

# Diversity management in tesco and asda



**ASSIGN  
BUSTER**

## **1. TITLE**

Managing Diversity in Global Organizations. A Case Study of Managing Diversity in Tesco and Asda

## **2. BACKGROUND OF STUDY**

As organizations increasingly become global in their operations and business activities, there appears to be a need to come to terms with the issue of having to deal with a diverse workforce. A global organization is more likely to translate into a diverse workforce. Managing diversity is mostly typical of multinational organizations. Globalization has made it imperative for organizations and multinational organizations alike to effectively manage a diverse workforce in such a manner that it translates to improved organizational performance. To better understand the far reaching implications of workforce diversity, Hofstede (2001) noted that close to half of the workforce in the United Kingdom now consists of immigrants, minorities, and women. This shows that organizations are increasingly faced with the challenge of having to deal with the issue of managing individual differences. Furthermore, diversity of workforce also arises when organizations expand into foreign markets. In such a case, Millmore et al. (2007) noted that having a diverse workforce can present organizations with the wherewithal to understand the nature of foreign markets.

Different definitions have been provided to help describe what diversity management is all about. Holden (2002) noted that effective diversity management is mainly centred on the need to create an egalitarian work environment where employees, irrespective of their differences, can feel free

to express themselves. Millmore et al., (2007) suggested that diversity management borders on the need to take proper advantage of cultural pluralism which is the result of the internalization of the organization. In the past, diversity management was generally viewed as a being a human resource function. This is not really the case as Harvey and Allard (2009) noted that the subject of diversity management within organizations transcends normal human resource functions. In this regards, everyone within the organization has a responsibility towards effective diversity management. As cited earlier, diversity management is based on the need to accommodate and harness individual differences in such a manner that it leads to achievement of organizational goals and objectives. Friday & Friday (2003) were of the opinion that diversity management is an integral aspect of the change management process. In this context, the need for diversity management comes as a result of having to cope with the changing demographic profile of workforce. Managing a diverse workforce is something that most organizations cannot avoid; this is particularly the case with multinational organizations. The workforce in most global organizations is a representation of the changing demographic outline in the organization's external environment. Cultural pluralism is something that organizations have to cope with (CIPD 2005). Worman (2005) noted that organizations can leverage on individual differences in manner that stimulates creativity and innovation in the workplace. In most multinational organizations, the workforce profile usually consists of different ethnic groups, women, different sexual orientation, different religious orientation etc. Individual differences, from the perspective of employees, ought to be a beneficial to the organization concerned if harnessed properly. For one, Turnbull et al., (2008)

noted that effective diversity management encourages creativity and innovation within an organization especially bearing in mind that employees are allowed to freely express themselves. This is why McCarthy (2004) noted that diversity management is central to attracting and retaining talent within an organization.

### **3. PRELIMINARY REVIEW OF LITERATURE**

The concept of diversity management has its foundations in the subject of equal opportunities (EEO). Snape & Redman (2003) noted that the concept of equal employment opportunities (EEO) starts externally and is usually enforced by laws while diversity management starts within the organization (internally). This is in line with the earlier observation that diversity management is based on the need to develop an egalitarian environment within the organizations. An egalitarian work environment is one where individual differences, from employee perspectives, are tolerated and as such, employees feel free to express themselves. When employees feel free to express themselves, they tend to maximize their innate potentials.

Turnbull et al., (2009) suggested that a free and tolerant work environment can be encouraged through increased employee inclusiveness. Increased employee inclusiveness within an organization involves a range of variables like giving employees a fair chance at career progress, increased employee involvement in the decision-making process, fair reward packages etc.

In line with the observation that diversity management has its origins in the subject of equal employment opportunities (EEO), it is also important to note that EEO is a backdrop of the civil rights movement which was aimed at eliminating discrimination and stereotypes. In this particular context, a free

and fair work environment is one that is devoid of any form of discrimination and stereotypes; employees are treated based on their religious orientation, sexual orientation, gender, ethnic and racial differences. Thomas (2002) noted that diversity is not synonymous with differences, but includes differences and similarities. In the context of this particular observation, diversity refers to the collective mixture of differences and similarities along a particular dimension. Diversity management focuses on the broader picture hence, it is often regarded as a strategic function. This is why most multinational organizations have a corporate diversity strategy in place to deal with the changing nature of workforce especially with regards to the issue of attracting and retaining key talent. Friday & Friday (2003) noted that, " given the immense ' rush for talent' in today's global and competitive business environment, there is a need to assess and execute a corporate diversity strategy using a planned approach to not only value diversity, but to also systematically manage and include diversity as part of organizational culture". Again, Worman (2005) added that effective diversity management is guaranteed when corporate diversity strategy is a considerable aspect of corporate culture.

There are many benefits that can be derived from the implementation of a workable diversity policy and strategy within an organization. Friday & Friday (2003) highlighted some benefits that are derived from the effective implementation of diversity management; improved creativity, improved innovation, improved employee-employer relationship, and improved decision-making. The lack of an effective diversity management strategy within an organization can lead to certain pitfalls. Some of the pitfalls of non-

implementation of a workable diversity policy within an organization include reduced employee involvement, increased employee turnover, reduced employee commitment and poor employer-employee relations. One of the reasons why organizations need to have a workable diversity policy is to eliminate all forms of discrimination in the workplace especially bearing in mind that creativity and talent is constrained in such a scenario. The fact that diversity management transcends normal human resource functions does not eliminate the role that human resource management plays in the effective implementation of diversity management within an organization. One of the starting points of diversity management in organizations is at the recruitment stage. In the current fast-paced global environment, recruiting and managing a diverse workforce is imperative for success. McKernan (2008) noted that recruitment and selection processes within organizations should reflect their commitment to diversity as this is the consideration for attracting and retaining talent within the organization. Furthermore, while writing for the Harvard Business Review, Williamson (2001: 189) noted that building diversity centres on the need to cultivate effective relationships especially with regards to employer-employee relationships. In this regards, an organization that earns the reputation for being a ' diversity-friendly organization' is likely to attract a huge array of talent both in its applicant pool and employee profile. Retail-oriented organizations like Tesco and Asda place premium on diversity management. Tesco, for instance, boasts of its diverse workforce thus reflecting its commitment to eliminating discrimination in the workplace. Tesco has a Diversity Advisory Group which convenes semi-annually to monitor and ensure that Tesco's workforce at every stage, reflects the composition of population at every moment in time.

To combat discrimination against disabled people, Tesco was the first organization in the United Kingdom to establish targets for the recruitment of disabled people; this is why Tesco was given a two-tick symbol by Remploy (Tesco-careers. com).

The need to conduct this particular research is informed by one of my academic modules; human resource management to be precise. Examining the implications on globalization on the workforce diversity within organizations will offer useful insights on how organizations can leverage on employee differences in such a manner that it leads to improved organizational performance.

#### **4. RESEARCH QUESTIONS**

In order to carry out this particular research, the following research questions listed below have been developed:

- 1.) What is the relationship between workforce diversity and organizational performance?
- 2.) How can diversity policy and processes be inculcated effectively into organizational culture?
- 3.) How can employee differences be leveraged upon by organizations that it engenders a work environment that encourages creativity and innovation?

#### **5. RESEARCH OBJECTIVES**

Based on the research questions outlined above, the following research objectives outlined below have been developed by the researcher:

- 1) To ascertain if workforce diversity can lead to effective organizational performance.
- 2) To critically examine the sustainability of the diversity management strategy of Tesco and Asda.
- 3) To establish how diversity management can be effectively inculcated as a part of organizational culture.
- 4) To establish how individual differences, such as different ethnic background and race, can be leveraged in such a manner that it contributes to increased employee productivity and better organizational performance.
- 5) To generate workable conclusions and recommendations based on findings from the research.

## **6. RESEARCH PERSPECTIVES**

In researching the issue of diversity management in organizations, the interpretivist research paradigm will be employed especially when taking into consideration the fact that most of the data that will be gathered will be largely qualitative in nature. Millmore et al., (2007) noted that the issue of managing diversity in organizations is mainly concerned with creating a free and environment within the workplace; such an environment engenders creativity and innovation. Furthermore, Collis & Hussey (2005) noted that the interpretivist research paradigm mainly deals with the understanding of variables as opposed to the measurement of variables. The fact that the interpretivist research paradigm will be employed in the conduct of this research also highlights the fact that this research will be largely inductive in



nature and as such, the qualitative research approach will be employed.

Collis & Hussey (2003) noted that the qualitative research approach has its attendant limitations; one of which is the fact that the qualitative research approach is usually likely to be subjective in nature since it is largely dependent on the analytical perspectives of the researcher concerned.

## **7. RESEARCH DESIGN**

The research design is an integral aspect of any research. There a host of reasons for this, one of which is the fact that the research design gives focus and direction to a research (Collis & Hussey 2005). The research design enables the researcher to fulfil the main requirements of a research without carrying out needless work. For the purposes of this particular research, the case study research design was used. According to Jewell (2010: 4. 9), “ this case study research design as a result aids in the removal of decisions, why and where such decisions are taken, how they are carried out and with what result with respect to both the independent and dependent variables under investigation”. In the context of using the case study research design, the case study for this particular research is the critical examination of diversity management in Tesco and Asda. Again, the comparative research design will be used in this particular research. The comparative research design will involve comparing the diversity policy and processes in Tesco with what obtains in Asda.

## **8. DATA COLLECTION METHODS**

To meet the objectives of this research outlined earlier, data will be gathered from both primary and secondary sources.

## **8. 1 Primary Data**

Collis & Hussey (2005) defined primary data as ‘raw information’. Saunders et al., (2003) suggested that primary data is data that is gathered through the efforts of the researcher carrying out a particular research. Primary data is a useful source of information for any research especially bearing in mind that it offers intricate insights on a particular subject matter. The logistics involved in the gathering of primary data makes primary data an expensive form of gathering information. For this research, primary data will be sourced through three open-ended interviews; two interviews will be conducted with employees at Tesco and one interview with an employee of Asda. I currently have a job as a part-time shop floor worker at Tesco Arena in Coventry and have been guaranteed an interview with my shop floor team leader. I have also been assured with one of the line managers at Tesco Arena. My previous part-time job was at Asda; I have been in contact with my former line manager at Asda and she has assured me that she will be available upon request for my proposed interview session. These three open-ended interviews will provide useful insights on effective management of a diverse workforce within organizations, especially global organizations. The decision to use the open interviews is informed by the wealth of information that can potentially be gathered. The interviews will be analysed using content analysis; in this regards, feedback from the interviews will be analysed in line with information gathered from secondary sources.

## **8. 2 Secondary Data**

Secondary data is another important way of gathering information for any research. Secondary data is also referred to as complementary information.

Collis & Hussey (2005) suggested that secondary data is information that is collected by other people. Most research studies always use secondary data and secondary data will play a significant role in the conduct of this particular research. Secondary data will be used to develop the theoretical framework for this research. Secondary data for this research will be sourced from textbooks, peer reviewed academic journals like the journal of managing diversity, company reports (media relations reports of Tesco and Asda about their diversity policies), company websites (Asda and Tesco), other published and unpublished materials. The peer reviewed academic journals to be used in this particular research will be sourced well known academic databases like Emerald, Ebscohost and Sage. Again, articles from the Chartered Institute of Personnel Development (CIPD) will also be used in the conduct of this research.

## **9. LIMITATIONS OF THIS RESEARCH**

Every research is likely to have its attendant limitations. One of the limitations of this research is that only one research approach will be used; in this case, only the qualitative research approach will be used. One of the main limitations of the qualitative research approach is the fact that it is usually subjective in its nature and scope. Again, the subjectivity characteristic of the qualitative research approach is also highlighted by the fact that it is usually dependent on the views or opinions of the researcher. In a situation where the qualitative research is not used properly, it could give a research an awkward tone. Another limitation of this research stems from the sample size of interviewees; in this context, the sample size of just three interviewees may be viewed as too limited to generate sufficient data

for this research. To deal with this particular limitation, use of both secondary data and primary data will help to generate much needed information to carry out this research. Another limitation of this research is the fact that it will be difficult for the researcher to assess the frame of mind of the interviewees especially bearing in mind that the best responses from the interviewees will be obtained when they are in a proper frame of mind.

## **10. ETHICAL CONSIDERATIONS**

The conduct of this particular research will be in accordance with the regulations of Coventry University especially with regards to plagiarism. All external information used in this research will be appropriately acknowledged using the Harvard referencing style. Coventry University's ethics form will be filled before the conduct of any interviews. The interviewees will not be forced into disclosing any information they wished not to disclose. Again, all data gathered during the course of this research will only be used for research purposes and no other purpose.

## **11. PLANNING**

Carrying out an effective research is largely dependent on having a workable plan in place. In terms of the need for a plan in this research, a Gantt Chart will be used to show necessary timescales and milestones for this research.