



TenStep Supplemental Paper

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Diverse Workforce as a Strategic Tool

Not long ago, most of the organizations focused on having a relatively uniform workforce in terms of academic qualifications, technical and functional skills, cultural values, gender and even age to provide a distinctive appeal to its workforce. The benefits of such an approach were manifold – uniformity of recruitment tools, training and development programs and a standardized performance benchmark. However, with the rapid changes in the legal and demographic structure, organizations were compelled to have a more diverse workforce. To start with, organizations adapted to this new requirement almost unwillingly but have been quick to realize that the approach has more benefits to offer than previously imagined.

Intent that propels diversity

Various factors force organizations to make its workforce adopt a diverse or cosmopolitan look. These include legal compulsions and demographic changes on the objective front and moral imperative and political correctness on the subjective front.

On the political front, developed countries like the U.S. and the U.K. had to turn themselves into equal opportunity providers. As a result immigrants and multi-ethnic persons constitute a large part of the workforce in these countries. At the global level, companies are trying their best to cope with changing demographics and lack of the best of manpower in the global marketplace. Hence it is not hard to find diversity in multinational companies. Social and secular equality is another contributing factor to this trend.

Prevalent workforce trends

Smart and brilliant minds in an organization do not belong to specific color, gender or community. They come from diverse social, secular and demographic backgrounds. Let us consider a few facts:

Organizations with highest proportion of women in management and leadership ranks generated the highest value to shareholders (34% higher) and registered the best return on equity (35% higher).

Organizations that focus on diversification strategies need to develop a diverse workforce that can meet the challenges of innovation and adaptability to different regions and market segments. Diversity brings with it the benefit of wide ranging experience and view points, thereby making these groups better equipped than the conventional homogeneous workforce to tackle new problems and provide innovative solutions.

Women are known to adapt better to difficult people situations. They are endowed with grit and empathetic attitude, making them the preferred choice for people-centric functions like human resources management and customer care. Training initiatives in people skills and mentoring programs will go a long way in dispelling the notion that assertive women are aggressive.



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The entry of people from diverse backgrounds into the sales and marketing team makes it a very effective unit, as it would facilitate a broader understanding of varied customer group (culture, lifestyle and values) than would have been possible otherwise. A diverse talent base representing a large cross section of the society would enable the company to feel the customer pulse better.

Underrated groups yield excellent results

To understand the value of their contribution among the workforce, consider some of the following facts:

Women-owned businesses register annual revenues of approximately 1.15 trillion dollars. Another feature is that women and minorities are embarking upon entrepreneurship at twice the rate compared to others. In other words, such hitherto fringe workforce groups are streamlining their creativity and energy for setting up their own successful businesses.

Women and minorities take about four-fifths of the consumer decisions.

An interesting research report has revealed that American women represent the largest economy in the world, followed by Japanese and American men. In such a scenario, it makes business sense to provide key roles for women in the management of organizations, at least in the American context.

Time for action

If properly implemented, a diverse workforce can be used as a strategic tool in organizations. To ensure success, all that is required on the part of the organization is having the right man for the right job at the right time, irrespective of whether the person is from the homogeneous group or not. The more diverse the employee group within the organization, the greater would be the association of the organization with peace, justice and equality for all, thereby making it a role model and a dream employer.