findings of 2 studies – the study done by Society for Human Resource Management (SHRM) and the study by the European Commission.

SHRM is the world's largest association for human resources, and it has over 260,000 members in more than 140 countries. Their study was carried out towards the end of 2014, and it had 292 respondents, which presented a 10% response rate. The research used random sampling, and it chose the respondents from the organisations that have a membership in the SHRM. Data was collected using a questionnaire; questionnaires can be thought of as a 'written interview', and they provide a relatively quick and cheap way of gathering large amounts of data from a large sample (McLeod, 2014). Organisations that have business units located in the United States of America presented 84% of all the respondents.

The study by the European Commission was carried out in 2005; 798 organisations (26.6% response rate) from 25 European Union member states took part in the online questionnaire survey (see questionnaire in the Appendix 2) with the aim of researching diversity awareness and practices of member organisations of the European Business Test Panel (EBTP). Because this survey might be considered somewhat old for a topic like diversity, I only present those parts of this survey that have not been covered by the SHRM survey, and that I consider relevant and not time-sensitive.

4.2 Research findings – SHRM survey

The questionnaire established the following demographic characteristics of the participating organisations – the number of employees (Figure 7), and the industry that the organisation is active in (Table 11).

Figure 7: The number of employees in the organisation (n = 200; in %)
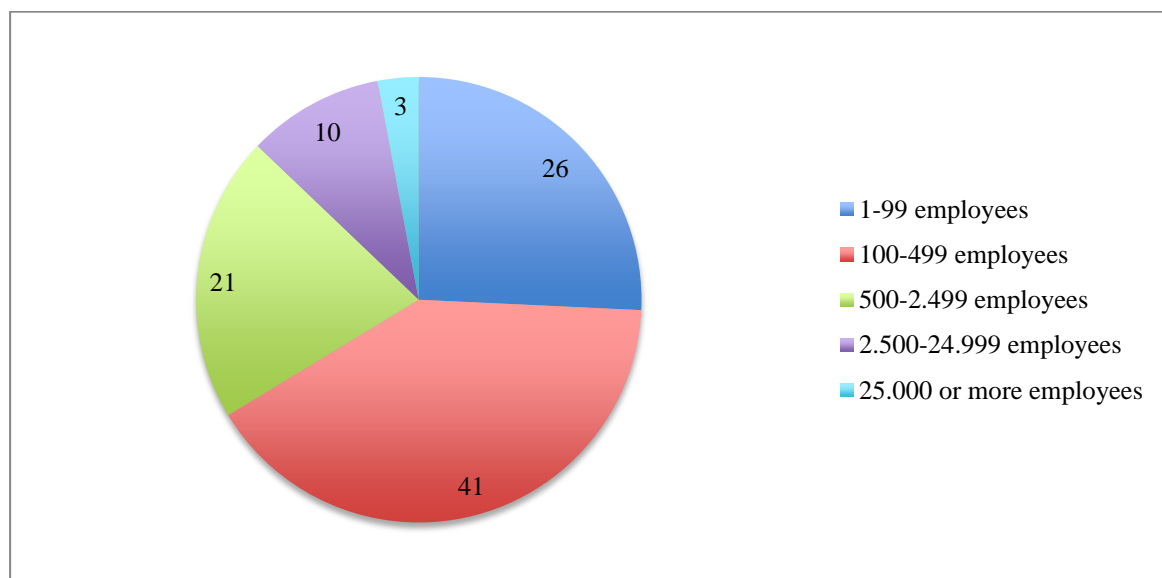
Source: Society for Human Resource Management, *SHRM Survey Findings: Diversity and Inclusion*, 2014.

Almost a third of all respondents did not answer this question; however, the responses of those who had, show that most organisations (41%) taking part in this survey have between 100-499 employees, followed by 1-99 employees (26%) and 500-2.499 employees (21%). The least respondents (3%) came from the organisations that have 25.000 or more employees. The responding organisations work in the following industries:

Table 11: Industry of the responding organisations (n = 185; in %)

Industry	Percentage
Government agencies	20
Manufacturing	19
Professional, scientific and technical services	16
Healthcare and social assistance	13
Finance and insurance	11
Educational services	9
Administrative and support and waste management and remediation services	8
Transportation and warehousing	7
Retail trade	6
Arts, entertainment and recreation	5
Information	5
Accommodation and food services	4
Construction	4
Wholesale trade	4
Agriculture, forestry, fishing and hunting	3
Religious, grantmaking, civic, professional and similar organisations	3
Repair and maintenance	3
Mining, quarrying and oil and gas extraction	2
Utilities	2
Personal and laundry services	1
Real estate and rental and leasing	1

Source: Society for Human Resource Management, *SHRM Survey Findings: Diversity and Inclusion*, 2014.

This question in the survey allowed the respondents to choose more than 1 answer; the 3 most frequent answers were the government agencies (20%), manufacturing (19%), and professional, scientific and technical services (16%). The 2 least frequent answers were personal and laundry services, and real estate and rental and leasing (both 1%). SHRM asked the respondents whether their organisation offered diversity training in 2012. Only 31% of the respondents answered this question positively, with 69% of the organisations not having had any diversity training whatsoever in 2012; unfortunately, the response rate for this question was also very low (35%).

Figure 8: Diversity training in 2012 (n = 103; in %)
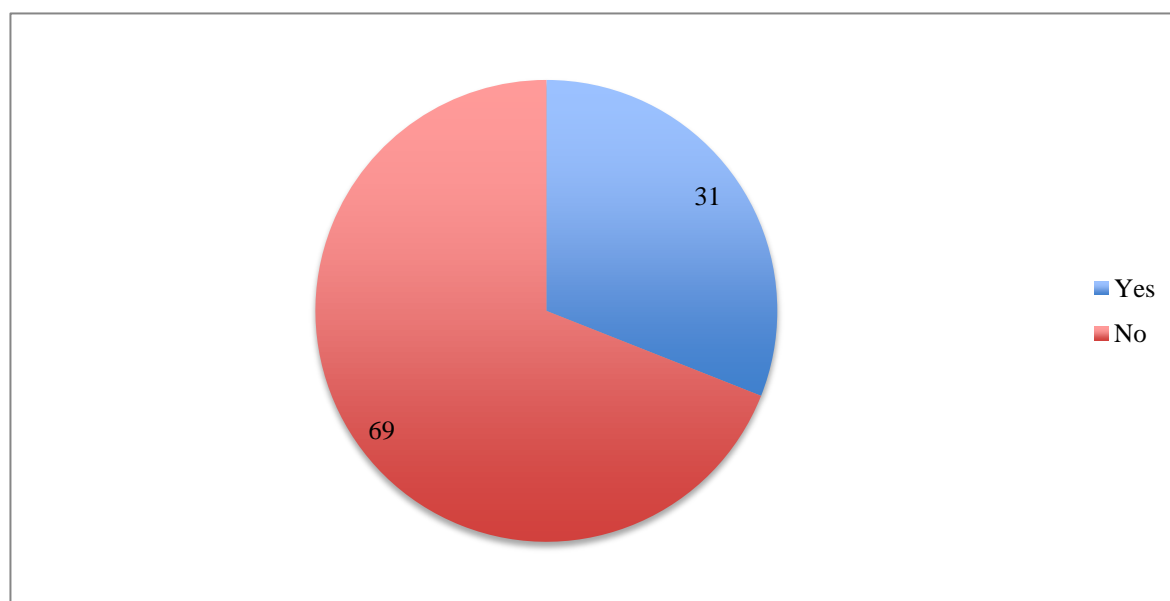
Legend:
- Yes
- No

(values shown: 31, 69)

Source: Society for Human Resource Management, *SHRM Survey Findings: Diversity and Inclusion*, 2014.

Those HR professionals who answered this question with 'yes', were then asked to asked to choose from the following options on the average duration of the diversity training:

Figure 9: Average duration of the organisation's diversity training (n = 30; in %)

Legend:
- Less than half a day
- Half a day
- One day
- More than one day
- Other

(values shown: 7, 3, 13, 50, 27)

Source: Society for Human Resource Management, *SHRM Survey Findings: Diversity and Inclusion*, 2014.

This figure shows that diversity training mostly (in 50% of the responses) lasts less than half a day; the cases where it lasts a whole day (13%) or more (3%) are actually quite rare.

In 27% of the cases, diversity training lasts only half a day. The survey also researched who is considered responsible for the implementation of diversity initiatives in the organisations:

Figure 10: Responsibility for the diversity initiatives' implementation (n = 134; in %)

The responses to this question show that the HR department is considered most responsible for the implementation of the diversity initiatives (64%); the president of the organisation/CEO was the second most frequent answer (26%). Diversity committee/council/advisory board were considered responsible for diversity only in 11 % of the responses, and they were followed by the senior management team (10%). Only 6% of the respondents believed that the Chief diversity officer is responsible for the initiatives' implementation, which is the same percentage as the board of director received. Surprisingly, 10% of the responses believed that no one at all is responsible. It needs to be pointed out that this question offered the option of choosing multiple answers.

The authors of the survey then further researched how CEOs support diversity initiatives; this question again had the option of choosing multiple responses; the 2 main ways in which CEOs support diversity initiatives were ensuring that the corporate vision statement included diversity (27%) and by meeting regularly with the employee resource groups (15%), which are groups formed around an aspect of diversity. Only 6% of the respondents chose the option that their CEO chairs or leads a diversity council in the organisation.
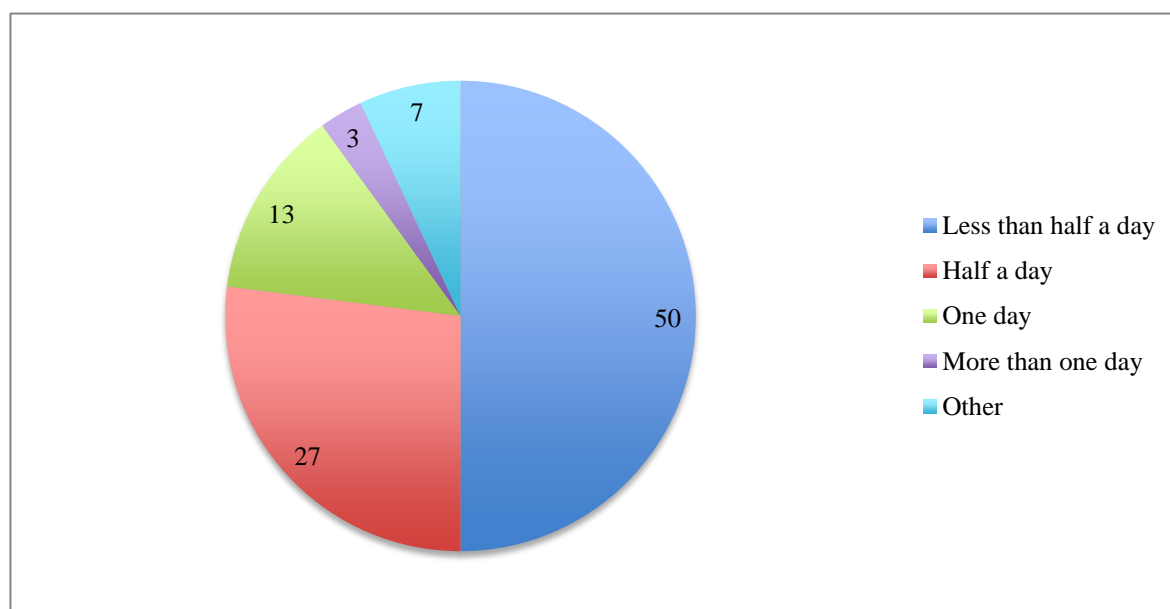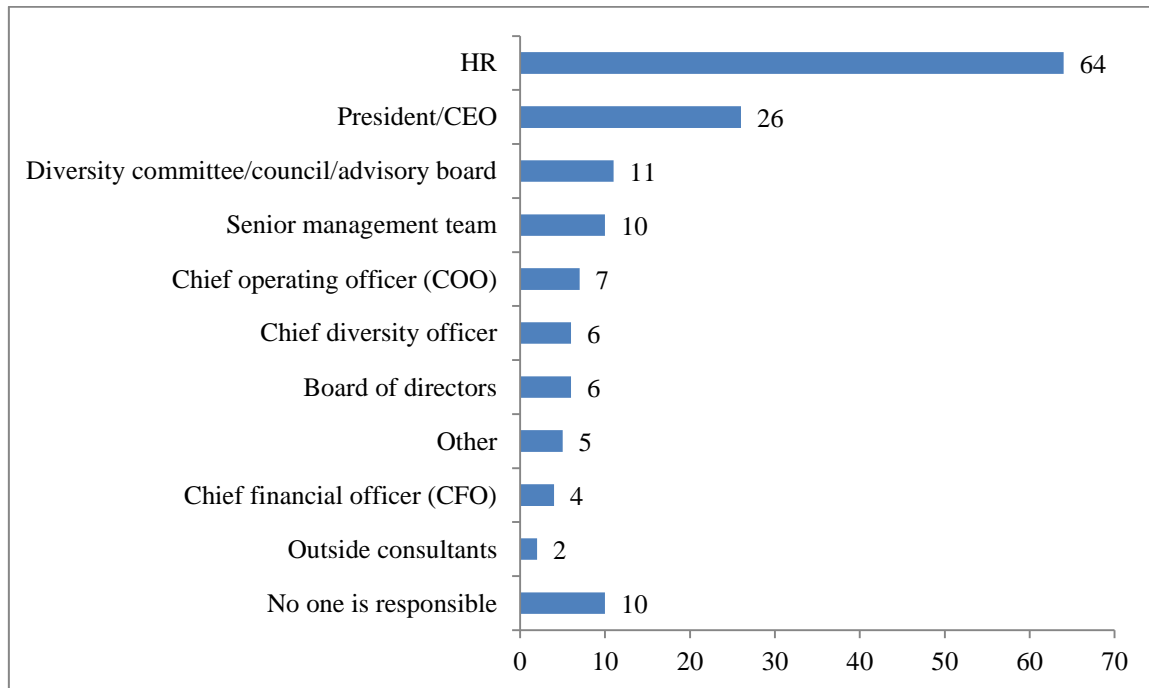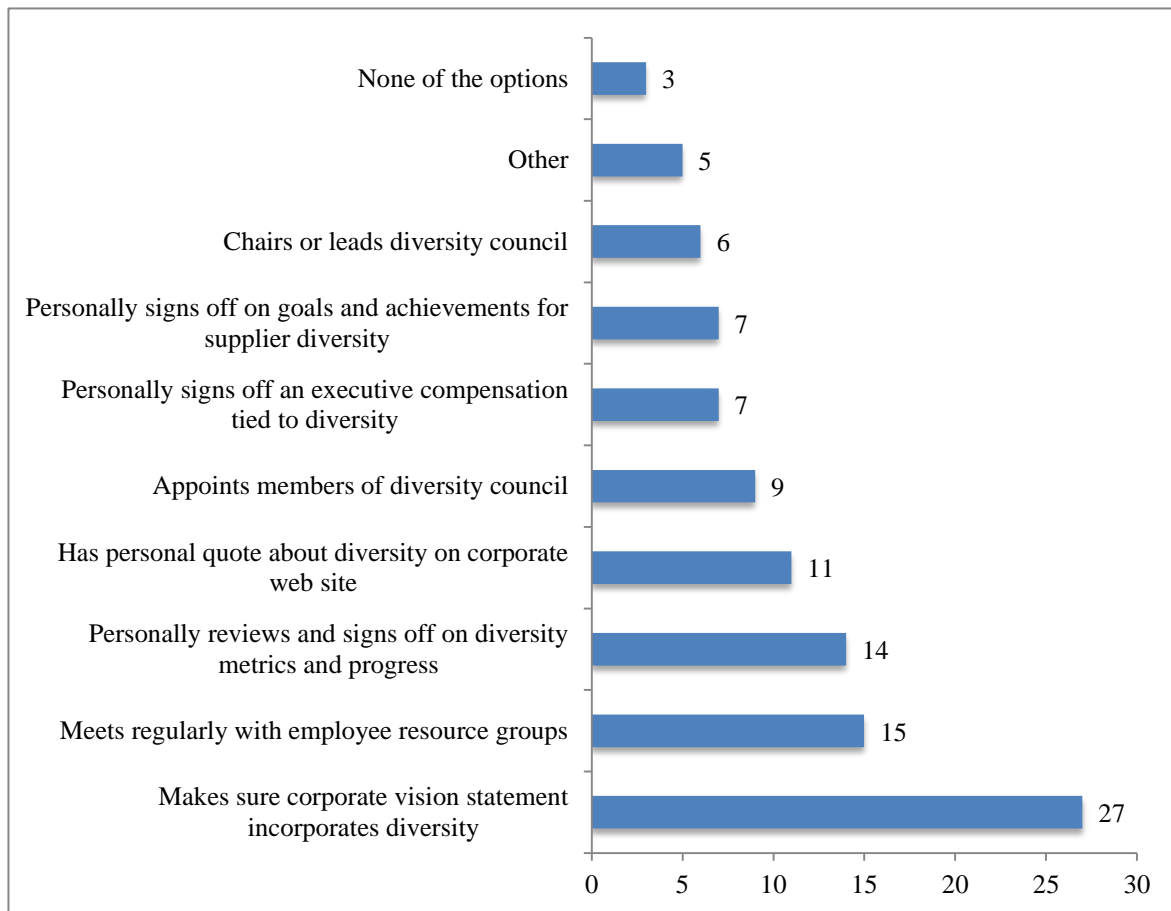
53

Figure 11: The ways in which CEOs support diversity initiatives (n = 128; in %)

Source: Society for Human Resource Management, *SHRM Survey Findings: Diversity and Inclusion*, 2014.

Diversity initiatives in organisations address different diversity dimensions; the main 2 diversity dimensions addressed by organisations are ethnicity and gender (both 61%), followed by race (54%), age (50%) and disability (41%). Once again, this question had the option of choosing multiple answers. Deep-level attributes, such as personality (8%) and values/beliefs (15%) are at the bottom of the answers in terms of frequency. The veteran status is addressed by initiatives in 38% of the responding organisations, which is not so surprising taking into account the fact that the majority of the respondents to the survey operate in the United States of America. Religion and sexual orientation are both addressed in 32% of the organisations, and parental status in 10% of the respondents. Even though this question has offered many different dimensions of diversity to choose from, 10% of the HR professionals that took part in this survey answered that the diversity initiatives in the organisation also address other diversity dimensions.

54

Figure 12: Diversity dimensions addressed by diversity initiatives (n = 81; in %)
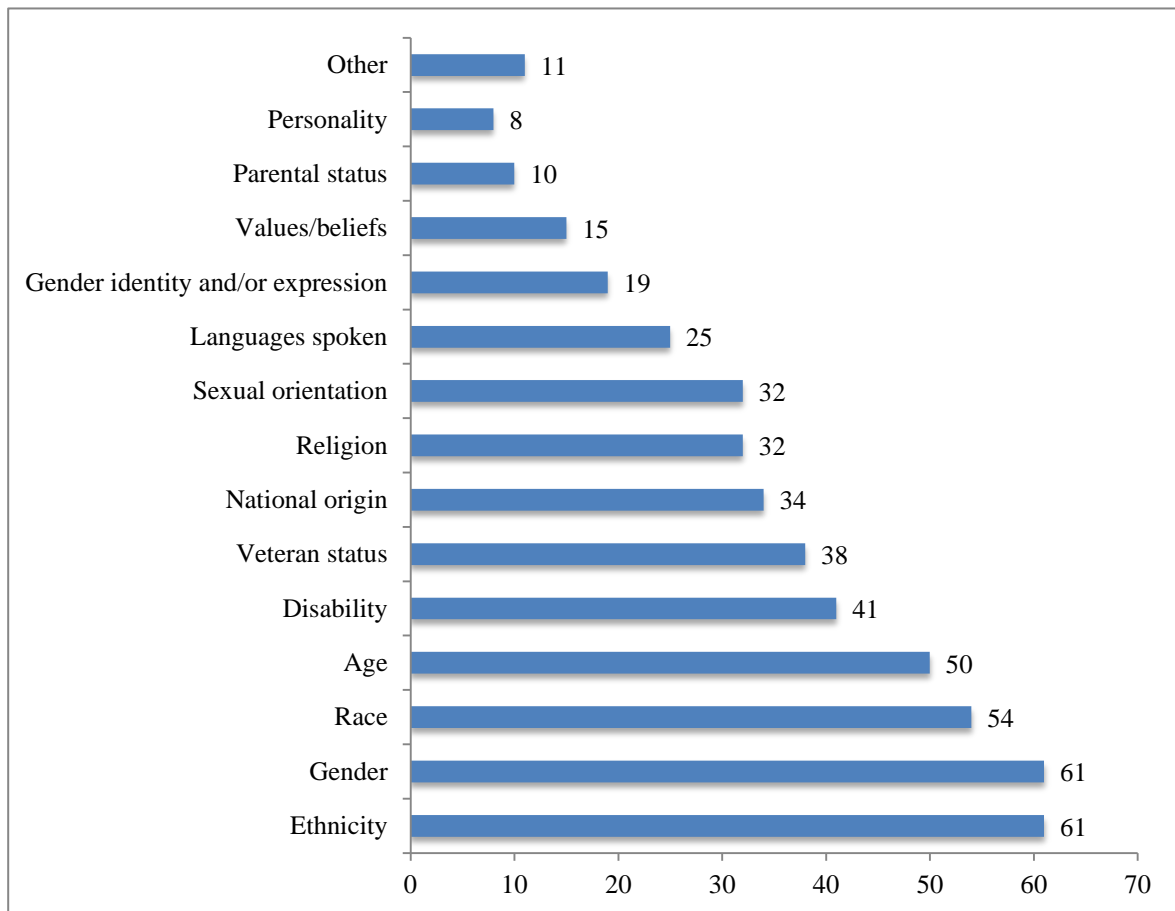
The HR professionals that took part in this survey then had to choose which diversity practices their organisations take part in. They had the option of choosing multiple answers; the most common diversity practice is that the recruiting strategies are designed in such a way that they help increase diversity within the organisation (57%), followed by community outreach (47%) and aligning diversity with business goals and objectives (40%). Many organisations (38%) also make use of diversity practices that help them retain a diverse workforce, and those that are aimed at achieving diversity within the higher-level positions in the organisation (36%). In only 5% of the organisations, the achievement of goals related to diversity is connected to the incentive pay for the management. One of the best practices in the companies, chosen into the Top10 in the DiversityInc survey, is also ensuring diversity in suppliers, contractors, etc. However, in the SHRM survey, only 21% of the responding organisations practice this.

Figure 13: Diversity practices that organisations participate in (n = 100; in %)

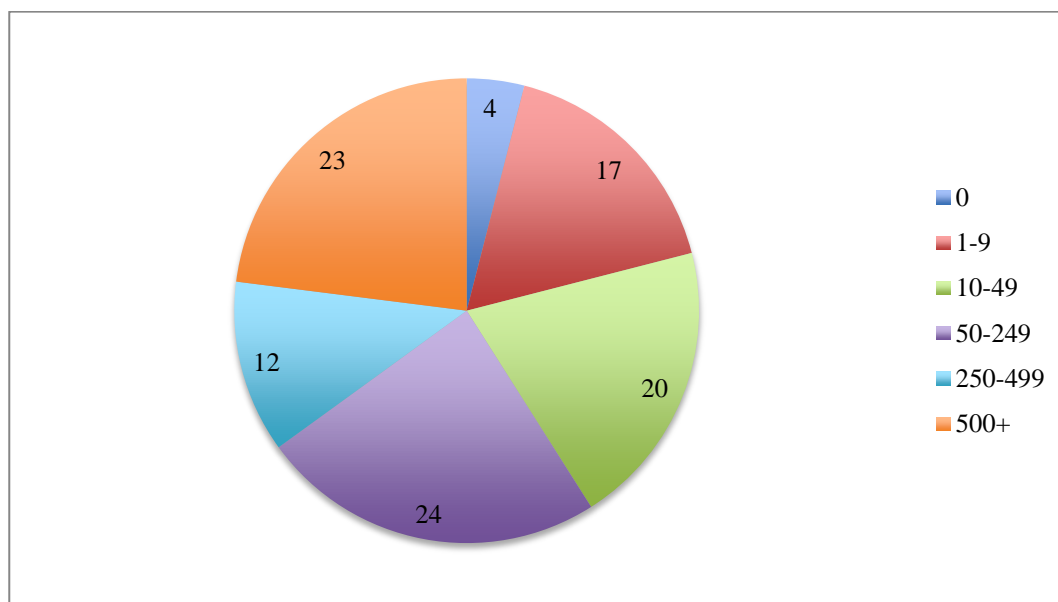| Practice	%
Incentive pay for management is linked to the achievement of organisational diversity goals	5
Leadership development opportunities are specifically tailored for diverse employees	12
Programmes with a focus on global/international diversity exist in the organisation	13
Employee affinity groups exist in the organisation (e.g. employee resource networks)	15
People managers are held accountable for diversity-related tasks or outcomes in the performance management process	19
The organisation develops strategies to ensure diversity in its suppliers, contractors, etc.	21
Organisation's employee attitude/satisfaction/engagement survey includes items that relate to organisational diversity	29
Diversity awareness is celebrated in the form of different cultural events (e.g. Black History Month, Hispanic Heritage Month, etc.)	30
The organisation collects measurements/metrics on diversity-related practices	33
Leadership development opportunities are designed to increase diversity in higher-level positions within the organisation (e.g. mentoring, coaching, etc.)	36
Retention strategies are designed to help retain a diverse workforce	38
The organisation aligns diversity with business goals and objectives	40
Community outreach is related to diversity (e.g. links between organisation and educational institutions, government, etc.)	47
Recruiting strategies are designed to help increase diversity within the organisation	57

Source: Society for Human Resource Management, *SHRM Survey Findings: Diversity and Inclusion*, 2014.

4.3 Research findings – EBTP survey

The organisations that took part in the EBTP survey were generally much smaller in size than those in the SHRM survey:

Figure 14: The number of employees in the organisation (in %)

Most organisations in the survey had 50-249 employees (24%), followed by 500+ employees in 23% of the respondents, and 20% with 10-49 employees. The responding organisations are active in the following industries:

Table 12: Industry of the responding organisation (in %)

| Industry	Percentage
Manufacturing	27
Real estate, renting and business activities	13
Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods	13
Construction	11
Transport, storage and communication	10
Financial intermediation	8
Community, social and personal service activities (other than health and social work)	6

table continues

continued

Industry	Percentage
Electricity, gas and water supply	4
Hotels, restaurants and bars	3
Health and social work	3
Mining / quarrying	2

The main 5 industries that the responding organisations were active in were manufacturing (27%), real estate, renting and business activities (13%), wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods (13%), construction (11%) and transport, storage and communication (10%). The participants in the survey were asked whether they perceive the impact of diversity initiatives as positive:

Figure 15: Positive impact of diversity initiatives on business (in %)
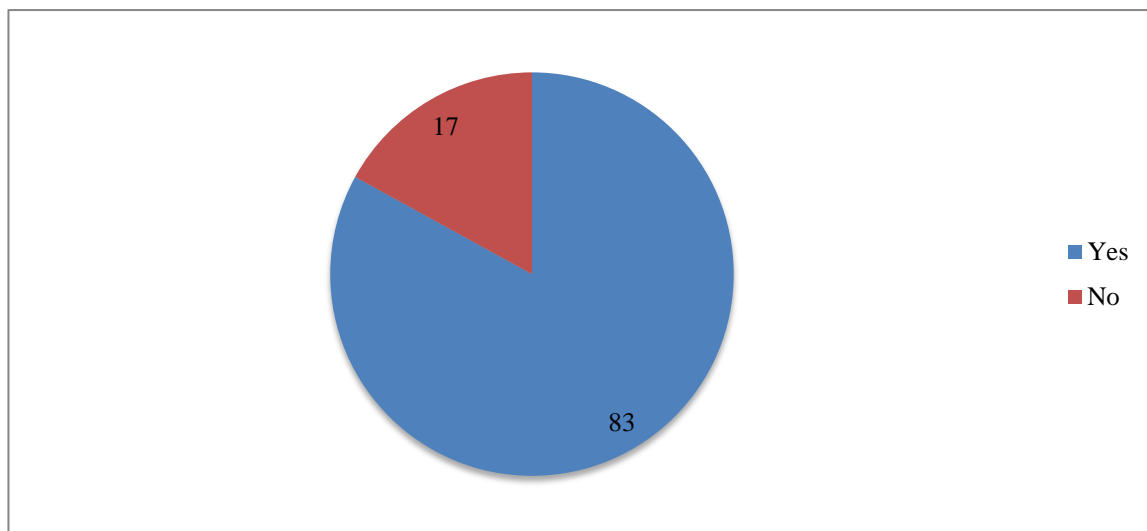
Over 80% of the participants answered that they consider diversity initiatives as positively affecting the business; the participants in the survey then answered that based on their experience and/or expectations, diversity in the workplace can bring the following benefits to the organisations:

Figure 16: Benefits of a diverse workforce for the organisation (in %)
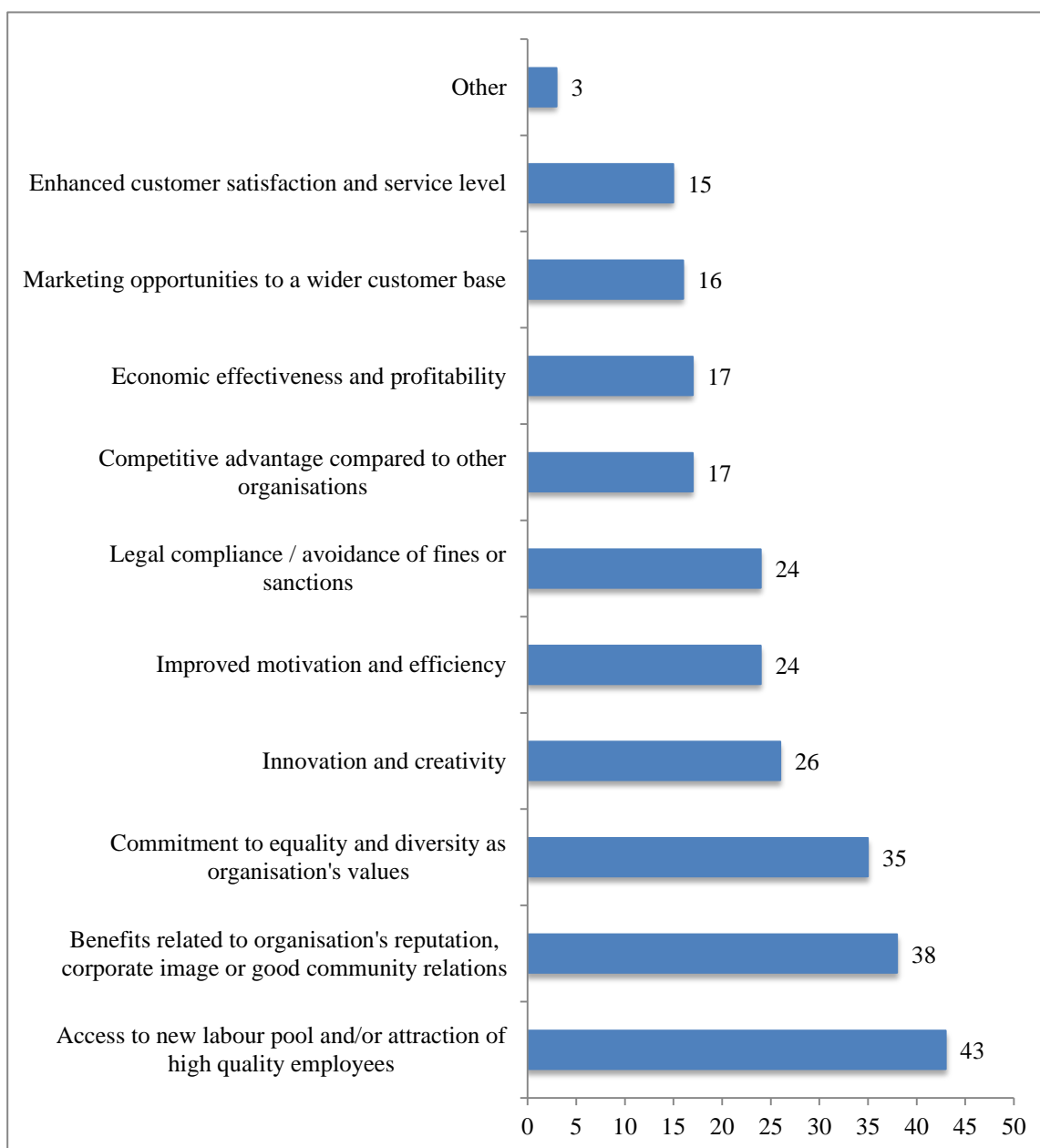
Source: European Commission, *The Business Case for Diversity – Good Practices in the Workplace*, 2005, p. 53.

In this question, the participants had the option of choosing all the benefits they believed had applied. The benefit mentioned by most organisations is the access to the new labour pool and/or the attraction of high quality employees (43%), followed by benefits concerning the company's reputation, corporate image or good community relations (38%), and commitment to equality and diversity as company values (35%). Other benefits chosen by the participants were innovation and creativity (26%), improved motivation and efficiency (24%), legal compliance / avoidance of fines or sanctions (24%), competitive advantage compared to other organisations (17%), economic effectiveness and profitability

(17%), marketing opportunities to a wider customer base (16%) and enhanced customer satisfaction and service level (15%). The main areas covered by the diversity initiatives in the responding organisations were the following:

Figure 17: Areas covered by diversity initiatives in the participating organisations (in %)

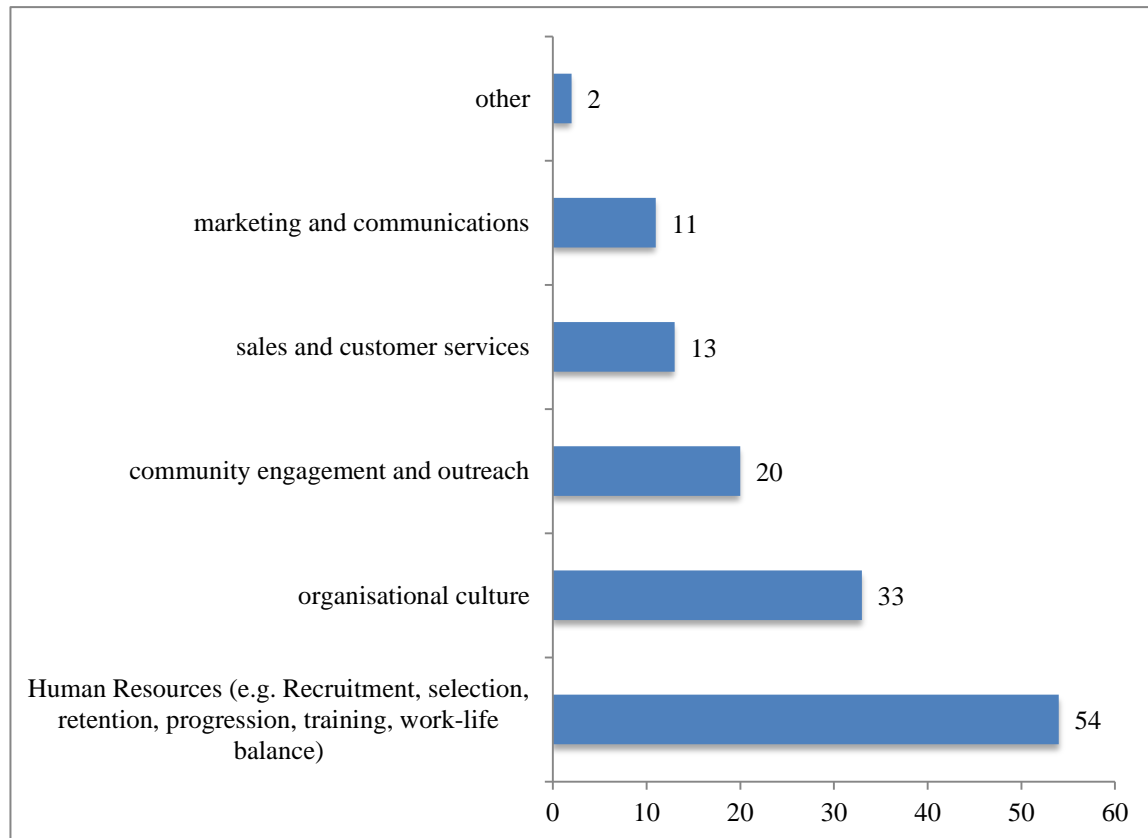
Source: European Commission, *The Business Case for Diversity – Good Practices in the Workplace*, 2005, p. 54.

With this question, participants could once again choose all the options that applied to their organisation. Over half of them (54%) chose that in their organisation, diversity initiatives cover Human Resource area; this was followed by organisational culture (33%), community engagement and outreach (20%), sales and customer services (13%), and marketing and communications (11%).

EBTP survey also researched the challenges that diversity brings to the workplace, and it discovered that the 3 most common ones were difficulty measuring results (22%), lack of information (21%) and the discriminatory attitudes and behaviours that are present in the organisations (17%); the other challenges are also presented in the Figure 18:

Figure 18: Challenges of workplace diversity (in %)
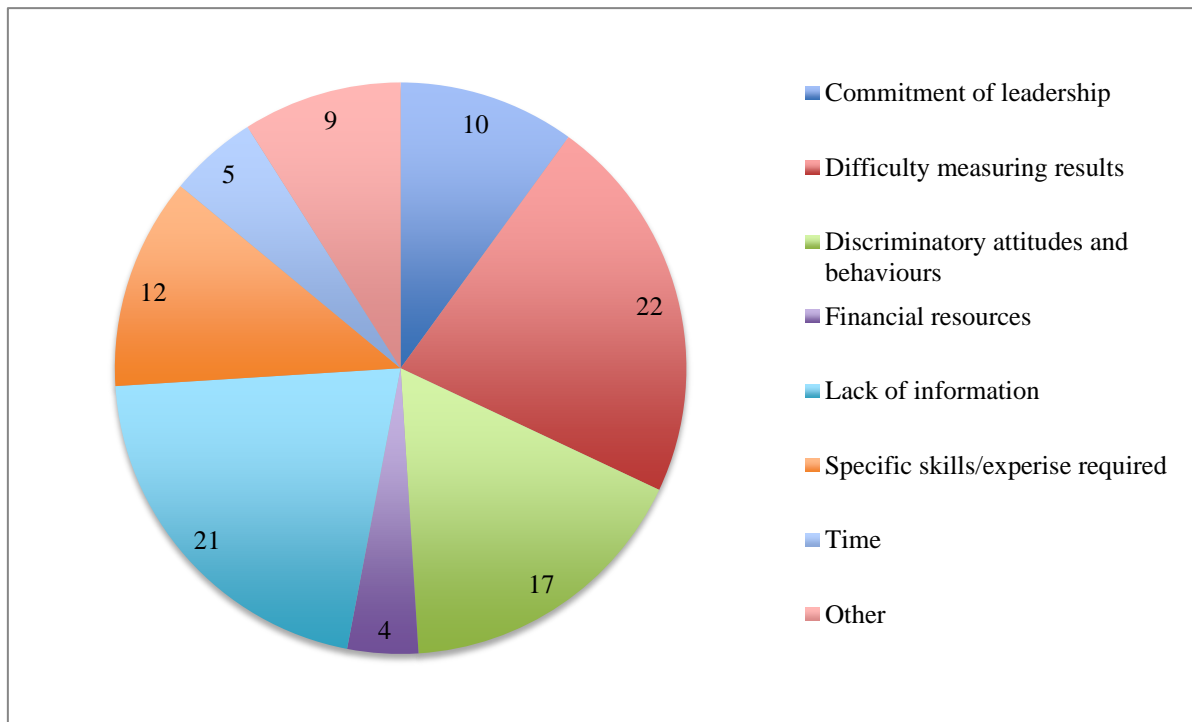
Legend:
- Commitment of leadership
- Difficulty measuring results
- Discriminatory attitudes and behaviours
- Financial resources
- Lack of information
- Specific skills/experise required
- Time
- Other

Source: European Commission, *The Business Case for Diversity – Good Practices in the Workplace*, 2005, p. 28.

4.4 Discussion

4.4.1 Interpretation of results

The main objective of using these 2 studies in my thesis was to investigate the state of diversity and its management in the organisations, and test the set hypotheses. By using it, I especially wanted to explore whether organisations actually use diversity initiatives and training, how they achieve their implementation, and how they perceive the consequences of diversity for the organisation.

Diversity training and diversity initiatives can enable the organisations to reap the benefits associated with employing a diverse workforce. Research shows that organisations recognise this, with 83% of the organisations in the EBTP survey perceiving diversity as having a positive impact for them. Unfortunately, the SHRM survey revealed that less than a third (31%) of organisations actually carry out diversity training; when they do so, it usually lasts only half a day or even less. The CEO/president of the organisation is considered as the second most responsible one for the implementation of the diversity initiatives. The need for the CEO's commitment to diversity, often suggested in the literature, has been explored in the SHRM study, and the most common ways this is

achieved is by ensuring that the organisation's vision statement includes diversity, and by regularly meeting with the employee resource groups. However, 64% of the respondents considered Human Resource department the most responsible for the implementation of diversity initiatives, which confirms Hypothesis 1 (*The role of the HR department is crucial to the success of the diversity initiatives*).

The SHRM study shows that the initiatives that organisations use cover both surface- and deep-level characteristics; however, the majority of initiatives focus on the former, with characteristics like personality and values being covered in 15% or less of the initiatives. The most frequently covered characteristics are ethnicity, age, gender, race and disability. This confirms Hypothesis 2 (*Diversity initiatives mainly focus on surface-level characteristics*). Diversity initiatives are not limited to one specific area of the organisation; they also cover, among other, marketing and communications, as well as sales and customer services. Rather than just focusing on a specific department, diversity initiatives (in 33% of the cases in the EBTP study) also focus on the organisational culture.

The research of literature and previous studies and researches has shown that there are several benefits of the diverse workforce for the organisations, which has been confirmed in the EBTP study, which showed that these benefits are improved organisational image, and increase in innovation and motivation. Most respondents (43%), however, claim that diversity enables them the access to new labour pool and attraction of high-quality employees, which confirms Hypothesis 3 (*Workforce diversity results in the employment of the high-quality employees*).

4.4.2 Comparison with previous research

The SHRM study has showed that the HR department and the CEO/president are the most important for the implementation of diversity initiatives. This is in line with findings by Kreitz (2008, p. 102-103), who pointed out that the top management commitment and skilled HR managers belong to the main 3 conditions that need to be fulfilled for the success of diversity in organisations. Because they are strategically positioned to communicate with managers from all levels, the role of the HR managers is especially crucial (Kreitz, 2008, p. 103), which has also been the premise of Hypothesis 1. The SHRM study has also revealed that not all diversity characteristics are addressed equally, with the deep-level ones addressed the least. Previous research has been carried out on this subject, and Groeneveld (2011, p. 604) pointed out that those employees who do not belong to any groups that are addressed by the initiatives, may feel they have been treated unjustly.

The EBTP study has revealed there are several benefits for organisations that have a diverse workforce; it has also confirmed Hypothesis 3, which claims that the workforce diversity leads to the employment of high-quality employees. Research by other authors

confirms this; Cornelius (1999, in D'Netto & Sohal, 1999, p. 531) writes that organisations that employ diverse workforce attract people from various labour markets, which in turn results in the employees being the best ones for the job. Furthermore, the second most common benefit chosen by the respondents was the improved organisation's image, which is in line with previous research by Kandola (1995, in Maxwell et al, 2001, p. 471), who wrote that this is a result of improved understanding of the customer base. Improved innovation and creativity (26% in the EBTP study) occur as a result of the diverse workforce facilitating unique approaches to problem-solving, whereas improved motivation and efficiency (24% in the EBTP study) have also been confirmed by Greif (2009, p. 32-33).

4.4.3 Limitations of the research

The research by the SHRM and EBTP surveys offers a valuable and concise insight into different facets of workplace diversity; however, it is necessary to be aware of the certain limitations concerning the results. Even though the EBTP survey included almost 800 and SHRM almost 300 respondents, the general response rate was quite low (26,6% and 10% respectively). For this reason, it would be hard to generalise on the basis of these surveys, even more so because even within the SHRM survey, the response rate to many questions was low. Furthermore, different facets of diversity do not have the same frequency and importance in all countries – for example, in the United States of America, certain diversity practices are aimed at individuals with the veteran status, which could not be the case in the countries that have never fought in or been affected by wars. This would be the case for Slovenia, because as a predominantly white and Catholic country, many characteristics of diversity would not be (considered) applicable in the initiatives.

Another limitation of both SHRM and EBTP surveys is that they are cross-sectional; the main feature of cross-sectional research is that is focuses on data at a single point in time (Institute of Work & Health, 2015). The benefit of such research and studies is that they enable researchers to compare several variables at the same time, but they do not necessarily provide information about the cause-and-effect relationships. Even though I have only used those questions from the EBTP survey that I assumed would not change significantly over time, it would be necessary to do another study at a later point in time to check how diversity practices have changed in the participating organisations as a result of workplace diversity gaining recognition and importance in general over the last decade.

CONCLUSION

This thesis focuses on the management of the diverse workforce in organisations. The purpose was to explore the relationship between diversity and organisational outcomes, which I have done by reviewing the existing Slovene and international literature.

I have discovered that diversity consists of various characteristics, for which different classifications exist. I have focused on the classification into the deep- and surface-level diversity; in the former group, I have researched personality, values, attitudes, perception, attribution and abilities. In the surface-level group, I have focused on age, gender, race, cultural background, disability, sexual orientation and working parents. The research in this chapter has revealed that every single one of these characteristics can impact the work of an individual in an organisation.

Then, I have researched the composition of the Slovene workforce and legal requirements in regards to diversity. I have discovered that the main act in Slovenia concerning employment is the Employment Relationships Act, which strictly prohibits discrimination in any part of the employment process, and also regulates various aspects of the diverse workforce – e.g. older workers, pregnant women, the disabled people, etc. The Slovene workforce consists of individuals over the age of 15; workers over the age of 55 are considered as the older workers. In each age category, there is a higher number of men than women employed. Research has shown that in Slovene organisations, diversity management is not generally considered as necessary; however, I have discovered that there are several initiatives in place for parents with children and pregnant women, older workers and workers with disability. This is not surprising, taking into the account that these groups are also well represented in the Employment Relationships Act.

The success of the organisations with the diverse workforce depends on how well they implement and manage diversity; research has identified 5 steps that organisations should take in order to do so – planning, organising, staffing, directing and controlling. When diversity is managed well, it can provide the organisation with several benefits, such as increased profit due to factors like improved understanding of the customer base, access to new markets, improved innovation and creativity, and assuring that the best people for the job are the ones who get hired. Furthermore, diversity in the composition of the workforce can have a positive effect on the employee morale and motivation, but this relationship is dependent on the success of diversity management. If the diverse workforce is not managed well, organisations risk the increase in relational conflicts and turnover, and decreased social cohesion. I have also discovered that demographic diversity in work teams generally results in increased relationship- and task-conflict.

Because organisations turn to forming work teams out of diverse members, I have discovered that, in this case, the 'faultlines' are likely to occur. They present the split of the work team into subgroups, and can be the deciding factor of the success or failure; their effect is explained by two theories – social identity theory and social categorisation theory. Another factor that moderates the success of the diverse work teams is the leader of the team; I have discovered in my thesis that the leader needs to have both task- and relationship-oriented skills, and must know how to switch between different leadership styles if the situation demands it.

Diversity initiatives can be used by organisations to attract and retain the diverse workforce; this thesis has examined the reasons why they often fail. The 3 main reasons have been identified as the barriers of work environment, barriers of people in corporations and barriers of diversity initiatives. When diversity initiatives are successful, they can result in great advantages for the company. I have explored in more detail the following initiatives: diversity training, flexible work arrangements and mentoring programmes; all 3 of them are regularly mentioned in the research on the best practices of the companies that are considered to be the best for diversity.

In Chapter 4, I have presented the findings of 2 studies, carried out by the Society for Human Resource Management and by the European Commission, to gain an insight into how diversity management is dealt with in practice. These studies confirmed that the involvement of the top management is important for the success of the diverse workforce. Despite of the benefits, associated with diversity in the organisations, which have also been confirmed by these 2 studies, less than a third of the participating organisations in the SHRM study had any diversity training in 2012, and it mostly lasted less than half of the day. The studies have confirmed my 3 hypotheses - *The role of the HR department is crucial to the success of the diversity initiatives; Diversity initiatives mainly focus on surface-level characteristics; Workforce diversity results in the employment of the high-quality employees).*

This thesis shows that the topic of diversity management is complex and multi-dimensional; based on my research, I propose some pieces of advice for the organisations and managers in regards to diversity in the workplace.

Managers need to be aware which diversity characteristics are present and relevant in their workforce. Because initiatives often do not go beyond the scope of age, gender and disability, it is important to be aware of the effect that deep-level and less-common surface-level characteristics can have, and ensure that they are also included. Furthermore, diversity should entail the whole organisation; research consistently shows that the top management commitment to diversity is among the key factors for its success. Implementing and managing diversity should, thus, not be confined only to the HR

department, even more so because managers spend more time with their (group of) employees and can be much more aware of their characteristics in regards to diversity.

Diversity and its benefits can extend beyond the organisation's limits, which managers need to be aware of. While employing a diverse workforce can be a great competitive advantage and a benefit to both the profit and organisational environment, organisations should also be aware that diversity in suppliers, contractors, etc. and in the customer base are beneficial for them as well. Managers should also ensure the relevance and appropriateness of the diversity initiatives, because it is imperative that they have a certain ground and a purpose, and achieve the set goals. Thus, initiatives should be adapted to the specific needs and composition of the workforce, not blindly copied from another organisation(s). Furthermore, organisations need to ensure that the inclusion of a certain characteristic group in the initiative does not come at the price of exclusion of another one.

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APPENDIXES

TABLE OF APPENDIXES

Appendix 1: Questionnaire on the probability of faultlines

For team leaders: This short survey will show you the probability of a strong faultline emerging in your team. Rate your team members against these four elements:

1. The number of nationalities in the team
a. Team members are all of the same nationality.
b. There are two nationalities.
c. There are three to five nationalities.
d. There are six to 10 nationalities.
e. There are more than 11 nationalities.

2. The current age, education and gender of the team members
a. The majority are the same gender and about the same age and have the same education level.
b. The majority are the same gender and have the same education level but are of different ages.
c. The majority are of the same age and have the same education level and are both men and women.
d. The majority are the same age and gender and have different education levels.
e. The team contains both men and women of different ages and education levels.

3. The current business location of team members
a. They are all from the same function and the same business.
b. They are all from different functions in the same businesses.
c. They are all from different functions and different businesses within the company.
d. They are from different businesses and functions in the company and from longstanding partners from outside the company.
e. They are from different parts of the company and include longstanding partners of the company and new partners and customers of the company.

4. The values and aspirations of the team
a. All members of the team have very similar values, dispositions and attitudes.
b. Many members of the team share values, dispositions and attitudes.
c. There is a clear divide between groups with regard to values, dispositions and attitudes.
d. Many people have different values, dispositions and attitudes.
e. There is a great deal of variety in values, dispositions and attitudes.

Low probability of faultlines emerging:
Scoring mostly a's and b's — The team is relatively simple and homogeneous, so it is unlikely that faultlines will emerge.
Scoring mostly e's — The team is heterogeneous. Therefore, it is unlikely that faultlines

will emerge.

High probability of faultlines emerging:
Scoring mostly c's and d's — This team has a high potential for faultlines to emerge because a medium degree of diversity tends to lead to the development of only a few fairly homogeneous subgroups.

Source: L. Gratton, A. Voigt & T. Erickson, *Bridging Faultlines in Diverse Teams*, 2007, p. 28.

Appendix 2: European Business Test Panel (EBTP) questionnaire

Identification of case for EBTP:

1. Indicate your main sector of activity (compulsory)
- Manufacturing
- Real estate, renting and business activities
- Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
- Construction
- Transport, storage and communication
- Financial intermediation
- Other community, social and personal service activities
- Electricity, gas and water supply
- Hotels, restaurants and bars
- Health and social work
- Mining/quarrying

2. Indicate in which EU/EEA countries your company is based? (compulsory)
- DE – Germany
- NL – The Netherlands
- DA – Denmark
- PL – Poland
- HU – Hungary
- IE – Ireland
- UK – United Kingdom
- BE – Belgium
- CZ – Czech Republic
- NO – Norway
- PT – Portugal
- FI – Finland
- SV – Sweden
- AT – Austria
- ES – Spain
- FR – France
- EL – Greece
- LT – Lithuania
- SI – Slovenia
- EE – Estonia
- IT – Italy

- LV – Latvia
- SK – Slovak Republic
- IS – Iceland
- MT – Malta
- LU – Luxembourg
- CY – Cyprus

3. Number of employess in your company (compulsory)
- 0
- 1-9
- 10-49
- 50-249
- 250-499
- 500+

4. Apart from your country, in how many countries of the European Union do you regularly sell products and services? (compulsory)
- None
- 1
- 2-3
- 4-5
- More than 5

Questions:

1. How would you describe the situation in your company relating to diversity policies and practices? (select one)
- We have no such policies or practices in place
- Policies and practices have been well embedded for some time (more than five years) and are constantly updated/improved
- Policies and practices have recently been implemented (within the last five years)
- We are implementing policies but more needs to be done
- We are in the process of developing an equality and diversity approach

1a. Could you tell us why no diversity policies and practices are in place? (Select all that apply) (Please go to questions 9.-13.)
- We only look at qualifications when we hire and promote
- We have not given particular thought to diversity
- We are concerned, but do not see particular competitive advantages
- We have no expertise in this field
- We would need more information about it

4

- We are not sure what diversity really means
- We have no budget available
- Other – please specify

2. Which of the following diversity areas/grounds of discrimination do these initiatives address? (Select all that apply)
- Gender
- Age
- Nationality
- Disability
- Racial or ethnic origin
- Religion or belief
- Language
- Sexual orientation
- Other – please specify

3. Do these diversity initiatives have a positive impact on your business?
- Yes
- No

4. Based on your experiences and/or expectations, which of these benefits can a diverse workforce bring to business? (Select all that apply)
- Access to new labour pool and/or attraction of high quality employees
- Benefits related to company's reputation, company image or good community relations
- Commitment to equality and diversity as company values
- Innovation & creativity
- Improved motivation & efficiency
- Legal compliance / avoidance of fines or sanctions
- Competitive advantage compared to other firms
- Economic effectivess and profitability
- Marketing opportunities to a wider customer base
- Enhanced customer satisfaction & service level
- Other – please specify

5. In broad terms, which of the following areas do your diversity initiatives cover in practice? (Select all that apply)
- Human Resources (e.g. recruitment, selection, retention, progression, training, networks, work-life balance)
- Organisational culture
- Community engagement and outreach

- Sales and customer services
- Marketing and communications
- Others – please specify

6. Is there a regular monitoring and evaluation of the intiatives to measure their results and impact?
- No
- Yes

6a. Do you use data on workforce composition for monitoring and evaluation of the initiatives?
- No
- Yes

7. Does the company set any specific diversity targets for the recruitment and promotion of staff from given under-represented groups?
- No
- Yes

7a. Please specify there target groups:
- Gender
- Age
- Disability
- Racial or ethnic origin
- Nationality
- Language
- Religion or belief
- Sexual orientation
- Other – please specify

8. Are financial resources / a specific budget allocated to workplace diversity and anti-discrimination?
- No
- Yes

9. What in your view is the most important challenge to addressing wokrplace diversity and anti-discrimination in practice in the workplace? (Select one)
- Lack of information and awareness
- Difficulty of measuring results of diversity policies
- Discriminatory attitudes and behaviours
- Specific skills/expertise required

- Commitment of leadership
- Time
- Financial resources for this purpose
- Other – please specify

9a. What in your view is the second most important challenge to addressing workplace diversity and anti-discrimination in practice in the workplace? (Select one)
- Lack of information and awareness
- Difficulty of measuring results of diversity policies
- Discriminatory attitudes and behaviours
- Specific skills/expertise required
- Commitment of leadership
- Time
- Financial resources for this purpose
- Other – please specify

10. What are your main information sources on the subject of diversity in the workplace? (Select all that apply)
- Employers' organisations or networks
- Other businesses and companies
- National government
- Chambers of commerce
- European Commission
- Works councils or trade unions
- Other – please specify

11. From which actors would you welcome more information on the benefits of diversity in the workplace? (Select all that apply)
- Employers' organisations or networks
- Other businesses and companies
- National government
- Chambers of commerce
- European Commission
- Works councils or trade unions
- Other – please specify

12. Do you think that current rules and legislation in the field of workplace diversity are:
- Insufficient – more needs to be done
- About right
- Too much

- No opinion

13. Do you think that awareness-raising activities in the field of workplace diversity are:
   - Insufficient – more needs to be done
   - About right
   - Too much
   - No opinion

Source: European Commission, *The Business Case for Diversity – Good Practices in the Workplace*, 2005, p. 51-56.