## Anna Rogozińska-Pawełczyk

# Diversity Management: A Look into the Future

The aim of this study is to determine the state of implementation of diversity management in companies that are finalists in the Human Resource Management Leader Competition and participants in a panel of experts devoted to diversity management,\* as well as the identification of areas of diversity management and the specifics of diversity management in the presented organizations. Empirical materials contained in this article were collected using qualitative analyses of the results of the panel of experts as well as an analysis of documents and competition questionnaire results, including audit reports stemming from Human Resource Management Leader Competition procedures.

**Key words:** diversity, diversity management, competition in the field of HRM.

#### Introduction

Diversity management (DM) is an approach to the managing of people in an organization whose goal is the building and maintaining of a friendly work environment for workers by perceiving their individualism and diversity as stemming from their qualities such as sex, age, race, ethnic origins, disability, and others of social or demographic character (Sweeny and McFarlin, 1992, pp. 23-40). Moreover, DM refers to the noting of differences among workers as well as to the conscious development of strategy, policy, and programs that create a climate of respect as well as utilization of such differences in the achievement of organizational goals (Urbaniak, 2014). As indicated by the results of numerous studies, companies undertaking actions in the realm of diversity achieve better financial results (Giscombe et al., 2011, Economist Intelligence Unit, 2014), and thus enter onto a higher social level (Świstalski, 2008). Skillful DM at the workplace is also a source of tangible benefits for companies (Kirton and Greene, 2010, pp. 2-3). Taking up actions linked with the implementation of the idea of DM has a significant impact on growth in worker commitment as well as on eliminating many negative phenomena, such as low staff productivity, reluctance to share knowledge, social conflict and tension, and high personnel fluctuation (Avery and McKay, 2010, pp. 227–252). This concept stresses

<sup>\*</sup> The panel of experts met on December 15, 2015 in the Lubomirski Palace in Warsaw as a part of the "Diversity Management" Seminar organized by the HRM Department of the Institute of Labor and Social Studies within the framework of the National Scientific Center "Creating Engagement in the Context of Diversity Management" Project, Contract No. UMO–2012-/07/B/HS4/03008.

the need to accept one's own weaknesses and to move beyond one's own complexes (Partick and Kumar, 2012). The main aim of DM is the development of a work environment in which every employee feels respected and appreciated, thanks to which that person can fully utilize his or her intellectual potential, which plays a role in the success of the organization (Kaczmarek et al., 2009, p. 8).

The objective of this paper is the identification of the state of implementation and solutions in the area of DM in organizations, winners of the XVIth Edition of the Human Resource Management Leader Competition<sup>1</sup> as well as to point out the main tendencies in molding DM for other institutions operating subject to Polish conditions.

Implementation of this goal was possible thanks to qualitative research connected with the use of direct interviews with the management of human resource department—winners of the XVIth Edition of the Competition—taking part in the panel of experts devoted to DM, analysis of in–house documents of the examined companies, interpretation of the results of the competition questionnaire, and reports from the audits conducted within the framework of competition procedures. Research was conducted in four companies, competition winners, which qualified to the second phase with the simultaneous confirmation by auditors of their high level of solutions in the realm of HRM. The arbitrary (nonrandom) selection for research made possible the choosing of members of the population with the greatest potential for supplying reliable information. Thus, the conducted research was idiographic in character, which means that the conclusions only pertain to the examined population.

The empirical explorations, as conducted, were intended to find answers to the research problems, which took on the form of the following questions:

- 1. In which HRM areas do the examined companies conduct activities tied to diversity management?
- 2. What HRM instruments do the organizations, competition winners, apply in order to impellent diversity management policy?
- 3. What trends mold the future of diversity management in the competition companies?

The Polish Nationwide Human Resource Management Leader Competition has been held continuously each year since 1999. The initiator of its launching was the Institute of Labor and Social Studies. The Competition addresses large, medium, and small enterprises active in Poland. The Competition's main premise is the conducting of comprehensive HRM studies in Poland combined with an analysis of changes taking place in this field as well as the dissemination of knowledge regarding HRM best practice in the country.

### Diversity Management in Four Companies, Human Resource Management Leader Competition Winners

Below is a presentation of the specifics of DM in four companies and a brief indication of similarities and differences in approach to implementing DM policy.

**CEMEX Polska** is among Poland's leading cement, concrete, and aggregate manufacturers. In its three cement plants, almost forty concrete plants, eight aggregate plants, and corporate offices in Warsaw, the company employs almost 1,200 people. CEMEX Polska develops various concrete mixes.

In 2014 CEMEX Polska developed and implemented a DM program that it ranks as being of strategic importance. Equal treatment and diversity are perceived as solutions bringing the company tangible benefits as well as influencing its development and innovativeness. The primary goal of DM is early response to the changing worker age structure and acting against a future deficit of young staff. Program assumptions encompass three categories of diversity: generational diversity, gender diversity, and diversity with respect to the disabled. Ultimately, company diversity policy is mainly implemented through age management, remuneration management for men and women, and support for employees—parents, creating job positions for the disabled, and encouraging women to develop their professional careers. The diversity strategy of CEMEX Polska is supported by a broad educational campaign (how to care for a diverse team, what are the benefits of diversity, and challenges facing managers). Many programs targeting individual groups of workers have been implemented—Workers—Parents, Employees 30-, Employees 50+, Club 50+, CEMEX Alumni, and the Women's Support Program.

A characteristic quality of the CEMEX Polska company diversity policy is its orientation targeting the activation of various worker groups. Special instruments and encouraging workers to actively shape their careers, to submit ideas, to state views and submit comments during meetings with the management shape an active worker stance and built commitment.

**Orange Polska S.A.** is a leader on the Polish market for stationary telephony, the Internet, and data transmission. It is the only operator to offer comprehensive telecommunication solutions available nationwide. Orange Polska employs approximately 14,500 people.

The company applies great weight to DM and implements numerous projects in this area. It has undertaken intensive formal measures starting with 2013. It is not only a signatory, but also a guardian of the Diversity Charter. DM involves the development of an organizational culture based on mutual respect for differences that characterize each and every employee. Knowledge concerning this subject is

propagated among employees and the competency profile of an Orange Polska manager includes "diversity management." Diversity is given a broad definition and is not limited to age management, but also includes support for the activity of women and the disabled. Action worth noting in the selection process is a formal requirement to recommend people of both sexes for all positions (such persons must meet organizational requirements). A significant challenge is the promotion of the professional activities of women, their professional development, and growth in the number of managerial post they fill.

The specifics of DM at Orange Polska involve the creation of an organizational culture based on mutual respect for differences. Orange Polska's global strategy changed in 2015. A main task for personnel policy came to be the building of appropriate attitudes and commitment among workers, support for implemented changes, the building of an image as a employer eliminating social barriers, and mutual respect for each other. In its actions, the company takes care to guarantee equal access to positions, regardless of sex or age, simultaneously paying attention to the promotion of women's professional activity.

**Capgemini Polska Sp. z o.o.** [Ltd.] is a global company offering consulting services, information technologies, and outsourcing. The company is present in forty–four countries and employs 125,000 workers. It has been active in Poland as of 1996 where it employs over 6,000 workers in five offices—Warsaw, Cracow, Katowice, Opole, and Wrocław.

Capgemini Polska is a signatory to the Diversity Charter, which requires the undertaking of special efforts promoting diversity. In 2014 the company developed and implemented DM policy that is also reported and discussed during regular reviews of the managerial staff, including the center director with the worldwide head of centers. DM policy in the workplace is obligatory at every phase starting with recruitment, through employment and induction, work result and remuneration management, development, and ending with departure from the organization. In its actions in the field of DM, Capgemini Polska primarily concentrates on the disabled. People with disabilities are guaranteed support and assistance in receiving rulings as well as in day—to—day work in the company. The company also provides counseling for managing the work of the disabled. DM policy as conducted is also intended to play a role in increasing the number of candidates with disabilities who take part in the recruitment process.

A characteristic feature of Cappemini Polska diversity policy is, in addition to its formal and strategic character, the promotion of employment for people with disabilities and efforts aimed to fight discrimination against this social group among all employed.

**Sitech Sp. z o.o.** [Ltd.] is a company belonging to the Volkswagen Corporation. Founded in 1998 in Polkowice, it specializes in manufacturing the metal frames for automobile seating for selected car models. It employed 1,569 workers in 2013, where in 2014 the figure was already 1,638.

Sitech declares that it implements DM in an informal manner. The company mainly employs young people (the average age is thirty–five) and they are the addressees of programs and ventures in this area. The company mainly concentrates on implementing its equal opportunity program, working against negative phenomena in this field. Actions and personnel decisions are dependent on work results as well as the level of competency of the worker. Sitech shows a high level of respect for diversity as stemming from levels of physical fitness. With respect to the disabled, it has developed many convenient solutions involving working hours, work breaks, additional vacation time for people with significant and moderate disabilities, and the right to benefit from leave in the case of people with significant and moderate disabilities. In response to demographic trends—population and worker aging—Sitech is drawing up an *Age Management Book*, which clearly shows the company is aware of approaching problems.

At Sitech, demographic monitoring and the forecasting of admissions to the company are an important stage in the informal advancing of its approach to diversity. Guaranteeing generational diversity not only provides security against an ageing staff, which is observed in companies rather often, but also fosters a freshening and mutual learning.

### HRM Areas Linked to Diversity Management and Applied Instruments

An answer to the question regarding reasons for implementing DM policy as well as using various methods and personnel policy tools in this context is becoming very important. One of the main reasons for which the four analyzed companies are introducing and applying DM policy is increased possibilities of access to a broader group of potential workers as well as the possibility of attracting and maintaining a highly qualified staff from various communities.

Orange Polska and Capgemini Polska are signatories to the Polish Diversity Charter, which is an international document promoting equal opportunity policy in employment and facilitating diversity in the workplace. Organizations that decide to implement its tools express that company's readiness to involve all employees as well as business and community partners DM, acting for social cohesion and equality. Moreover, Orange Polska is a guardian of the Diversity Charter in Poland. It

clearly displays questions of diversity, usually with respect to company values, which include the optimum utilization of varied worker experience, talent, and potential, as well as trust and the free exchange of ideas. Diversity at Orange Polska and Capgemini Polska is reported and discussed at regular meetings of the board and management staff, which distinguishes them among other companies.

Collaboration with people with disabilities is deserving of special attention in the analyzed companies. Sitech created a special model for supporting the recruitment of people with disabilities. Moreover, DM in the companies is based on mutual respect for differences. Companies that are advanced in this area (Orange) propagate knowledge on this topic among workers and have entered "diversity management" into the profile of competencies of managers. The worker profile in the analyzed companies has also changed so as to increase diversity within the framework of the organization, including by requiring that candidates be open, know more than one language, have inter–cultural experience, environmental sensitivity, and be convinced as to the principle of equal opportunity. It is especially companies with a multinational employment structure (Orange Polska and Capgemini Polska) that are striving to increase their global management potential through initiatives aimed at attracting and maintaining diverse workers who are culturally competent and who can work regardless of any national, language, or cultural differences.

As indicated in Table No. 1, observed diversity policy is primarily implemented in five areas in the examined competition companies.

**Table No. 1.** Main Areas of Impact of Diversity Management in the Discussed Companies

Areas of impact	Applied methods and tools
Men – women	Realization of individual career paths, equal pay, participation in company management, liberating proactive attitudes
Employee age	Guaranteeing generational diversity, securing against staff aging (age management), and mutual learning from each other
The disabled	Creating job positions (including a work station)
Inter-cultural differences	Increasing awareness and skills in overcoming barriers
Parenthood and care over other dependents	Providing support for workers who are parents or care for other dependents

Source: Own studies.

An important stage in the advancement of an approach to diversity is the monitoring and regulating of the position of women in the company (gender parity at various levels of company management). Companies often perceive gender in the context of career path and the equality of pay and participation of women, especially in the management of the company. A demographic analysis of admissions is confirmation of the application of such principles.

Business practice at Sitech stresses that the management has already noted the process of staff aging. Thanks to the guaranteeing of generational diversity, the high level of work efficiency as well as fluidity in employment shall be maintained, and in effect so shall the continuity of business processes.

The group of disabled people found itself in areas of impact of DM in all of the analyzed companies. Creating jobs for the disabled—i.e. inclusive jobs—is an important matter in all of the examined companies. The strong side of the organizational culture of all these companies is the creation of an atmosphere accepting "differences" as a positive value in and of itself.

A characteristic of the competition companies is that respect for the diversity of workers is deeply rooted in the organizational culture. It is becoming a subject of constant attention and monitoring as well as of training and workshops aimed at both the managerial staff and the rank—and—file. All of the examined companies conduct extremely serious information campaigns against illegal phenomena in the workplace and building an awareness of the importance of guaranteeing diversity in the workplace.

The last area, strongly stressed especially at CEMEX and Sitech, is assistance to various worker groups in meeting their private and home responsibilities, offering various types of tangible and intangible aid in connection with flexible working time, for example.

#### Summing Up

The companies, winners of the XVIth Edition of the Human Resource Management Leader Competition, stress DM questions and tie it with organizational values and culture. However, it must be stated that DM is not yet a very advanced practice. It is necessary to continue actions in this field in the area of eliminating prejudice and stereotyping in the organization, elimination of all inequality, making rights in this area universal, conducting training programs improving the competencies of the managerial staff, and providing tools making possible the reliable and objective assessment of the organization taking into account perspectives for managing diversity.

In order to achieve sustainable economic growth, companies must skillfully manage and utilize the full potential as found in diversity. To this end it is vital to continue the consistent implementation of DM policy as well as its simultaneous integration on three levels—personal, interpersonal, and organizational. This will facilitate the introduction of changes in the whole of the organization. Also indicated is the dissemination of best practice in the area of DM as well as its benefits throughout the company, including the management and general staff. What should be done is the incorporation into operations in the area of various levels of organizational management of efforts aimed at promotion and training in the methods of implementing of diversity management, its monitoring, indicators, barriers, and benefits for the organization and workers.

Several trends shaping the future of diversity management in Poland may be identified within the framework of the conducted analyses. One of them is a preference in the form of more frequent recruitment of women for specialized job positions. An example is Orange Polska, a company in the modern technology industry that has launched programs aimed at attracting and maintaining women in the company (e.g., expanding programs intended to reconcile professional and family life), orienting recruitment efforts towards women.

The next trend in implementing diversity management in terms of frequency of occurrence is the need to halt the outflow of talent from the company and the maintenance in the company of experienced, training workers (Sitech). This area includes the need to reduce costs thanks to decreased staff rotation (recruitment, training, and induction costs).

Another direction observed in the implementation of diversity management is the need to create an "open to worker diversity" image (CEMEX). DM is often seen as an element giving the image warmth, which may prove important in light of the criticized image of the business sector among the population.

Also appearing is a tendency to have teams of very diverse people, including the disabled, and providing everyone with space facilitating the maximum utilization of individual talent. It seems that in general, companies, mainly Cappemini Polska, appreciate teams that are diverse in terms of age, sex, and competencies. They are of the view that it is this very diversity that is inspiring, fosters innovation, creativity, and efficiency, and translates into major benefits for the company.

Perhaps, in the near future, conviction in the need to improve the atmosphere at work may appear to a much greater extent. This may be achieved through the conscious application of HRM instruments adapted to the specifics of various groups of workers so that everyone feels appreciated and fulfilled.

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## Zarządzanie różnorodnością – spojrzenie w przyszłość

Streszczenie

Celem niniejszego opracowania jest ustalenie stanu wdrożenia zarządzania różnorodnością w przedsiębiorstwach – finalistach konkursu "Lider Zarządzania Zasobami Ludzkimi", biorących udział w panelu eksperckim poświęconym zarządzaniu różnorodnością , zidentyfikowanie obszarów zarządzania różnorodnością oraz specyfiki

zarządzania różnorodnością w prezentowanych organizacjach. Materiał empiryczny zawarty w niniejszym artykule zgromadzony został za pomocą jakościowej analizy treści panelu eksperckiego oraz analizy dokumentów i wyników ankiety konkursowej, a także raportów z audytów przeprowadzonych w ramach procedury konkursowej "Lider Zarządzania Zasobami Ludzkimi".

Anna Rogogozińska—Pawełczyk—Doctor of Economic Sciences, psychologist, economist, vocational counselor, trainer, specialist in the field of staff management, and consultant for worker competency development. Adjunct Professor with the Department of Human Resource Management of the Institute of Labor and Social Studies of Warsaw. Adjunct Professor with the Chair of Labor and Social Policy or the University of Łódź. HRM Scientific Student Club Moderator active in the Department of Economics and Sociology of the University of Łódź. Organizer of annual scientific camps and workshop sessions, inclusive of workstudy programs, for students of the Department of Economics and Sociology in the area of human resource management. Outside expert, coordinator, and executor of several NCN National Science Center research projects as well as projects financed out of the resources of the European Social Fund. Author and co—author of several dozen publications in the fields of human resource management, high performance work systems, work—life balance, and psychological contracts.