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Diversity Management in the Public Sector



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Synonyms

Diversity management – managing diversity; Employee work outcomes – employee performance; Productivity – efficiency; Service delivery – public service

Definition

Diversity management refers to the manner in which differences are managed among the workforce.

Public Sector Reforms involve changes that have been made to the public sector since the 1980s in order to improve performance.

Heterogeneous workforce is considered here as a workforce that has people with different backgrounds and attributes.

Introduction

Diversity management (DM) has become one of the critical concerns of public sector reforms in

recent times because of demographic and population shifts in society. The notion is that public organizations can achieve their organizational objectives like service delivery more effectively through DM (Ohemeng and McGrandle 2015). According to Klarsfeld, Booyesen, Ng, Roper, and Tatli (2014), different countries demonstrate three key characteristics of DM at work: contextuality, relationality, and dynamism. The meaning of diversity and categories of difference that are included in managing diversity frameworks are informed by country-specific historical legacies, labor market conditions, and regulatory environments. International agencies such as International Labor Organization (ILO), United Nations (UN), and regional bodies such as European Union (EU) can also exert influence on DM at work (Klarsfeld et al. 2014). There are competing views on the most effective ways of managing diversity, tackling discrimination, and promoting inclusion and fairness at work. DM is a relational and negotiated process that involves multiple actors with different interests and viewpoints such as state, employers, trade unions, and new actors including nongovernmental organizations (NGOs), professional bodies, community groups, and diversity consultancies. Furthermore, DM is not static but dynamic, changing in line with the political and economic pressures nationally and internationally. Thus the dynamism and implementation of DM differs across countries and their public institutions. This entry provides

a historical review of DM in the public sector in key countries around the world.

United States of America

In the USA, where the term *diversity management* originated, there was a gradual progression over the years from Title VII of the 1964 Civil Rights Act that mandated equal employment opportunity (EEO), to President Lyndon Johnson's 1972 Executive Order 11246 that outlined affirmative action (AA), culminating in DM policies and programs developed in the 1990s and 2000s. In addition, there are other laws such as the Equal Pay Act of 1963, the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act of 2008, and Genetic Information Non-discrimination Act of 2008; all these play a crucial role in understanding employer requirements. The focus of managing diversity in the USA is often attributed to two reports published by Hudson Institute in the late 1890s; *Workforce 2000* and *Civil Service 2000* commissioned by the Office of Personnel Management (OPM) (Naff and Kellough 2003). While both reports highlighted the increasing penetration of the national labor force by women and people of color, the second report by OPM specifically addressed challenges the federal government would face as an employer over the coming decades (Naff and Kellough 2003). The early "business case" for diversity was made by Thomas (1990) stating that the goal of diversity is to get "the same productivity" from a heterogeneous workforce.

Today the federal workforce in USA is guided by the Government-Wide Diversity and Inclusion Strategic Plan 2011. This plan outlines the implementation of the President's Executive Order 13583 on Establishing a Coordinated Government-Wide Initiative to Promote Diversity and Inclusion in the Federal Workforce. It directs executive departments and agencies to develop and implement a more comprehensive, integrated, and strategic focus on diversity and inclusion as key components of their human resource strategies. A number of federal agencies and departments such as US Department of Commerce, US

Department of Labor, and US Department of Education and the Office of Inspector General have linked their strategic plan on diversity and inclusion to this plan. The goals of this strategic plan are (1) workforce diversity – recruiting diverse, qualified group of potential applicants to secure a high performing workforce drawn from all segments of American society, (2) workplace inclusion – culture that encourages collaboration, flexibility, and fairness to enable individuals to reach their full potential and retention, and (3) sustainability – developing structures and strategies to equip leaders with the ability to manage diversity, be accountable, measure results, refine approaches, and institutionalize a culture of inclusion.

Canada

The state of Ontario, the second-largest public sector employer in Canada, made the first attempt to enhance workplace diversity through the publication in 1984 of *Equality in Employment: A Royal Commission Report*. This led to substantial changes in public policy aimed at changes in nationwide employment culture and discrimination of minorities in Canada (Ohemeng and McGrandle 2015). These researchers explored the importance of DM in public sector organizations specifically aimed at understanding the challenges faced by public managers in the implementation of diversity initiatives and inclusiveness in the Ontario public service (OPS). In 2008, the government of Ontario launched a Framework for Action (FA). It was the first comprehensive diversity strategy that communicates aspects on diversity, equity, accessibility, and inclusion as fundamentally important to a modern, progressive civil service. The FA called for development of OPS diversity strategy with specific goals of: (1) identifying and removing discriminatory barriers to fair and equitable employment processes and opportunities; (2) increasing the representation of diverse groups at all levels; and (3) changing individual behavior and mindsets. These diversity goals were achieved through various objectives such as OPS leaders to lead by

example in their commitment to diversity, ensuring that all the public employees are aware of the existing mechanisms to respond to discriminatory behavior, equal opportunity with support to all employees to progress in their career, and using fair and open merit and recruitment system to reflect at the diverse province (Ohemeng and McGrandle 2015). Through this policy the government's framework for modernization of the civil service was rolled out. This framework is aligned to the OPS Human Resource plan, which is a workforce business plan for the entire public sector so that DM initiatives are fully strengthened and realized.

Prior to FA, there were a series of Acts passed by the government to manage diversity in OPS such as Accessibility for Ontarians with Disabilities Act 2005 and the Employment Standards Acts (Ohemeng and McGrandle 2015). In 2008, the government set up an OPS Diversity Office (OPSDO) and appointed the first ever Chief Diversity Officer. The Diversity Officer is given equal membership to the Deputy Ministers Council as well as membership to the Executive Development Committee and participates in most of the important decisions for the OPS. In addition to these DM strategies, there is the Inclusion Lens initiative, which is a user-friendly online tool that helps OPS public employees to become more knowledgeable about diversity and inclusion (Ohemeng and McGrandle 2015).

In the Canadian public sector at the federal level, the Royal Bank of Canada (RBC) is one of the most prominent organizations in managing diversity. The organization not only attempts to employ more minority group members, but also creates an environment of inclusion where every employee has equal opportunity to reach his or her potential (Rotundo 2012). The RBC's strong commitment to diversity earned them a prestigious award in 2010 – the Catalyst Diversity Award for advancing minorities and women as well as Canada's Best Diversity Employer for its inclusive and diversity programs (Rotundo 2012).

United Kingdom

The UK labor market constitutes vibrant diversity generated through an influx of migrants, demographic shifts toward feminization of the workforce, and an aging population. The UK has a well-established equality legislation such as the *Equality Act 2010* covering provisions based on the grounds of gender, age, disability, pregnancy and maternity, race and ethnicity, religion or belief, and sexual orientation (Klarsfeld et al. 2014). Textbooks related to diversity and workplace equality suggest that the diversity paradigm has broadened the agenda for trade unions and other organizational actors, particularly in raising awareness and campaigning for mental health, sexuality, and disability at the workplace (Milner 2017). The public sector is bound by the secondary legislation of Equality Scheme (2011) to produce equality schemes and to monitor specific aspects of diversity (Klarsfeld et al. 2014). The emphasis on individualism and volunteerism in the DM approach has attracted criticism in the UK. Despite the emphasis on voluntarism in the DM paradigm, organizational equality and diversity efforts are mainly driven by legal compliance in both the public and private sectors (Klarsfeld et al. 2014). In previous research in the UK, it was pointed out that public organizations implemented equality policies before the private sector.

The business case for diversity supporting workplace diversity developed more slowly in Europe compared to the USA, which started during the late 1980s. However, translating the profit concept of the business case for diversity is overstretched, and generalizing it from the US business context to the National Health System (NHS), a public funded healthcare system in the UK, is problematic (Powell and Johns 2015). The diversity agenda was started by the government since the enactment of Disabled Persons (Employment) Act in 1944. The Race Relations Act 2000 was supported by positive actions for key government departments where NHS was a good example of legislation-based DM in the UK public sector (Powell and Johns 2015). The NHS

complies with the Equality Act 2010 and Public Sector Equality duty to reduce inequalities in employment especially for gender and black and minority ethnic (BME) groups. However, there is less representation and diversity of BME at the senior levels in NHS (Powell and Johns 2015). The NHS consists of 600 NHS trust, health boards, and organizations which make it difficult to maintain consistency in managing diversity.

Australia

In Australia, diversity has transformed and evolved over many years. Since Federation, the government has shifted its policy from White Australia to an assimilation policy in 1950s and 1960s and an integration policy in later years of 1970s (Chidiac 2018, p. 107). After the 1960s, there were many legislations through industrial relations systems, which brought dynamic changes to Australia's social policy and employment environment. Today, Australia has an extensive array of laws, which forbids employment discrimination on the basis of gender, race, age, ethnicity, and many other characteristics (Klarsfeld et al. 2014). The country has many proactive policies which focus on employment equality for women (in all sectors) and aboriginal people (in the public sector). It is noted that developments in diversity legislations were a result of domestic influences, changing labor market trends, nascent civil rights and women's movements, and international influences such as UN and ILO conventions (Stone 2017, p. 784).

There are a series of major Australian legislative frameworks related to workplace discrimination and promotion of EEO such as *Racial Discrimination Act 1975*, *Sex Discrimination Act 1984*, *AA Act 1968*, *Human Rights and Equal Opportunity Commission Act 1986*, *Equal Employment Opportunity (Commonwealth Authorities) Act 1987*, *Human Rights and Equal Opportunity Act 1991*, *Disability Discrimination Act 1992*, *Age Discrimination Act 2004*, and *Workplace Gender Equality Act (WGEA) 2012* (Chidiac 2018, p. 109; Stone 2017, p. 784). The WGEA 2010 recommends that organizations

move beyond the concept of "diversity as only a social justice issue to diversity as a competitive business strategy" supporting the premise that managing diversity should reflect equity in the workplace. It should be noted that workplace equity does not mean equality meaning treating all employees the same way. Rather equity recognizes the different needs of people and treats them in a fair and flexible manner (Stone 2017, p. 787).

The Australian Public Service (APS) Diversity Council was established in early 2012, by the Secretaries Board, to reinforce and reinvigorate Australia's commitment to diversity. The Diversity Council has particular focus on improving employment outcomes for Indigenous Australians and people with disability in the APS, in response to unfavorable outcomes for these groups. In addition to passing many Acts dealing with different aspects of DM, the federal government introduced *Public Service Act 1999* to establish the APS employment principles and recognized diversity in the community to foster diversity in the Australian workplace. The Act requires that each federal agency has workplace diversity program to ensure APS employment practices are effectively implemented. The purpose of this Act is to design and sustain human resource policies such as planning, recruitment, selection, performance appraisal, and workplace relations, which reflect at APS's commitment in taking a step further in planning and implementing DM policies and practices in Australian organizations.

New Zealand

The demographic trends show an increase in workforce diversity in New Zealand. Accelerated migration from the Middle East, India, East Asia, and Africa and significant differences between ethnic groups has changed the workforce composition. It is projected that by 2026, Maori population will increase by an average of 1.3% a year, the Pacific Islands population by 2.4% a year, and Asian population by 3.4% a year (Houkamu and Boxall 2010). The wave of managing diversity started through the enactment of

antidiscrimination legislation also known as Human Rights Act, 1993. The act has delegitimized discriminatory organizational policies and practices in New Zealand (Deborah et al. 2000). However, since the early 1990s, only public organizations were required to have EEO policy. In 1991, the EEO Trust was established by the government to educate the private sector about EEO (Deborah et al. 2000) mainly through an espoused business case for diversity (Houkamu and Boxall 2010).

India

The DM paradigm in India's public sector organizations is significantly different from the UK, Canada, USA, Australia, and New Zealand. Haq's (2012), research compared the attitude of managing diversity between public sector organizations and multinational corporations (MNCs) in India. It found that public sector organizations are regulated by the Indian AA policy of "reservation" and quotas for scheduled castes such as Dalits (a low caste category), scheduled tribes, and other minority classes. For instance, in the recruitment process the public sector has strict guidelines for these groups only with certain percentage of positions per job category allocated in higher education, civil service, and legislative bodies while secondary quota is for persons with disability and women when applicable. The concept of managing diversity in India's public sector mainly complies with AA policy of "reservation" through quotas whereas in MNCs, it is primarily directed toward accommodating women in the workforce (Haq 2012).

Other Countries

Likewise, in Kenya the "National Cohesion and Integration Policy" as stated in the new constitution requires one third of elected bodies to be made up of marginalized people such as women, persons with disabilities, ethnic, and other marginalized groups in Parliament. The Public Service Commissions, in collaboration with human

resource managers, are promoting this as one third rule for women and minorities when recruiting civil servants at higher positions (Wambui et al. 2013).

Similarly, Brazil relies on AA using a compulsory quota system to eliminate persistent inequalities throughout history. The quota system affirms equality in opportunities, treatment, compensation, or losses caused by discrimination due to racial, ethnic, religion, and gender discrimination (Jabbour et al. 2011). Large businesses have been facing pressure from the Brazilian Government to incorporate a specific quota system for minority groups as a DM practice.

Conclusion

This entry provides a historical review of DM in the public sector in the USA, Canada, UK, Australia, New Zealand, and India with brief reviews of Kenya and Brazil. The similarities in antidiscrimination policies and differences in the approach to managing diversity as more than a legal compliance are evident across these countries. The business case for diversity was seen in the USA and Canada while it is slowly developing in Australia. Diversity efforts in the UK and New Zealand are driven by legal compliance to EEO. In other countries such as India, Kenya, and Brazil, DM is viewed as a legal compliance to AA policies rather than as a business case. The DM paradigm in each country has been shaped by one or a combination of contextuality, relationality, and dynamism (Klarsfeld et al. 2014). For instance, in the USA, historical legacies of Civil Rights Movements, political influence, and diversity consultants plus other actors have shaped DM at the workplace. In Australia, changing labor market conditions, industrial relations systems, and international agencies have also influenced the DM paradigm. DM, thus differs across countries and is shaped by factors within national contexts amid international pressures.

Cross-References

- ▶ [Affirmative Action](#)
- ▶ [Equal Employment Opportunity](#)
- ▶ [Heterogeneous Workforce](#)
- ▶ [Public Service](#)
- ▶ [Workforce Diversity](#)

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