

CHAPTER 2

Diversity in Organizations

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LEARNING OBJECTIVES (ppt 2-2)

After studying this chapter, students should be able to:

1. Describe the two major forms of workforce diversity.
2. Recognize stereotypes and understand how they function in organizational settings.
3. Identify the key biographical characteristics and describe how they are relevant to OB.
4. Define *intellectual ability* and demonstrate its relevance to OB.
5. Contrast intellectual from physical ability.
6. Describe how organizations manage diversity effectively.

INSTRUCTOR RESOURCES

Instructors may wish to use the following resources when presenting this chapter.

Text Exercises

- Myth or Science? “Dual-Career Couples Divorce Less” (p. 47, IM p. 63)
- An Ethical Choice “Religious Tattoos” (p. 51, IM p. 64)
- GLOBalization: Images of Diversity from Around the Globe (p. 54, IM p. 65)
- Point/Counterpoint Men Have More Mathematical Ability Than Women (p. 61, IM p. 66)
- Questions for Review (p. 62, IM p. 68)
- Experiential Exercise - Feeling Excluded (p. 62, IM p. 70)
- Ethical Dilemma - Board Quotas (p. 62, IM p. ~~74~~72)

Text Cases

- Case Incident 1 The Flynn Effect (p. 63, IM p. 73)
- Case Incident 2 Increasing Age Diversity in the Workplace (p. 64, IM p. ~~74~~75)

Instructor's Choice (IM p. 76)

This section presents an exercise that is NOT found in the student's textbook. Instructor's Choice reinforces the text's emphasis through various activities. Some Instructor's Choice activities are centered around debates, group exercises, Internet research, and student experiences. Some can be used in-class in their entirety, while others require some additional work on the student's part. The course instructor may choose to use these at anytime throughout the class—some may be more effective as icebreakers, while some may be used to pull together various concepts covered in the chapter.



WEB EXERCISES (IM p. 7778)

At the end of each chapter of this instructor's manual, you will find suggested exercises and ideas for researching the WWW on OB topics. The exercises "Exploring OB Topics on the Web" are set up so that you can simply photocopy the pages, distribute them to your class, and make assignments accordingly. You may want to assign the exercises as an out-of-class activity or as lab activities with your class.

SUMMARY AND IMPLICATIONS FOR MANAGERS (ppt 2-16, 2-17)

I. Summary and Implications for Managers

- A. This chapter looked at diversity from many perspectives paying particular attention to three variables—biographical characteristics, ability, and diversity programs.
- B. We can readily observe biographical characteristics, but that doesn't mean we should explicitly use them in management decisions.
 1. Most research shows fairly minimal effects of biographical characteristics on job performance.
 2. We also need to be aware of implicit biases we or other managers may have.
- C. An effective selection process will improve the fit between employees and job requirements.
 1. A job analysis will provide information about jobs currently being done and the abilities individuals need to perform the jobs adequately.
 2. Applicants can then be tested, interviewed, and evaluated on the degree to which they possess the necessary abilities.
 3. Promotion and transfer decisions affecting individuals already in the organization's employ should reflect candidates' abilities.
 4. As with new employees, care should be taken to assess critical abilities incumbents will need in the job and match those with the organization's human resources.
 5. To accommodate employees with disabilities, managers can improve the fit by fine-tuning the job to better match an incumbent's abilities.
 6. Often, modifications with no significant impact on the job's basic activities, such as changing equipment or reorganizing tasks within a group, can better adapt work to the specific talents of a given employee.
- D. Diversity management must be an ongoing commitment that crosses all levels of the organization.
 1. Group management, recruiting, hiring, retention, and development practices can all be designed to leverage diversity for the organization's competitive advantage.
 2. Policies to improve the climate for diversity can be effective, so long as they are designed to acknowledge all employees' perspectives.

3. One-shot diversity training sessions are less likely to be effective than comprehensive programs that address the climate for diversity at multiple levels.

This chapter opens with a vignette describing the experience of Erin Callan when she lost her high profile job during the financial crises. Here story is one with two views. One is the ambition and assertiveness got in the way of her chances to relocate employment. The other suggests she is a victim of a professional double standard apparent on Wall Street that targets women as expendable. She still is outside Wall Street power positions but she says she has adapted to a different lifestyle.

BRIEF CHAPTER OUTLINE

I. INTRODUCTION

- A. Ethnicity is only one of the characteristics people bring when they join an organization.
- B. The chapter looks at how ethnicity and individual differences in the form of ability affect employee performance and satisfaction.

II. DIVERSITY

- A. We are not all the same!
 1. Effective diversity management increases an organization's access to the widest pool of skills, abilities, and ideas.
 2. Differences lead to miscommunication, misunderstanding, and conflict.
- B. Demographic Characteristics of the U.S. Workforce.
 1. Predicted change to the U.S. workforce has happened.
 2. Ethnic groups comprise a larger component of the workforce.
- C. Levels of Diversity
 1. Demographics mostly reflect surface-level diversity.
 2. Secondary diversity factor is deep-level diversity.
- D. Discrimination
 1. Discrimination is to note a difference between things.
 2. Unfair discrimination is assuming stereotypes about groups and refusing to recognize differences.
 3. Exhibit 2-1 lists definitions and examples of different types of discrimination (page 43)

III. BIOGRAPHICAL CHARACTERISTICS

- A. Introduction
 1. Start with factors that are readily available in an employee's personnel file. There is a sizable amount of research on these factors (age, sex, length of service).
- B. Age
 1. The relationship between age and job performance is likely to be an issue of increasing importance during the next decade for at least three reasons.
 - a. First, belief is widespread that job performance declines with increasing age.
 - b. Second, as noted, the workforce is aging.
 - c. The third reason is U.S. legislation that, for all intents and purposes, outlaws mandatory retirement.

2. Employers hold mixed feelings about older workers.
 - a. They see a number of positive qualities older workers bring to their jobs, such as experience, judgment, a strong work ethic, and commitment to quality.
 - b. But older workers are also perceived as lacking flexibility and resisting new technology.
 3. What effect does age actually have on turnover, absenteeism, productivity, and satisfaction?
 - a. The older you get, the less likely you are to quit your job.
 4. It's tempting to assume that age is also inversely related to absenteeism.
 - a. Most studies do show an inverse relationship, but close examination finds it is partially a function of whether the absence is avoidable or unavoidable.
 5. Many believe productivity declines with age.
 - a. It is often assumed that skills like speed, agility, strength, and coordination decay over time and that prolonged job boredom and lack of intellectual stimulation contribute to reduced productivity.
 6. A final concern is the relationship between age and job satisfaction, where the evidence is mixed.
 - a. A review of more than 800 studies found that older workers tend to be more satisfied with their work, report better relationships with co-workers, and are more committed to their employing organizations.
 - b. Other studies, however, have found a U-shaped relationship.
 7. What are the effects of discrimination against individuals on the basis of age?
 - a. One large-scale study of over 8,000 employees in 128 companies found that organizational climate favoring age discrimination was associated with lower levels of commitment to the company.
 - b. This lower commitment was, in turn, related to lower levels of organizational performance.
- C. Sex
1. Few issues initiate more debates, misconceptions, and unsupported opinions than whether women perform as well on jobs as men do.
 - a. The best place to begin to consider this is with the recognition that few, if any, important differences between men and women affect job performance.
 - b. Psychological studies have found women are more agreeable and willing to conform to authority, whereas men are more aggressive and more likely to have expectations of success, but those differences are minor.
 2. Sex roles still affect our perceptions.
 - a. Women who succeed in traditionally male domains are perceived as less likable, more hostile, and less desirable as supervisors
 3. One issue that does seem to differ between men and women, especially when the employee has preschool-age children, is preference for work schedules.
 4. What about absence and turnover rates?
 - a. First, evidence from a study of nearly 500,000 professional employees indicates significant differences, with women more likely to turn over than men
 - b. Women also have higher rates of absenteeism than men do
 5. Again, it is worth asking what the implications of sex discrimination are for individuals.

- a. Research has shown that workers who experience sexual harassment have higher levels of psychological stress, and these feelings in turn are related to lower levels of organizational commitment and job satisfaction, and higher intentions to turn over.
 - b. As with age discrimination, the evidence suggests that combating sex discrimination may be associated with better performance for the organization as a whole.
- D. Race and Ethnicity
 - 1. Controversial Issue.
 - 2. Seven Categories:
 - a. American Indian
 - b. Alaska Native
 - c. Asian
 - d. Black or African American
 - e. Native Hawaiian
 - f. White
 - g. Two or more races
 - 3. Additional characterizations
 - a. English Speaker
 - b. Hispanic
 - 4. Research into effects of race and ethnic diversity
 - a. Employees tend to favor colleagues for their own race in performance evaluations, promotion decisions, pay raises.
 - b. Different attitudes on affirmative action with African-Americans preferring such programs than do whites.
 - c. African-Americans generally do worse than whites in employment decisions.
 - d. No statistical difference between Whites and African-Americans in observed absence rates, applied social skills at work, or accident rates.
- E. Disability
 - 1. With the Americans with Disabilities Act (ADA) in 1990, individuals with disabilities became an increasing number in U.S. workforce.
 - 2. A person is disabled who has any physical or mental impairment that substantial limits one or more major life activities.
 - 3. The “reasonable accommodation” is problematic for employers.
 - 4. Strong biases exist against those with mental impairment.
 - 5. Research on workers with disabilities have found:
 - a. They receive higher performance evaluations.
 - b. Based on lower performance expectations.
 - c. They are less likely to be hired.
- F. Other Biographical Characteristics: Tenure, Religion, Sexual Orientation, and Gender Identity
 - 1. Tenure
 - a. The issue of the impact of job seniority on job performance has been subject to misconceptions and speculations.
 - b. Religion

- (1) Although employees are protected by U.S. federal law regarding their religion, it is still an issue in the workplace.
- (2) Accommodation of religious beliefs and non-discriminatory practices are two areas that need to be addressed by companies.
- c. Sexual Orientation and Gender Identity
 - (1) Sexual orientation
 - (a) Federal law does not protect employees against discrimination based on sexual orientation.
 - (2) Gender identity
 - (a) Often referred to as transgender employees, this topic encompasses those individuals who change genders.

IV. ABILITY

- A. **Ability** is an individual's current capacity to perform various tasks in a job
- B. Intellectual Abilities
 1. Intellectual abilities are abilities needed to perform mental activities—thinking, reasoning, and problem solving.
 2. Most societies place a high value on intelligence, and for good reason.
 3. The seven most frequently cited dimensions making up intellectual abilities are number aptitude, verbal comprehension, perceptual speed, inductive reasoning, deductive reasoning, spatial visualization, and memory. Exhibit 2-2 describes these dimensions.
 4. If you score high on verbal comprehension, you're more likely to also score high on spatial visualization.
 5. Evidence strongly supports the idea that the structures and measures of intellectual abilities generalize across cultures.
 6. Jobs differ in the demands they place on intellectual abilities.
 - a. The more complex a job in terms of information-processing demands, the more general intelligence and verbal abilities will be necessary to perform successfully
 - b. Where employee behavior is highly routine and there are few or no opportunities to exercise discretion, a high IQ is not as important to performing well.
 7. Although intelligence is a big help in performing a job well, it doesn't make people happier or more satisfied with their jobs.
- C. Physical Abilities
 1. Introduction
 - a. Less skilled and more standardized jobs
 - b. Nine basic abilities involved in the performance of physical tasks (Exhibit 2-3)
 2. The Role of Disabilities
 - a. Importance of ability at work increases difficulty in formulating workplace policies that recognize disabilities.
 - b. Recognizing that individuals have different abilities that can be taken into account when making hiring decisions is not problematic.
 - c. It is also possible to make accommodations for disabilities.

V. Implementing Diversity Management Strategies

- A. Introduction

1. Having discussed a variety of ways in which people differ, we now look at how a manager can and should manage these differences.
2. Diversity management makes everyone more aware of and sensitive to the needs and differences of others.
- B. Attracting, Selecting, Developing, and Retaining Diverse Employees
 1. Attracting
 - a. One method of enhancing workforce diversity is to target recruiting messages to specific demographic groups underrepresented in the workforce.
 2. Selection
 - a. The selection process is one of the most important places to apply diversity efforts.
 - b. Ensuring that hiring is bias-free does appear to work.
 3. Developing
 - a. Similarity in personality appears to affect career advancement.
 - (1) Those whose personality traits are similar to those of their co-workers are more likely to be promoted than those whose personalities are different.
 - (2) Once again, deep-level diversity factors appear to be more important in shaping people's reactions to one another than surface-level characteristics.
 - b. Retaining
 - (1) Some data suggest individuals who are demographically different from their co-workers are more likely to feel low commitment and to turn over.
 - (2) After people become better acquainted with one another, demographic differences are less consistently related to turnover.
- C. Diversity in Groups
 1. Groups are an essential part of organizational settings.
 - a. If employees feel no cohesion or sense of membership, group attributes are likely to be less.
 - b. Does diversity help or hurt group performance?
 - (1) Whether diverse or homogeneous teams are more effective depends on the characteristic of interest.
 - (2) On the other hand, teams of individuals who are highly intelligent, conscientious, and interested in working in team settings are more effective.
 - c. In other cases, differences can be a strength.
 - (1) Groups of individuals with different types of expertise and education are more effective than homogeneous groups.
 2. Evidence also shows transformational leaders (who emphasize higher-order goals and values in their leadership style) are more effective in managing diverse teams.
- D. Effective Diversity Programs
 1. Effective diversity programs have three components:
 - a. They teach managers about the legal framework for equal employment opportunity and encourage fair treatment of all people regardless of their demographic characteristics.
 - b. They teach managers how a diverse workforce will be better able to serve a diverse market of customers and clients.

- c. They foster personal development practices that bring out the skills and abilities of all workers, acknowledging how differences in perspective can be a valuable way to improve performance for everyone.
- 2. Much concern about diversity has to do with fair treatment.
- 3. A major study of the consequences of diversity programs came to what might seem a surprising conclusion.
 - a. Organizations that provided diversity training were not consistently more likely to have women and minorities in upper management positions than organizations that did not.
 - b. Experts have long known that one-shot training sessions without strategies to encourage effective diversity management back on the job are not likely to be very effective.
- 4. Researchers also suggest that diversity experiences are more likely to lead to positive adaptation for all parties
 - a. If the diversity experience undermines stereotypical attitudes.
 - b. If the perceiver is motivated and able to consider a new perspective on others.
- 5. Organizational leaders should examine their workforce to determine whether target groups have been underutilized.
- 6. If groups of employees are not proportionally represented in top management, managers should look for any hidden barriers to advancement.
- 7. Communications should focus as much as possible on qualifications and job performance; emphasizing certain groups as needing more assistance could well backfire.

VI. Summary and Implications for Managers

- A. This chapter looked at diversity from many perspectives paying particular attention to three variables—biographical characteristics, ability, and diversity programs.
- B. We can readily observe biographical characteristics, but that doesn't mean we should explicitly use them in management decisions.
 - 1. Most research shows fairly minimal effects of biographical characteristics on job performance.
 - 2. We also need to be aware of implicit biases we or other managers may have.
- C. An effective selection process will improve the fit between employees and job requirements.
 - 1. A job analysis will provide information about jobs currently being done and the abilities individuals need to perform the jobs adequately.
 - 2. Applicants can then be tested, interviewed, and evaluated on the degree to which they possess the necessary abilities.
 - 3. Promotion and transfer decisions affecting individuals already in the organization's employ should reflect candidates' abilities.
 - 4. As with new employees, care should be taken to assess critical abilities incumbents will need in the job and match those with the organization's human resources.
 - 5. To accommodate employees with disabilities, managers can improve the fit by fine-tuning the job to better match an incumbent's abilities.
 - 6. Often, modifications with no significant impact on the job's basic activities, such as changing equipment or reorganizing tasks within a group, can better adapt work to the specific talents of a given employee.

- D. Diversity management must be an ongoing commitment that crosses all levels of the organization.
 - 1. Group management, recruiting, hiring, retention, and development practices can all be designed to leverage diversity for the organization's competitive advantage.
 - 2. Policies to improve the climate for diversity can be effective, so long as they are designed to acknowledge all employees' perspectives.
 - 3. One-shot diversity training sessions are less likely to be effective than comprehensive programs that address the climate for diversity at multiple levels.

EXPANDED CHAPTER OUTLINE

I. INTRODUCTION

- A. Ethnicity is only one of the characteristics people bring when they join an organization.
- B. The chapter looks at how ethnicity and individual differences in the form of ability affect employee performance and satisfaction.
- C. The chapter begins with a Self-Assessment quiz that students can access to determine their current attitude toward older people. Note: there are no right or wrong answers to the questions and statements in the Self-Assessment. It creates an index number that compares to norms to suggest an attitudinal position of the respondent.

II. DIVERSITY

- A. We are not all the same!
 - 1. Effective diversity management increases an organization's access to the widest pool of skills, abilities, and ideas.
 - 2. Differences lead to miscommunication, misunderstanding, and conflict.
- B. Demographic Characteristics of the U.S. Workforce.
 - 1. Predicted change to the U.S. workforce has happened.
 - 2. Ethnic groups comprise a larger component of the workforce.
 - 3. Earnings gaps between groups, including gender, have narrowed.
 - 4. Aging workforce is an important concern for U.S. corporations.
- C. Levels of Diversity
 - 1. Demographics mostly reflect surface-level diversity.
 - 2. Secondary diversity factor is deep-level diversity.
- D. Discrimination
 - 1. Discrimination is to note a difference between things.
 - 2. Unfair discrimination is assuming stereotypes about groups and refusing to recognize differences.
 - 3. Exhibit 2-1 lists definitions and examples of different types of discrimination (page 43).
 - 4. Under increasing legal scrutiny and social disapproval, most forms have faded.
 - 5. May have resulted in an increase in covert forms such as incivility or exclusion.
 - 6. Some forms are difficult to affect because they are unobservable.
 - 7. Whether intentional or not, serious negative consequences may arise for employers.

8. Diversity is a broad term, and workplace diversity can describe any characteristic that makes one person different from another.

III. BIOGRAPHICAL CHARACTERISTICS

A. Introduction

1. Start with factors that are readily available in an employee's personnel file. There is a sizable amount of research on these factors (age, sex, length of service).

B. Age

1. The relationship between age and job performance is likely to be an issue of increasing importance during the next decade for at least three reasons.
 - a. First, belief is widespread that job performance declines with increasing age.
 - (1) Regardless of whether this is true, a lot of people believe it and act on it.
 - b. Second, as noted, the workforce is aging.
 - (1) Many employers recognize that older workers represent a huge potential pool of high-quality applicants.
 - c. The third reason is U.S. legislation that, for all intents and purposes, outlaws mandatory retirement.
 - (1) Most U.S. workers today no longer have to retire at age 70.
2. Employers hold mixed feelings about older workers.
 - a. They see a number of positive qualities older workers bring to their jobs, such as experience, judgment, a strong work ethic, and commitment to quality.
 - b. But older workers are also perceived as lacking flexibility and resisting new technology.
 - c. And when organizations are actively seeking individuals who are adaptable and open to change, the negatives associated with age clearly hinder the initial hiring of older workers and increase the likelihood they will be let go during cutbacks.
3. What effect does age actually have on turnover, absenteeism, productivity, and satisfaction?
 - a. The older you get, the less likely you are to quit your job.
 - b. As workers get older, they have fewer alternative job opportunities as their skills have become more specialized to certain types of work.
 - c. Their long tenure also tends to provide them with higher wage rates, longer paid vacations, and more attractive pension benefits
4. It's tempting to assume that age is also inversely related to absenteeism.
 - a. Most studies do show an inverse relationship, but close examination finds it is partially a function of whether the absence is avoidable or unavoidable.
 - b. In general, older employees have lower rates of avoidable absence than do younger employees.
 - c. However, they have equal rates of unavoidable absence, such as sickness absences.
5. Many believe productivity declines with age.
 - a. It is often assumed that skills like speed, agility, strength, and coordination decay over time and that prolonged job boredom and lack of intellectual stimulation contribute to reduced productivity.

- b. During a 3-year period, a large hardware chain staffed one of its stores solely with employees over age 50 and compared its results with those of five stores with younger employees.
 - (1) The store staffed by the over-50 employees was significantly more productive (in terms of sales generated against labor costs) than two of the stores and held its own against the other three.
 - (2) Other reviews of the research find that age and job task performance are unrelated, and that older workers are more likely to engage in citizenship behavior.
- 6. A final concern is the relationship between age and job satisfaction, where the evidence is mixed.
 - a. A review of more than 800 studies found that older workers tend to be more satisfied with their work, report better relationships with co-workers, and are more committed to their employing organizations.
 - b. Other studies, however, have found a U-shaped relationship.
 - (1) Several explanations could clear up these results, the most plausible being that these studies are intermixing professional and nonprofessional employees.
 - (2) When we separate the two types, satisfaction tends to continually increase among professionals as they age, whereas it falls among nonprofessionals during middle age and then rises again in the later years.
- 7. What are the effects of discrimination against individuals on the basis of age?
 - a. One large-scale study of over 8,000 employees in 128 companies found that organizational climate favoring age discrimination was associated with lower levels of commitment to the company.
 - b. This lower commitment was, in turn, related to lower levels of organizational performance.
 - c. Such results suggest that combating age discrimination may be associated with higher levels of organizational performance.
- C. Sex
 - 1. Few issues initiate more debates, misconceptions, and unsupported opinions than whether women perform as well on jobs as men do.
 - a. The best place to begin to consider this is with the recognition that few, if any, important differences between men and women affect job performance.
 - b. There are no consistent male–female differences in problem-solving ability, analytical skills, competitive drive, motivation, sociability, or learning ability.
 - c. Psychological studies have found women are more agreeable and willing to conform to authority, whereas men are more aggressive and more likely to have expectations of success, but those differences are minor.
 - d. Given the significantly increased female participation in the workforce over the last 40 years and the rethinking of what constitutes male and female roles, we can assume no significant difference in job productivity between men and women.
 - 2. Sex roles still affect our perceptions.
 - a. Women who succeed in traditionally male domains are perceived as less likable, more hostile, and less desirable as supervisors.

- b. Research also suggests that women believe sex-based discrimination is more prevalent than do male employees.
 - c. These beliefs are especially pronounced among women who work with a large proportion of men.
- 3. One issue that does seem to differ between men and women, especially when the employee has preschool-age children, is preference for work schedules.
 - a. Working mothers are more likely to prefer part-time work, flexible work schedules, and telecommuting in order to accommodate their family responsibilities.
 - b. Women also prefer jobs that encourage work–life balance, which has the effect of limiting their options for career advancement.
- 4. What about absence and turnover rates?
 - a. First, evidence from a study of nearly 500,000 professional employees indicates significant differences, with women more likely to turn over than men.
 - b. Women also have higher rates of absenteeism than men do.
 - c. The most logical explanation is that the research was conducted in North America, and North American culture has historically placed home and family responsibilities on women.
 - (1) When a child is ill or someone needs to stay home to wait for a plumber, the woman has traditionally taken time from work.
 - (2) This research is also undoubtedly time-bound.
 - d. The role of women has definitely changed over the past generation.
 - (1) Men are increasingly sharing responsibility for child care, and an increasing number report feeling a conflict between their home responsibilities and their work lives.
 - e. One interesting finding is that regardless of sex, parents were rated lower in job commitment, achievement striving, and dependability than individuals without children, but mothers were rated especially low in competence.
- 5. Again, it is worth asking what the implications of sex discrimination are for individuals.
 - a. Research has shown that workers who experience sexual harassment have higher levels of psychological stress, and these feelings in turn are related to lower levels of organizational commitment and job satisfaction, and higher intentions to turn over.
 - b. As with age discrimination, the evidence suggests that combating sex discrimination may be associated with better performance for the organization as a whole.
- D. Race and Ethnicity
 - 1. Controversial Issue.
 - 2. Seven Categories:
 - a. American Indian
 - b. Alaska Native
 - c. Asian
 - d. Black or African American
 - e. Native Hawaiian
 - f. White

- g. Two or more races
- 3. Additional characterizations
 - a. English speaker
 - b. Hispanic
- 4. Research into effects of race and ethnic diversity
 - a. Employees tend to favor colleagues for their own race in performance evaluations, promotion decisions, pay raises.
 - b. Different attitudes on affirmative action with African-Americans preferring such programs than do whites.
 - c. African-Americans generally do worse than whites in employment decisions.
 - d. No statistical difference between Whites and African-Americans in observed absence rates, applied social skills at work, or accident rates.
 - e. Employers' major concern about using mental-ability tests for selection, promotion, training, and similar employment decisions is that they may have a negative impact on racial and ethnic groups.
 - f. Most research shows that members of racial and ethnic minorities report higher levels of discrimination in the workplace.
 - g. Some research suggests that having a positive climate for diversity overall can lead to increased sales.
- E. Disability
 - 1. With the Americans with Disabilities Act (ADA) in 1990, individuals with disabilities became an increasing number in U.S. workforce.
 - 2. Requires reasonable accommodation for disabilities.
 - 3. A person is disabled who has any physical or mental impairment that substantial limits one or more major life activities.
 - 4. So broad in definition that generality to work is very difficult to make.
 - 5. The "reasonable accommodation" is problematic for employers.
 - 6. Strong biases exist against those with mental impairment.
 - 7. Research on workers with disabilities have found:
 - a. They receive higher performance evaluations.
 - b. Based on lower performance expectations.
 - c. They are less likely to be hired.
 - d. Contrast these selection-oriented results with studies showing that the accomplishments of those with disabilities are often rated as more impressive than the same accomplishments in people without disabilities.
- F. Other Biographical Characteristics: Tenure, Religion, Sexual Orientation, and Gender Identity
 - 1. Tenure
 - a. The issue of the impact of job seniority on job performance has been subject to misconceptions and speculations.
 - (1) Extensive reviews of the seniority-productivity relationship have been conducted:
 - (2) Tenure is also a potent variable in explaining turnover.
 - (3) Tenure has consistently been found to be negatively related to turnover and has been suggested as one of the single best predictors of turnover.
 - (4) The evidence indicates that tenure and satisfaction are positively related.

- b. Religion
 - (1) Religion is a touchy subject and often results in conflicts especially between employees' belief systems.
 - (2) Although employees are protected by U.S. federal law regarding their religion, it is still an issue in the workplace.
 - (3) Accommodation of religious beliefs and non-discriminatory practices are two areas that need to be addressed by companies.
- c. Sexual orientation and gender identity
 - (1) Sexual orientation
 - (a) Federal law does not protect employees against discrimination based on sexual orientation.
 - (b) Employers differ regarding their policies on this issue.
 - (2) Gender identity
 - (a) Often referred to as transgender employees, this topic encompasses those individuals who change genders.
 - (b) Dealing with transgender employees requires some special considerations, such as for bathrooms, employee names, and so on.

IV. ABILITY

- A. **Ability** is an individual's current capacity to perform various tasks in a job
- B. Intellectual Abilities
 - 1. Intellectual abilities are abilities needed to perform mental activities—thinking, reasoning, and problem solving.
 - 2. Most societies place a high value on intelligence, and for good reason.
 - a. Smart people generally earn more money and attain higher levels of education.
 - b. They are also more likely to emerge as leaders of groups.
 - c. Intelligence quotient (IQ) tests, for example, are designed to ascertain a person's general intellectual abilities.
 - d. So, too, are popular college admission tests, such as the SAT and ACT and graduate admission tests in business (GMAT), law (LSAT), and medicine (MCAT).
 - e. Testing firms don't claim their tests assess intelligence, but experts know they do.
 - 3. The seven most frequently cited dimensions making up intellectual abilities are number aptitude, verbal comprehension, perceptual speed, inductive reasoning, deductive reasoning, spatial visualization, and memory. Exhibit 2-2 describes these dimensions.
 - 4. If you score high on verbal comprehension, you're more likely to also score high on spatial visualization.
 - a. The correlations aren't perfect, meaning people do have specific abilities that predict important work-related outcomes when considered individually.
 - b. However, they are high enough that researchers also recognize a general factor of intelligence, **general mental ability** (GMA).
 - 5. Evidence strongly supports the idea that the structures and measures of intellectual abilities generalize across cultures.
 - 6. Jobs differ in the demands they place on intellectual abilities.

- a. The more complex a job in terms of information-processing demands, the more general intelligence and verbal abilities will be necessary to perform successfully.
 - b. Where employee behavior is highly routine and there are few or no opportunities to exercise discretion, a high IQ is not as important to performing well.
 - c. However, that does not mean people with high IQs cannot have an impact on traditionally less complex jobs.
- 7. Although intelligence is a big help in performing a job well, it doesn't make people happier or more satisfied with their jobs.
 - a. The correlation between intelligence and job satisfaction is about zero.
 - b. Research suggests that although intelligent people perform better and tend to have more interesting jobs, they are also more critical when evaluating their job conditions.
 - c. Thus, smart people have it better, but they also expect more.
- C. Physical Abilities
 - 1. Introduction
 - a. Less skilled and more standardized jobs
 - b. Nine basic abilities involved in the performance of physical tasks (Exhibit 2-3)
 - 2. The Role of Disabilities
 - a. Importance of ability at work increases difficulty in formulating workplace policies that recognize disabilities.
 - b. Recognizing that individuals have different abilities that can be taken into account when making hiring decisions is not problematic
 - c. It is discriminatory to make blanket assumptions about people on the basis of a disability.
 - d. It is also possible to make accommodations for disabilities.
- V. Implementing Diversity Management Strategies
 - A. Introduction
 - 1. Having discussed a variety of ways in which people differ, we now look at how a manager can and should manage these differences.
 - 2. Diversity management makes everyone more aware of and sensitive to the needs and differences of others.
 - 3. This definition highlights the fact that diversity programs include and are meant for everyone.
 - 4. Diversity is much more likely to be successful when we see it as everyone's business than if we believe it helps only certain groups of employees.
 - B. Attracting, Selecting, Developing, and Retaining Diverse Employees
 - 1. Attracting
 - a. One method of enhancing workforce diversity is to target recruiting messages to specific demographic groups underrepresented in the workforce.
 - b. Advertisements depicting groups of diverse employees are seen as more attractive to women and racioethnic minorities, which is probably why most organizations depict workforce diversity prominently in their recruiting materials.
 - c. Diversity advertisements that fail to show women and minorities in positions of organizational leadership send a negative message about the diversity climate at an organization.

2. Selection
 - a. The selection process is one of the most important places to apply diversity efforts.
 - b. Ensuring that hiring is bias-free does appear to work.
 - c. Where managers use a well-defined protocol for assessing applicant talent and the organization clearly prioritizes nondiscrimination policies, qualifications become far more important in determining who gets hired than demographic characteristics.
 - d. Organizations that do not discourage discriminatory behavior are more likely to see problems.
 3. Developing
 - a. Similarity in personality appears to affect career advancement.
 - (1) Those whose personality traits are similar to those of their co-workers are more likely to be promoted than those whose personalities are different.
 - (2) There's an important qualifier to these results: in collectivistic cultures, similarity to supervisors is more important for predicting advancement, whereas in individualistic cultures, similarity to peers is more important.
 - (3) Once again, deep-level diversity factors appear to be more important in shaping people's reactions to one another than surface-level characteristics.
 4. Retaining
 - a. Some data suggest individuals who are demographically different from their co-workers are more likely to feel low commitment and to turn over:
 - (1) Women are more likely to turn over from predominantly male work groups and men from predominantly female work groups;
 - (2) Non-Whites are more likely to turn over from predominantly White work groups and Whites from predominantly non-White work groups.
 - (a) This behavior is more prominent among new hires.
 - (b) After people become better acquainted with one another, demographic differences are less consistently related to turnover.
 - (c) One very large-scale study showed a positive diversity climate was related to higher organizational commitment and lower turnover intentions among African-American, Hispanic, and White managers.
 - (d) In other words, all workers appeared to prefer an organization that values diversity.
- C. Diversity in Groups
1. Groups are an essential part of organizational settings.
 - a. If employees feel no cohesion or sense of membership, group attributes are likely to be less.
 - b. Does diversity help or hurt group performance?
 - (1) Whether diverse or homogeneous teams are more effective depends on the characteristic of interest.
 - (2) Demographic diversity (in gender, race, and ethnicity) does not appear to either help or hurt team performance in general.
 - (3) On the other hand, teams of individuals who are highly intelligent, conscientious, and interested in working in team settings are more effective.

- (4) Thus diversity on these variables is likely to be a bad thing—it makes little sense to try to form teams that mix in members who are lower in intelligence, conscientiousness, and uninterested in teamwork.
 - c. In other cases, differences can be a strength.
 - (1) Groups of individuals with different types of expertise and education are more effective than homogeneous groups.
 - (2) Similarly, a group made entirely of assertive people who want to be in charge, or a group whose members all prefer to follow the lead of others, will be less effective than a group that mixes leaders and followers
 - (3) Regardless of the composition of the group, differences can be leveraged to achieve superior performance.
 - (4) Groups of diverse individuals will be much more effective if leaders can show how members have a common interest in the group's success.
 - 2. Evidence also shows transformational leaders (who emphasize higher-order goals and values in their leadership style) are more effective in managing diverse teams.
- D. Effective Diversity Programs
- 1. Effective diversity programs have three components:
 - a. They teach managers about the legal framework for equal employment opportunity and encourage fair treatment of all people regardless of their demographic characteristics.
 - b. They teach managers how a diverse workforce will be better able to serve a diverse market of customers and clients.
 - c. They foster personal development practices that bring out the skills and abilities of all workers, acknowledging how differences in perspective can be a valuable way to improve performance for everyone.
 - 2. Much concern about diversity has to do with fair treatment.
 - a. Most negative reactions to employment discrimination are based on the idea that discriminatory treatment is unfair.
 - b. Regardless of race or gender, people are generally in favor of diversity-oriented programs, including affirmative action, if they believe the policies ensure everyone a fair opportunity to show their skills and abilities.
 - 3. A major study of the consequences of diversity programs came to what might seem a surprising conclusion.
 - a. Organizations that provided diversity training were not consistently more likely to have women and minorities in upper management positions than organizations that did not.
 - b. Experts have long known that one-shot training sessions without strategies to encourage effective diversity management back on the job are not likely to be very effective.
 - c. Some diversity programs are truly effective in improving representation in management since they include strategies to measure the representation of women and minorities in managerial positions, and they hold managers accountable for achieving more demographically diverse management teams.
 - 4. Researchers also suggest that diversity experiences are more likely to lead to positive adaptation for all parties.
 - a. If the diversity experience undermines stereotypical attitudes,

- b. If the perceiver is motivated and able to consider a new perspective on others,
 - c. If the perceiver engages in stereotype suppression and generative thought in response to the diversity experience, and
 - d. If the positive experience of stereotype undermining is repeated frequently.
 - e. Diversity programs based on these principles are likely to be more effective than traditional classroom learning.
- 5. Organizational leaders should examine their workforce to determine whether target groups have been underutilized.
 - 6. If groups of employees are not proportionally represented in top management, managers should look for any hidden barriers to advancement.
 - 7. Communications should focus as much as possible on qualifications and job performance; emphasizing certain groups as needing more assistance could well backfire.

VI. Summary and Implications for Managers

- A. This chapter looked at diversity from many perspectives paying particular attention to three variables—biographical characteristics, ability, and diversity programs.
- B. We can readily observe biographical characteristics, but that doesn't mean we should explicitly use them in management decisions.
 - 1. Most research shows fairly minimal effects of biographical characteristics on job performance.
 - 2. We also need to be aware of implicit biases we or other managers may have.
- C. An effective selection process will improve the fit between employees and job requirements.
 - 1. A job analysis will provide information about jobs currently being done and the abilities individuals need to perform the jobs adequately.
 - 2. Applicants can then be tested, interviewed, and evaluated on the degree to which they possess the necessary abilities.
 - 3. Promotion and transfer decisions affecting individuals already in the organization's employ should reflect candidates' abilities.
 - 4. As with new employees, care should be taken to assess critical abilities incumbents will need in the job and match those with the organization's human resources.
 - 5. To accommodate employees with disabilities, managers can improve the fit by fine-tuning the job to better match an incumbent's abilities.
 - 6. Often, modifications with no significant impact on the job's basic activities, such as changing equipment or reorganizing tasks within a group, can better adapt work to the specific talents of a given employee.
- D. Diversity management must be an ongoing commitment that crosses all levels of the organization.
 - 1. Group management, recruiting, hiring, retention, and development practices can all be designed to leverage diversity for the organization's competitive advantage.
 - 2. Policies to improve the climate for diversity can be effective, so long as they are designed to acknowledge all employees' perspectives.
 - 3. One-shot diversity training sessions are less likely to be effective than comprehensive programs that address the climate for diversity at multiple levels.

Myth or Science?

Dual-Career Couples Divorce Less

*This contributes to **Learning Objectives**: Recognize stereotypes and understand how they function in organizational settings, Describe how organizations manage diversity effectively; **Learning Outcomes**: Describe the factors that influence the formation of individual attitudes and values, Apply the study of perception and attribution to the workplace, Define diversity and describe the effects of diversity in the workforce; and **AACSB Learning Goal**: Multicultural and diversity understanding.*

This statement is mostly false.

A recent large-scale study of married couples in the United States, the United Kingdom, and Germany found that in all three countries whether a wife worked outside the home, and what she earned if she did, had no effect on divorce rates. The authors of this study conclude: “In no country did a wife’s employment or relative earnings significantly increase the risk of dissolution.” Thus, it appears that social critics on both the left (dual-career couples have healthier, happier marriages) and the right (a traditional male working, wife at home family structure is best) are wrong. Still, this is a complex issue, and research on it continues.

What about whether the husband works outside the home? Historically, this was quite unusual, but it is becoming increasingly common—wives are now the primary breadwinner in 22 percent of U.S. couples, up from seven percent in 1970. There is some evidence that men are less healthy and marriages are more likely to fail when men do not work outside the home, or when they become unemployed while their wives continue to work. As one researcher noted, many married men ask themselves, “What is my value here if I’m not bringing in money?” One Canadian working mother, the primary breadwinner in her family, says, “There is a part of me that wonders if I can trust, if it’s safe for me to take my foot off the gas, to hold back and relax, not be thinking and working all the time.”

L. P. P. Cooke, “Wives’ Part-time Employment and Marital Stability in Great Britain, West Germany and the United States,” *Sociology* 44, No. 6 (2010), pp. 1091-1108; T. Parker-Pope, “She Works. They’re Happy.,” *New York Times* (January 24, 2010), pp. ST1,ST10; S. Proudfoot, “More Women Bringing Home the Bacon, More Men Cooking It,” *National Post* (October 7, 2010), <http://www.canada.com/>.

Teaching Notes

1. Ask students to discuss in class the sex and attitude concepts introduced in the text. What

does each student believe in agreement or disagreement with points made about the myths for divorce perceptions?

2. Have students relate their own experiences (use no names) to determine if any of them can remember seeing situations of friends and acquaintances' divorces and any judgment of differences in male and female earning associated with the couples.

Teaching Notes

This exercise is applicable to face-2-face classes or synchronous online classes such as BlackBoard 9.1, WIMBA, and Second Life Virtual Classrooms. See <http://www.baclass.panam.edu/imob/SecondLife> for more information.

An Ethical Choice Religious Tattoos

*This contributes to **Learning Objectives**: Recognize stereotypes and understand how they function in organizational settings, Describe how organizations manage diversity effectively; **Learning Outcomes**: Describe the factors that influence the formation of individual attitudes and values, Apply the study of perception and attribution to the workplace, Define diversity and describe the effects of diversity in the workforce; and **AACSB Learning Goal**: Multicultural and diversity understanding.*

Considering the following situation...

Edward practices the Kemetic religion, based on ancient Egyptian faith, and affiliates himself with a tribe numbering fewer than ten members. He states that he believes in various deities and follows the faith's concept of Ma'at, a guiding principle regarding truth and order that represents physical and moral balance in the universe. During a religious ceremony he received small tattoos encircling his wrist, written in the Coptic language, which express his servitude to Ra, the Egyptian god of the sun. When his employer asks him to cover the tattoos, he explains that it is a sin to cover them intentionally because doing so would signify a rejection of Ra.

If you were Edward's employer, how would you respond to his request? If several valued customers objected to Edward's tattoos, would it affect your response?

It may surprise you to learn that the Equal Employment Opportunity Commission (EEOC), the chief regulatory agency that enforces laws against workplace discrimination, holds that Edward's employer may not ask him to cover his tattoos. The seeming strangeness of Edward's religious views is not legally relevant. The EEOC notes, "These can be religious beliefs and practices even if no one else or few other people subscribe to them." If Edward's tattoos did not emanate from sincere religious beliefs, however, the employer could ask him to cover them.

The upshot: Diversity, ethics, and legal compliance are not always the same thing. Sometimes what is legal is not what you might do, and sometimes what you might do is not legal.

N. C. Earp, "Unique Belief Can Be Religious," EEOC Compliance Manual (Downloaded April 27, 2011), <http://www.eeoc.gov/policy/docs/religion.html>.

Class Exercise

1. Have the students divide into groups of four to five students.
2. Ask them to consider a situation where an employee arrives at work one day with a set of tattoos on his arm that depict art related to a specific motor cycle brand.
3. How does the employee's situation compare to Edwards situation in the Ethical Choice?
4. Later in the day, a female employee arrives with new studs passing through her lower lip. How does her situation compare?

Teaching Notes

This exercise is applicable to face-2-face classes or synchronous online classes such as BlackBoard 9.1, WIMBA, and Second Life Virtual Classrooms. See <http://www.baclass.panam.edu/imob/SecondLife> for more information.

GlOBalization

Images of Diversity from Around the Globe

*This contributes to **Learning Objectives**: Recognize stereotypes and understand how they function in organizational settings, Describe how organizations manage diversity effectively; **Learning Outcomes**: Describe the factors that influence the formation of individual attitudes and values, Apply the study of perception and attribution to the workplace, Define diversity and describe the effects of diversity in the workforce; and **AACSB Learning Goal**: Dynamics of the global economy, Multicultural and diversity understanding.*

As economic globalization continues to expand, the very idea of diversity management must expand to include a diversity of cultures and situations. Attitudes toward diversity programs range greatly across countries, with the idea of what constitutes a "diverse" workforce differing by culture and the demography of the country. The role of women in the workplace also varies, with some countries valuing sexual equality more than others. Other categories of diversity, like sexual orientation, are not recognized in some countries but are important elements of the diversity picture in others. A consideration of three international examples helps illustrate how diverse diversity programs can be.

In Singapore, diversity has become part of the national agenda. On “Racial Harmony Day,” street carnivals are held to celebrate the nation’s unique status as a crossroads of Chinese, Malay, Indian, and other cultures. Besides applauding these distinct national identities, the country’s leaders have also prioritized these celebrations as a moment to emphasize the shared identity of being Singaporean. Brazil is a similarly diverse country; the major demographic groups addressed by Brazilian diversity policies include African-descendant, European-descendant, and Asian-descendant, as well as disability status. Research suggests that diversity programs are relatively new to Brazil compared to Europe and North America, but companies are coming to see diversity management as a major component of their human resources systems. In India, diversity management often means addressing differences in social class and caste that do not arise in other countries, with affirmative action programs mandating the number of individuals from lower castes who must be included in management positions for some types of organizations.

Multinational organizations will have to carefully consider how to create diversity strategies given the variety of perspectives on diversity across countries. Many countries require specific targets and quotas for achieving affirmative action goals, whereas the legal framework in the United States specifically forbids their use. Some countries have strong prohibitions on sexual harassment, whereas in other countries behavior unacceptable in U.S. workplaces is common. Effectively managing diversity in multinational organizations is clearly a challenge of the global marketplace.

Sources: Based on D. P. S. Goh, “State Carnivals and the Subvention of Multiculturalism in Singapore,” *The British Journal of Sociology* 62, (2011), pp. 111-133; C. J. C. Jabbour, F. S. Gordon, J. H. C. de Olivera, J. C. Martinez, and R. A. G. Battistelle, “Diversity Management: Challenges, Benefits, and the Role of Human Resource Management in Brazilian Organizations,” *Equality, Diversity, and Inclusion: An International Journal* 30 (2011), pp. 58-74; F. L. Cooke and D. S. Saini, “Diversity Management in India: A Study of Organizations in Different Ownership Forms and Industrial Sectors,” *Human Resource Management* 49 (2010), pp. 477-500

Point/Counterpoint

Men Have More Mathematical Ability Than Women

*This contributes to **Learning Objectives**: Recognize stereotypes and understand how they function in organizational settings, Describe how organizations manage diversity effectively; **Learning Outcomes**: Describe the factors that influence the formation of individual attitudes and values, Apply the study of perception and attribution to the workplace, Define diversity and describe the effects of diversity in the workforce; and **AACSB Learning Goal**: Dynamics of the global economy, Multicultural and diversity understanding.*

Point

Harvard's Larry Summers was forced to resign from his job as president of the University for claiming that women have different abilities than men, but there is some truth to the claim. Evidence reliability indicates significant gender differences in mathematical test scores.

To be sure, there are many, many women whose mathematical and scientific prowess far surpasses that of many men. The distributions overlap to a considerable degree.

It is also true that most research shows that overall intelligence doesn't differ between genders: Women are as smart as men. But the fact of the matter is, the way in which men and women are smart is, on average, different. Women tend to have significantly higher scores on verbal ability measures and men tend to have significantly higher scores on measures of mathematical ability.

Many sociologists and educational psychologists argue that these differences are explained by socialization: Boys are socialized toward and rewarded for mathematical prowess whereas girls are pointed toward and expected to excel in writing and reading.

These socialization arguments, however, ignore some cold, hard truths that have been uncovered in the latest research. We know from neural imaging research that men's and women's brains differ. Men tend to show higher activation in the area of the brain responsible for mathematical and for spatial operations. Women, in contrast, tend to have better bilateral communication (the right and left sides of their brain communicate better), which is vital to reading comprehension and written and oral expression. Do we really think a child's third-grade teacher caused these differences?

No reasonable person suggests that boys and girls should be steered into different occupations based on these findings. Men and women should pursue the occupations that suit their abilities and that they will find rewarding. But should our pursuit of egalitarianism blind us to scientific findings that suggest the obvious: Men and women are not exactly alike?

Counterpoint

Women make up about half the new entrants in the professions of law, medicine, and dentistry. They are the vast majority of veterinarians. Yet they remain woefully underrepresented in science, mathematics, and technology positions. For example, only about one in five of recent entrants into engineering graduate programs are women, and in natural sciences and computer science departments at the top universities, fewer than one in ten tenured professors are women. If women are at such a disadvantage in terms of math and science abilities, why are they better represented in some occupations than others? Differing motivations produced by teacher and parent expectations are the answer. If we think women aren't natural engineers, then we learn to steer girls away from such career choices.

It is true there are gender differences in math test scores, but those differences are not large. And often ignored is a widely documented phenomenon: Among the very young, girls outperform boys on math (as well as on other) tests. By adolescence, this advantage reverses and boys outperform girls. If socialization and school experiences do not explain this result, what does?

Moreover, we know that a large part of the reason why fewer women enter science, technology, engineering, and mathematical (STEM) positions is not ability but motivation. Research indicates that women perceive careers in STEM fields to be less interpersonally fulfilling, and this explains their gravitation toward other fields. If we are concerned about sex differences in participation in these fields, we need to be concerned with the motivational effects of these perceptions, not with any presumed differences in male and female abilities.

A. B. Diekmann, E. R. Brown, A. M. Johnston, and E. K. Clark, "Seeking Congruity Between Goals and Roles: A New Look at Why Women Opt Out of Science, Technology, Engineering, and Mathematics Careers," *Psychological Science* 21, No. 8 (2010), pp. 1051-1057; S. J. Ceci and W. Williams, "Sex Differences in Math-Intensive Fields," *Current Directions in Psychological Science* 19, No. 5 (2010), pp. 275-279; J. Tierney, "Legislation Won't Close Gender Gap in Sciences," *New York Times* (June 14, 2010), pp. 1-4.

Teaching Notes

1. Assign teams of students comprising three students each.
2. Assign Point or CounterPoint to each group.
3. Assign groups to focus on the issues in the Point/CounterPoint and to do some Internet or Library fact finding supporting their assigned positions.
4. In class, draw lots from groups assigned to a position.
5. Have the group members present their positions in persuasive presentation with the goal to address factors brought up by the opposing position.
6. Repeat for other groups.

or

Assign students to write a position paper on the Point or Counterpoint that contrasts the positions and draws conclusions based on facts.

Teaching Notes

This exercise is applicable to face-2-face classes or synchronous online classes such as BlackBoard 9.1, WIMBA, and Second Life Virtual Classrooms. See <http://www.baclass.panam.edu/imob/SecondLife> for more information.

Questions for Review

1. What are the two major forms of workforce diversity?

Answer: The two major forms of workforce diversity are Ethnicity and Individual Differences. These Demographic Characteristics define the factors comprising diversity in the U.S. workforce. Ethnicity refers to the racial and ethnic backgrounds of individuals. The Individual Differences are the biological differences that are age, gender, race, disability, and length of service. These differences have been studied to determine their association with job performance, job satisfaction, turnover, and other concerns of organizational management. *(This contributes to **Learning Objectives:** Describe the two major forms of workforce diversity; **Learning Outcomes:** Define diversity and describe the effects of diversity in the workforce; and **AACSB Learning Goal:** Multicultural and diversity understanding.)*

2. What are stereotypes and how do they function in organizational settings?

Answer: Discrimination is to note a difference between things. Unfair discrimination is assuming stereotypes about groups and refusing to recognize differences. Under increasing legal scrutiny and social disapproval, most forms have faded. This may have resulted in an increase in covert forms of discrimination such as incivility or exclusion. Some forms are difficult to affect because they are unobservable. Whether intentional or not, serious negative consequences may arise for employers. Diversity is a broad term, and workplace diversity can describe any characteristic that makes one person different from another. *(**Learning Objectives:** Identify the key biographical characteristics and describe how they are relevant to OB; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding)*

3. What are the key biological characteristics and how they are relevant to OB?

Answer:

1. Age - Older workers bring experience, judgment, a strong work ethic, and commitment to quality.
2. Gender - Few differences between men and women that affect job performance.
3. Race - (the biological heritage used to identify oneself) Contentious issue: differences exist, but could be more culture-based.
4. Tenure - People with job tenure (seniority at a job) are more productive, absent less frequently, have lower turnover, and are more satisfied.
5. Religion - Islam is especially problematic in the workplace in this post-9/11 world.
6. Sexual Orientation - Federal law does not protect against discrimination (but state or local laws may). Domestic partner benefits are important considerations.
7. Gender Identity - Relatively new issue – transgendered employees.

These characteristics are important to OB since corporations are always searching for variables that can impact employee productivity, turnover, deviance, citizenship and satisfaction. Data that is easily defined and available in an employee personnel file can contribute to success in an organization. *(**Learning Objectives:** Identify the key biographical characteristics and describe how they are relevant to OB; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding)*

4. What is intellectual ability and demonstrate its relevance to OB?

7. **Answer:** Intellectual abilities are the abilities needed to perform mental abilities-thinking,

reasoning, and problem solving. Understanding the concept is essential to managers as they plan, organize, direct, and control a firm's operations. Since different jobs require different application of abilities, the challenge of job design, recruiting and selecting workers, and evaluating performance is based in applying the needed intellectual abilities to ensure fairness and appropriateness of management activities. (**Learning Objectives:** Define intellectual ability and demonstrate its relevance to OB; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding)

5. How can you contrast intellectual from physical ability?

Answer: The two types of abilities are intellectual abilities and physical abilities. Intellectual abilities lead to the mental abilities needed to perform jobs in the changing operational environments of today's business. Physical abilities have been a factor of job design and performance since Frederick Taylor's Scientific Management. Studies have suggested nine different Physical Abilities performed in work. They are mutually exclusive. Therefore, they are important considerations in the management functions. (**Learning Objectives:** Contrast intellectual from physical ability; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding)

6. How do organizations manage diversity effectively?

Answer: Effective Diversity Management capitalizes on diversity for organizational success. This includes recruiting and selection as well as training and development of employees to take advantage of diverse workforces. Effective programs have three components:

1. They teach managers about the legal framework for equal employment opportunity and encourage fair treatment of all people.
2. They teach managers how a diverse workforce will be better able to serve a diverse market of customers and clients.
3. They foster personal development practices that bring out the skills and abilities of all workers.

(**Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding)

Experiential Exercise

Feeling Excluded

Commented [SD1]: Move this title box to next page?

*This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; AACSB **Learning Goal:** Multicultural and diversity understanding.*

This 6-step exercise takes approximately 20 minutes.

Individual Work (Steps 1 and 2)

1. All participants are asked to recall a time when they have felt uncomfortable or targeted because of their demographic status. Ideally, situations at work should be used, but if no work situations come to mind, any situation will work. Encourage students to use any demographic characteristic they think is most appropriate, so they can write about feeling excluded on the basis of race, ethnicity, gender, age, disability status, religion, or any other characteristic. They should briefly describe the situation, what precipitated the event, how they felt at the time, how they reacted, and how they believe the other party could have made the situation better.
2. The instructor asks the students to then think about a time when they might have either deliberately or accidentally done something that made someone else feel excluded or targeted because of their demographic status. Once again, they should briefly describe the situation, what precipitated the event, how they felt at the time, how the other person reacted, and how they could have made the situation better.

Small Groups (Steps 3 and 4)

3. Once everyone has written their descriptions, divide the class into small groups of not more than four people. If at all possible, try to compose groups that are somewhat demographically diverse, to avoid inter-group conflicts in the class review discussion. Students should be encouraged to discuss their situations and consider how their experiences were similar or different.
4. After reading through everyone's reactions, each group should develop a short list of principles for how they personally can work to avoid excluding or targeting people in the future. Encourage them to be as specific as possible, and also ask each group to find solutions that work for everyone. Solutions should focus on both avoiding getting into these situations in the first place and also on resolving these situations when they do occur.

Class Review (Steps 5 and 6)

5. Members of each group are invited to provide a very brief summary of the major principles of how they've felt excluded or targeted, and then to describe their groups' collective decisions regarding how these situations can be minimized in the future.
6. The instructor should lead a discussion on how companies might be able to develop comprehensive policies that will encourage people to be sensitive in their interactions with one another.

Teaching Notes

This exercise is applicable to face-2-face classes or synchronous online classes such as BlackBoard 9.1, WIMBA, and Second Life Virtual Classrooms. See <http://www.baclass.panam.edu/imob/SecondLife> for more information.

Ethical Dilemma

Board Quotas

*This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values, Define diversity and describe the effects of diversity in the workforce; **AACSB Learning Goal:** Ethical understanding and reasoning abilities, Multicultural and diversity understanding.*

That women are underrepresented on boards of directors is an understatement. In the United States, only 15 percent of board members among the Fortune 500 are women. Among the 100 largest companies in Great Britain, women hold approximately 12 percent of board seats, a representation that has changed little over the past five years. In the European Union (EU) more generally, only 9.7 percent of the directors of the 300 largest companies are women. In China and India, the figure is roughly half that.

In response to such underrepresentation, many EU countries—including France, Spain, and Norway—have instituted compulsory quotas for female representation on boards. Great Britain has guidelines and recommendations. A 2011 official British government report recommended that women make up at least 25 percent of the boards of the largest British companies. Under the recommended guidelines, companies would be required to announce their board composition goals to their shareholders and state clearly how they plan on meeting them. France passed a law in 2011 that requires large companies to fill at least 40 percent of board seats with female members within the next six years. Spain has a similar quota in place.

1. Given that women participate in the labor force in roughly the same proportion as men, why do you think women occupy so few seats on boards of directors?

Answer: This question will have many possible answer depending on the viewpoint of students. Those who believe in the “old boy network” will say something to the effect that women are excluded from networks and relationships that will result in ascension to a board. Those who believe that the workforce finally including women in similar numbers to men might suggest that the increase in women in the workforce are in lower managerial positions restricting women’s consideration for boards. Some may suggest that appointment to a board is a factor of conceptual skill development that results from long periods of experience that women have not had time in the workforce to develop.

2. Do you agree with the quotas established in many EU countries? Why or why not?

Answer: The response to this question will spark considerable debate. Those who agree with the quota concept are those who likely believe in other governmental quotas

including affirmative action. Those against will likely express the concept that appointment should be for the most qualified regardless of gender and the possibility that the EU's policy will lead to degradation of board effectiveness.

3. Beyond legal remedies, what do you think can be done to increase women's representations on boards of directors?

Answer: One view will suggest that nothing needs to be done because as women develop the conceptual skills needed, the differences will eliminate themselves. Others will suggest that legal remedies are required because the situation will not change without requirements. Women desiring to climb to this level should engage in development programs to help them acquire and learn to practice the conceptual skills needed to apply in the board's work.

4. One recent study found no link between female representation on boards of directors and these companies' corporate sustainability or environmental policies. The study's author expressed surprise at the findings. Do the findings surprise you? Why or why not?

Answer: Most students will not see this as a surprise. Since companies who take a strong position on environment and sustainability are those with strong social responsibility cultures, then gender equality is likely a nature component of the organization's culture.

J. Werdigier, "In Britain, a Push for More Women on Boards of Large Companies," New York Times (February 25, 2011), p. B3; J. Galbreath, "Are There Gender-Related Influences on Corporate Sustainability? A Study of Women on Boards of Directors," Journal of Management & Organization 17, No. 1 (2011), pp. 17-38.

Case Incident 1

The Flynn Effect

*This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding.*

Given that a substantial amount of intellectual ability (up to 80 percent) is inherited, it might surprise you to learn that intelligence test scores are rising. In fact, scores have risen so dramatically that today's great-grandparents seem mentally deficient by comparison.

First, let's review the evidence for rising test scores. Then, we'll review explanations for the results. On an IQ scale where 100 is the average, scores have been rising about three points per decade, meaning if your grandparent scored 100, the average score for your generation would be around 115. That's a pretty big difference—about a standard deviation, meaning someone from your grandparent's generation whose score was at the 84th percentile would be only average (50th percentile) by today's norms.

James Flynn is a New Zealand researcher credited with first documenting the rising scores. He reported the results in 1984, when he found that almost everyone who took a well-validated IQ test in the 1970s did better than those who took one in the 1940s. The results appear to hold up across cultures. Test scores are rising not only in the United States but in most other countries in which the effect has been tested, too.

What explains the Flynn Effect? Researchers are not entirely sure, but some of the explanations offered are these:

1. **Education.** Students today are better educated than their ancestors, and education leads to higher test scores.
2. **Smaller families.** In 1900, the average couple had four children; today the number is less than two. We know firstborns tend to have higher IQs than other children, probably because they receive more attention than their later-born siblings.
3. **Test-taking savvy.** Today's children have been tested so often that they are test savvy: they know how to take tests and how to do well on them.
4. **Genes.** Although smart couples tend to have fewer, not more, children (which might lead us to expect intelligence in the population to drop over time), it's possible that due to better education, tracking, and testing, those who do have the right genes are better able to exploit those advantages. Some genetics researchers also have argued that if genes for intelligence carried by both parents are dominant, they win out, meaning the child's IQ will be as high as or higher than those of the parents.

Questions

1. Do you believe people are really getting smarter? Why or why not?
Answer: Yes, based on test scores, people are getting smarter. There is more of a focus on education today. Generations ago, many people did not complete high school and many worked in farming versus the service sector.
2. Which of the factors explaining the Flynn Effect do you buy?
Answer: All of the potential explanations have merit. Education has progressed and would directly attribute to higher test scores. Smaller families with more parental influence and many educational and learning toys, books, DVDs, etc. also improves the learning process. Test-taking abilities and techniques can lead to better scores and genetic composition measured in the form of IQ scores has clearly improved resulting in increased intellectual capital.
3. If the Flynn Effect is true, does this undermine the theory that IQ is inherited? Why or why not?
Answer: NO it does not undermine the concept that IQ is inherited. Instead it supports the concept of evolutionary change as changes in physical or mental capabilities are found to make a person more successful and become characteristics that are passed down through genes. The result is a baseline of IQ ability that is increasing. This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and

individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding.

Source: F. Greve, "Rise in Average IQ Scores Makes Kids Today Exceptional by Earlier Standards," *Jewish World Review*, February 14, 2006, pp. 1–3; and M. A. Mingroni, "Resolving the IQ Paradox: Heterosis as a Cause of the Flynn Effect and Other Trends," *Psychological Review*, July 2007, pp. 806–829.

Case Incident 2

Increasing Age Diversity in the Workplace

*This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding.*

Over the past century, the average age of the workforce has continually increased as medical science continues to enhance longevity and vitality. The fastest-growing segment of the workforce is individuals over the age of 55. Recent medical research is exploring techniques that could extend human life to 100 years or more. In addition, the combination of laws prohibiting age discrimination and elimination of defined-benefit pension plans means that many individuals continue to work well past the traditional age of retirement.

Unfortunately, older workers face a variety of discriminatory attitudes in the workplace. Researchers scanned over 100 publications on age discrimination to determine what types of age stereotypes were most prevalent across studies. They found that stereotypes suggested job performance declined with age, counter to empirical evidence presented earlier in this chapter that relationships between age and core task performance are essentially nil. Stereotypes also suggest that older workers are less adaptable, less flexible, and incapable of learning new concepts. Research, on the other hand, suggests they are capable of learning and adapting to new situations when these are framed appropriately.

Organizations can take steps to limit age discrimination and ensure that employees are treated fairly regardless of age. Many of the techniques to limit age discrimination come down to fundamentally sound management practices relevant for all employees: set clear expectations for performance, deal with problems directly, communicate with workers frequently, and follow clear policies and procedures consistently. In particular, management professionals note that clarity and consistency can help ensure all employees are treated equally regardless of age.

Questions

1. What changes in employment relationships are likely to occur as the population ages?

Answer: Jobs may need to be redesigned. Supervisors may require specific training in work with and leading older workers. Benefit programs may require restructuring to address issues of older workers.

2. Do you think increasing age diversity will create new challenges for managers? What types of challenges do you expect will be most profound?

Answer: An aging population will require changes in the organization, including such components as job design, working hours, and leadership styles.

3. How can organizations cope with differences related to age discrimination in the workplace?

Answer: Organizations and the leadership can cope with the changing workforce if they open their communication techniques as they observe the differences in work, attitude, and behavior brought by and older work force. And, they must be prepared to make organizational changes to accommodate the differences productively.

4. What types of policies might lead to charges of age discrimination, and how can they be changed to eliminate these problems?

Answer: This list could be long but might include such things as changing policies of work time to more flextime. Changing absenteeism and sick leave policies to address increased need for health care among older workers. Add and change benefit policies to recognize the specific needs of older workers.

Sources: Based on D. Stipp, "The Anti-Aging Revolution," *Fortune*, (June 14, 2010), pp. 124-130; R. A. Posthuma and M. A. Campion, "Age Stereotypes in the Workplace: Common Stereotypes, Moderators, and Future Research Directions," *Journal of Management* 35, (2009), pp. 158-188; and H. Perkowski, "With an Aging Workforce, a Rising Risk of Discrimination Claims," *Workforce Management Online*, (July 2008), www.workforce.com

Instructor's Choice

Personality and Innovation at Apple-Application of Abilities Evaluation

*This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively;*

***Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Multicultural and diversity understanding.*

"It's Showtime!" is now a phrase that can adequately describe the art and personality of Steve Jobs. At one time or another, Steve Jobs has been called brilliant, creative, demanding, domineering, eccentric, a predatory competitor, hard, unforgiving, or one of the best marketing minds alive today, quite an extensive array of abilities. Mr. Jobs' new passion is online music and digital entertainment. Just as Apple Computer revolutionized the character and style of computing, it now plans to do the same in the world of music. From iPods, iLife software, iTunes for downloads, Pixar Animated movies, and new Apple stores, Steve Jobs has Apple on everyone's lips once again. The up and down swings of Apple Computer are legendary;

however, through it all Steve Jobs' vision has remained constant. He seems to really be able to envision the future before it happens.

Using a search engine of your own choosing, find an article about Steve Jobs that outlines his successes and failures as a corporate executive and entrepreneur. What do you think are the Dimensions of Intellectual Ability that are exemplified by Jobs? (page 52) Explain your rationale. Using a search engine of the Apple Web site, review the latest innovations from Apple in digital entertainment and music. Write a one- to two-paragraph synopsis of these innovations. Describe which of Mr. Jobs' Intellectual Abilities has helped him the most in putting together the deals that have propelled Apple to the forefront on digital entertainment and music via the Internet.

INSTRUCTOR DISCUSSION

To aid the student in this application project suggest that they read "Show Time" by Peter Burrows found in Business Week (February 2, 2004, pp. 57–64). With respect to the Intellectual Abilities presented in the chapter, Mr. Jobs would certainly rate high on Extraversion, Conscientiousness, and Openness to Experience. He would also have an internal locus of control approach, be self-monitoring, have high self-esteem, be a Type A personality, have a high need for achievement, and a high need for power. However, he is also very good at building partnerships. Note the differences between his ability to partner versus that of rival Microsoft. In fact even though the Apple vs. Microsoft rivalry is legendary, Steve Jobs long ago recognized the benefits of having his Apple (Mac) system be user friendly to the Windows world. His alliances in the entertainment field with Disney and various film producers have certainly given him a head start in the emerging digital entertainment field. Recent creative conflicts with Disney lead to senior staff shakeups at Disney. Apple is certainly a force to be recognized. See www.apple.com for additional information.

Exploring OB on the World Wide Web

*This exercise contributes to **Learning Objectives:** Describe how organizations manage diversity effectively; **Learning Outcomes:** Explain the relationship between personality traits and individual behavior, Describe the factors that influence the formation of individual attitudes and values; **AACSB Learning Goal:** Use of information technology, Multicultural and diversity understanding.*

Search Engines are our navigational tool to explore the WWW. Some commonly used search engines are:

www.excite.com	www.yahoo.com	www.hotbot.com
www.google.com	www.lycos.com	www.bing.com

Do a WWW search on age discrimination. Choose three sites that each deal with a different aspect of age discrimination. For example: discrimination in High Tech industries, preventing discrimination, AARP's involvement with the issue, etc. Write a one-page paper outlining the

key points of the information obtained and how it confirms or disconfirms what we learned about older workers in this chapter.

Find a current article of an organization that has been involved in an age discrimination suit. What were the specific issues involved? If resolved, what was the outcome? Bring a copy of the web page to class and be prepared to discuss it. In addition to searching, here are some places to start digging:

www.aarp.com

www.bizjournals.com (there is a free registration process for this site)

www.hrlawindex.com (there is a free registration process for this site)

Top executives and tough jobs. Learn more about the skills and abilities managers need, like intelligence, leadership, motivation, etc., to be successful. Visit the About.com site and learn more. Print and bring an article to class for discussion. Try these pages or do your own search on About.com. Be sure to select links that look interesting found in the left frame.

www.learning.about.com

www.psychology.about.com