

# The composition of workforce diversity commerce essay



Within each and every organization, the composition of workforce diversity is being integrated into its human resource management (HRM). In this new era, the world is increasingly globalizing and since the advent of information technology, the borders of the world are drawn so closely than ever before. Theories of diversity management have been developed by business professionals and scholars (Saji, 2004), citing that a heterogeneous organization could create better HRM practices to maximize the benefits from a diverse workforce as well as improving their competitive advantages. Maslow's Hierarchy of Needs will be discussed to further understand how employees' basic need affects the HRM; and how workforce diversity could contribute to achieving HRM's strategic objectives.

Diversity awareness allows for a better understanding of inclusive consumers' needs, and provides access to better labour pools (Agocs & Bur, 2000). Hence, an organization must be able to utilize the available skills from the workforce if it is to maintain competitive advantage and achieve success. Quality skill is an important resource and companies that seek to expand its position would require much creative strategies from its employees. The definition of HRM refers to activities undertaken by an organization to utilize its human resource effectively, therefore a firm especially those with a diverse workforce have to understand the needs of the employees first. As said by Maslow's Hierarchy of Needs, any person, in this case any employee have to achieve the needs that are most essential before ascending the pyramid with higher need requirements. Every generation of workforce have different expectation from their working environment; such as those of the baby boomer era and that of the late 1980s.

In order to develop and maintain effective diversity policies, it is necessary that the firm allow all employees to participate in the diversity initiative. Leading organization with good HRM practices understand that the firm have to support their employees in acquiring knowledge of effective interaction and people management in a diverse workplace. They acknowledge the added values of an employee if they continue to acquire new skills in dealing and managing people. By managing a diverse workforce well, organizations are expanding their prospect to a more diverse marketplace. Instead of having a homogeneous workforce which shares the same backgrounds and perspectives, the result of having a diverse workforce is different viewpoints that would increase level of creativity and problem-solving ability. If firms want to compete to satisfy their clients, the businesses require a more diverse workforce in order to be more successfully understood and meet the needs of a rapidly growing base of minority clients. All diverse workforce need to overcome stereotypes or discrimination and recognize that actual dissimilar other have distinctive and valuable information that can sustain group processes and performance (Hartel, 2004).

As the economies are shifting from manufacturing to service economies, diversity issue will gain importance since in a service economy effective communication and interactions among people are necessary to business success (Wentling and Palma-Rivas, 2000). Organizations are able to produce better ideas and more innovative solutions that can solve wide range of matters. Diverse workforce not only appeal to top industry talent, but it also attracts customer support from those who prefer to buy goods and services from such organizations (Hymowitz, 2008; Konrad, 2006).

Managing diversity is more than just acknowledging differences of every individual. It involves recognizing the value of difference, preventing discrimination and promoting generality. Human resource managers might face challenges such as losses in workforce and work output due to prejudice or discrimination and criticisms and legal actions opposed to the organization. These issues can be obstacles to organizational diversity because they can dent working relationships, morale and work productivity. Negative attitudes and behaviours should never be practiced by management for employment, retention, and termination practices in the workplace because these include could lead an organization to costly lawsuit.

Organizations with a diverse workforce can provide superior services because they can better understand customers' needs (Wentling and Palma-Rivas, 2000). Therefore, this will indirectly increase customer loyalty and also translates into effective delivery of essential services to communities with diverse needs. Workforce diversity will bring a significant increase in innovation. A diverse workforce means a wider range of different background and perspectives which gives organizations a broader range of ideas and clearer perceptions in decision making and policy development while simultaneously improves service to clients as well because it reflects the local community therefore understand its clients better. Therefore, diversity is a good business model to adapt to.

Besides, workforce diversity increase competitive management practices therefore they are more productive. Organizations that value and capitalize on employee diversity workplaces will attract and retain quality employees <https://assignbuster.com/the-composition-of-workforce-diversity-commerce-essay/>

better. These translate into savings in recruitment and training costs, as well as maintaining corporate knowledge and expertise. Managing diversity can create competitive advantage. Diversity in the workplace can be a competitive advantage because diverse viewpoints can facilitate unique and creative approaches to problem-solving, thus increasing creativity and innovation, which in turn leads to better organization performance (Allen et al., 2004). Culturally diverse groups relative to homogeneous groups are more effective both in the interaction process and job performance; these benefits occur after a diverse group has been together for a period of time.

Associates and employers can gain many benefits via workforce diversity. Associates are interdependent in the workplace, yet respecting individual differences can increase efficiency. Diversity in the workplace can avoid unnecessary lawsuits and increase marketing opportunities, recruitment, creativity and business reputation since discrimination and all other racial ideology is not being practiced in the organization. In an era when flexibility, creativity, speed are crucial to competitiveness, diversity is critical for an organization's success; its benefits are made for everyone who chose are in this line. It is a global moral necessity.

Diversity strategic planning focuses on creating a measurable way that it can support the goals, objectives and strategic direction of the organization; while strategic level long-term development for diversity is a more recent expansion that focuses on plans that would span more than 5 years. Until quite recently diversity was not considered as an essential part of strategic planning, in the past diversity initiatives were often lacked specificity, poorly conceptualized, and were not linked to strategic organizational plans. Now, <https://assignbuster.com/the-composition-of-workforce-diversity-commerce-essay/>

organization managers realized that in order to establish an effective and successful diversity planning it must be aligned with and provide support for strategic business objectives and operational decisions.

In conclusion, workforce diversity is fundamental to any organization ability to survive the globalised economy. Organization that build experience in and reputations for managing diversity has a tendency to attract the best personnel (Carrel et al., 2000). Therefore, administration has to seriously analyse and evaluate the benefits of workforce diversity in their organization, while the management should create an atmosphere that could enhance a diverse workforce; consequently the organization's employees would be more competitive within and across organizational boundaries (Baker and Hartel, 2004) of the firm. In today's fast-paced work environment a successful organization is one where diversity is the norm and not the exception (Lawrence, 2001).