

# A Critical Review of Literature on the Importance of Workforce Diversity in Universities in Relation to Organizational Goals

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**Abstract:** Universities are under pressure for a proper professional approach to managing workforce diversity as governments call to address lack of representation in the workplace guided by annual targets. However, there is little or poor progress in the critical area of employment equity to its strategic goals and objectives. This has been exacerbated by the inability of the Universities to apply diversity management practice consistently. The purpose of this study is to critically review the literature on the importance of workforce diversity in enhancing organizational goals. This literature review article further sought to ascertain the bottlenecks in the diversity management application practice to the academic staff members in Universities. Workforce diversity practice as a research subject has received little attention and its importance cannot be ignored. There is a need for a paradigm shift how workforce diversity is applied in Universities and tasked with an importance of job knowledge creation and advancement of research as well as community engagement. This is qualitative literature review study where the grounded theory as a qualitative analytical approach will be followed where themes and trends will emerge from the published journal articles. The paper addresses how to dissect the challenges of workforce diversity, effect of workforce diversity and the management of the workforce. From the thematic analysis university leaders will be able to select the most management best practices for managing diversity that could impact University goals. Further this will bring diversity management practice that enhances the importance of workforce diversity and will implement sound turnaround strategies that affirm diversity.

**Keywords:** Workforce diversity, Grounded theory, Diversity management practices, Universities

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## 1. Introduction

South African employers are facing one of the biggest challenges in the workplace especially in Universities today as to leveraging and managing workforce diversity. According to Meyer (2019), without a monitoring tool, the management of workforce diversity in this case, institutions face challenges of racism cases throughout the years. Researchers have reported that there is a racial tension and incidents at some Universities across the world. Carrell, Elbert, Hatfield and Warnich (2022:96) asserted that there is a challenge of race relations that adversely affected negatively in the workplace and this requires business leaders and HR managers to take a lead to be bold in their organizations to harness inclusive workplace. It is argued that organizations that embrace workforce diversity have better competitive advantage in innovation and productivity that create world-class culture. These need a proper professional approach to managing diversity and inclusion. As the pace of globalization gathers momentum workforce diversity is still a challenge.

Employing a diversified workforce is necessary for every organization however managing such a diversified workforce is also a big challenge for management. Diversity is the composition of different elements and qualities that differentiate people within communities or groups based on their gender, age, language, culture, race or religion (Sealome & Chipunza, 2020). According to Carel *et al.* (2022:91), the broader definition of diversity may include age, national origin, religion, disability, sexual orientation, values, ethnic culture, education, language, lifestyles, beliefs, physical appearance and economic status. Diversity requires a type of culture in which each employee can pursue their career aspirations without being inhibited by gender race, nationality religion or other factors that are irrelevant to performance (Mazibuko & Govendor, 2017).

Organizations must embrace diversity as it is the essence for every organization. It has been observed that organizations that employ a quality and competitive workforce regardless of their diversity profile in terms age, attitude, language, gender and religion

can benefit from a more integrated approach to diversity management (Meyer, 2016). Given Carrim and Moolman (2020), and Dreyer, Viviers and Mans-Kemp (2021), managing diversity can present a strong business that gives organizations a sustainable competitive advantage and improves their performance needed to manage diversity. It is differences in culture that creates differences. Flexible Institutions are looking for employees who are unique or different because a diverse workforce may bring diverse talent, which may assist the organisation in being more efficient and effective.

In the case of South Africa, the institutions of Higher Education are engaged in a transformation process in which recognizing diversity has become a legal imperative (Sealome & Chipunza, 2020). To redress the challenge of representation in the workforce, the South African government created a solid foundation of "workforce diversity initiatives". These initiatives include policies and legislation, namely the Labour Relations Act No. 75 of 1997, Employment Equity Act No. 55 of 1998, and Affirmative Action measures. Organizations that resist change in terms of embracing diversity effectively and do not adopt a transformative approach in terms of eliminating discrimination and injustice will adversely affect employees and customers (SABPP, 2019). Managers' continuous excuses that they can't find the right talent from the 56 million people can be challenging (Meyer, 2019). Lack of diversity management might lead to organizational ineffectiveness. To manage effectively, rather HR leaders at Higher Education Institutions ensure that awareness levels around diversity issues are high and real that real conversations take place about problems and solutions. Institutions of Higher Learning should rethink and redefine mission strategies, management practices, and cultures to meet the needs of increasingly diverse workforce (Barker & Kelan, 2020).

A study on the importance of workforce diversity in Universities in relation to organizational goals is lacking. Research has observed rapid growth in research with an emphasis on diversity. However, research on the importance of diversity and the managing systems at higher education Institutions has not been conducted. Even though higher education institutions measurement is based on excellence in scholarly teaching, scholarly research, scholarly community engagement and academic citizenship, the present study also identified gaps by focusing on the talent diversity and inclusion.

Therefore, based on the scenario above, this study's main purpose was to review the literature on the importance of workforce diversity in Universities to organizational goals.

## 2. Theoretical Framework

The paper reviews the transformation process of institutions of Higher Education by creating diversity inclusion practices. SABPP developed an HR Diversity Standard that HR leaders should apply in the workplace as to promote diversity (Meyer, 2019). According to Meyer (2019), the SABPP standard on employment equity and diversity management is defined as the systematic application of HR Management processes towards attaining and retaining a state of employment equity whilst developing a competent workforce to achieve social justice and organizational objectives. This means that in an organization where diverse employees are highly engaged they feel valued, respected, supported and treated as insiders within the organization. The standard assert that a state of employment equity will only be reached when all previously disadvantaged groups are equitably represented in all occupational categories and levels in the workplace sustainably overtime. In addition to the definition outlined above the standard specifies fundamental requirements for good employment equity and diversity inclusion practices. According to Meyer (2016), these requirements are as follows:

- Top management should lead, direct, visibly support and role model the policies, practices and behavior's required to achieve employment equity and inclusion.
- Employment equity progress often entails making difficult choices which should be clearly defined and analysed and conscious decisions made and these decisions should then be clearly communicated to everyone in the organization.
- Responsibility for employment equity should be shared between line management and HR.
- Employment equity is a key organisational strategy and should therefore be appropriately catered for in performance management and remuneration practices.
- Achievement of employment equity, particularly at the skilled, professional and management

levels, requires careful analysis and planning and the adoption of a long-term planning and implementation approach which builds appropriate pipelines.

- Internal barriers to employment equity progress often include diversity/inclusion practices that are insincere or inadequate. The Code of Good Practice requirements to conduct analyses of barriers and enablers should be implemented appropriately to the organization.
- HR leaders in the organization should ensure that awareness levels around diversity/inclusion issues are high that real conversations about problems and solutions occur.
- Sustainable employment equity will not be achieved without positive perceptions of inclusion amongst all employee groupings.
- Practices such as inflation of job titles to reach employment equity in higher levels, fronting to acquire BEE tenders, approaching of employment equity talent to the exclusion of investment into development for internal candidates, inflation of remuneration packages for employment equity recruits. This in turn creates internal inequalities and unbalanced use of golden handcuffs are unethical and create unfairness and inequities within the organization.

According to Meyer (2016), the HR standard on employment equity and diversity management has a three phase strategy for implementation which are the following:

- A commitment to social justice, equity and inclusion: Management commits to social justice, equity and inclusion by admitting that inequality is wrong and can only be with decisive strategy and action.
- Organizational productivity and effectiveness plan. While social justice commitment is key, employment equity and diversity are imperative for business results.
- Diverse, inclusive and engaged workforce: If the first two phases are implemented successfully, the third phase will achieve and maintain a diverse, inclusive and engaged workforce. During this phase, the institution focuses on

building and celebrating diversity and ensuring that all employees are actively engaged and retained. They ensure an inclusive and empowering work environment is result from effective employment equity and diversity management implementation.

Therefore, the theory applied to can contribute to higher education institutions and create a workforce diversity that will develop environment inclusive of all diverse groups. This diversity will create inclusive workplaces and employment practices that bring an inclusive culture that achieves the organisational goals.

### 3. Methodology

The study is based on a qualitative literature review of 28 peer-reviewed journals from major data bases. The literature shows many views about work force diversity (Mazibuko & Govendor, 2017). As a result, the search for relevant themes across various articles was used relevant for the study. Thematic analysis is based on identifying and analysing critical patterns in data that are of interest to a study (Clarke & Braun, 2017). Themes are patterns that give a better way of understanding a study. They are important aspects and coding them. In giving general data patterns that can offer to mean to the required concepts related to the study. Thematic analysis was necessary for this study as it gives essential information for providing means. Such information can also be significant as they were drawn from various literature review sources. According to Fereday and Mur-Cochrane (2006), thematic analysis is a process of pattern that seeks to capture key trends in data to address a certain phenomenon. It is a process of recognizing some important data and coding the aspects. As such it encompasses a data reduction process in a manner that effectively captures what is essential for a study.

A literature review was relevant for this study as it allows for summarizing a mature field of study such as workforce diversity. According to Brown and Clarke (2006), there are two types of themes: Inductive and deductive. These themes are based on how they originated. Inductive themes emerge from the collected data while deductive themes are rooted in the literature and they are applied to aid data interpretation. Data analysis of this study was based on applying inductive themes to the reviewed articles and established how the themes

are reflected in the articles. Thematic analysis for this was important to provide the aim of the study. The purposive sampling technique was appropriate given that inductive themes were used and, articles that contained elements of the inductive themes were chosen for further analysis. The analysis noted how the themes were explained and how they were linked. Purposive sampling tends to be an important technique in thematic analysis as it allows a study to focus on the relevant items linked to the study.

#### **4. Workforce Diversity Defined**

Researchers have defined workforce diversity from a narrow perspective (Ehimare & Ogaga-Oghene, 2011; Lee & Gilbert, 2014; Veldman, 2013), while some did so from a broader perspective (Barak, 2017; Daya, 2014; Carim & Molman, 2020). Given this, advocates of a narrow definition (Snell & Morris, 2019; Dreyer, Viviers & Mans-Kemp, 2021) defined workforce diversity as the degree of heterogeneity among employees that is precisely limited to specific cultural attributes such as age, gender, and ethnicity. Selvarajah, Meyer & Dorasamy (2014) further explained that workforce diversity based on age and gender and ethnicity could not be viewed similarly to workforce diversity based on organizational roles and individual aptitudes. In addition, Baker and Kelan (2020) contented that because cultural workforce diversity attributes interact with other attributes of diversity, a narrow definition would be lacking as it will fail to identify those interactions.

Contrary to the above, advocates a broader definition (Jouany & Martic, 2021; Barak, 2017; Snell & Morris, 2019) defined workforce diversity as acknowledging, understanding, accepting, valuing and celebrating differences among people for the whole continuum of differences including age, class, ethnicity, gender, physical and mental ability, race economic status, sexual orientation, spiritual practices and public assistance status. This definition implies that when people come to work in the workplace they bring all the differences. However, managers and leaders must play a crucial role and should not be ignorant of their employees if they want to be in charge of managing and encouraging diversity (Ukpere 2017). This is a challenge in the management of all employees. When organisations employ human resources of different ages, gender, perception, attitude, caste and religion, it will be very difficult for the management and employees to manage and adjust to that environment. According

to Werner *et al.* (2021), managing a diversified workforce is the biggest challenge of human resource management departments and it can affect organizations functioning in the following four ways:

- Diversity can have affective consequences, like lower organizational commitment or lower satisfaction because people prefer interactions with similar people.
- Cognitive outcomes refer to an increase in creativity and innovation because through diversity people get an opportunity to interact with various people.
- A diverse organizational workforce is a symbol of equality.
- Diversity also has clear implications on the communication processes within a group or organization.
- When different types of people in terms of thinking, perception and generation come together to work at the same place, a situation may definitely arise where all these different types of people may not agree at some point (Abbot & Meyer, 2016). Such a situation could affect the interpersonal relationships among people (Werner *et al.*, 2021).

On the other hand an organization's competitiveness depends upon its ability to embrace diversity and realize its benefits. Conclusively this study addresses the reasons for Workforce diversity in Higher Education Institutions.

#### **5. Benefits of Workforce Diversity in a University Setting**

"Without managing diversity, the institution will not know where it is heading" (Meyer, 2019). Saxena (2014) identified the following as the most important benefits of a diverse workforce in the workplace:

- Managing diversity can stimulate innovation and productivity and increase world-class culture that can outperform the competition.
- A multicultural organization is better suited to serve diverse external clientele in an increasingly global market. Such organizations better understand foreign nation's legal, political, social, economic and cultural environments.

- In research-oriented and hi-tech industries the broad base of talents generated by a gender- and ethnic-diverse organization becomes a priceless advantage, creativity thrives on diversity.
- Multicultural organizations are found to be better at problem solving, possess better ability to extract expanded meanings and are more likely to display multiple perspectives and interpretations in dealing with complex issues.
- Organizations employing a diverse workforce can supply a greater variety of solutions to problems in service, sourcing and allocation of resources.
- Employees from diverse backgrounds bring individual talents and experiences in suggesting ideas that are flexible in adapting to fluctuating markets and customer demands.
- A diverse collection of skills and experience allows institutions to provide a service to customers globally.
- A diverse workforce comfortable with communicating varying viewpoints provides a larger pool of ideas and experience.
- The requirements of the relevant Codes of Good Practice in employment equity should be used as guidelines and should be applied in line with organizations requirements.
- Employment equity is shared responsibility between the line management and HR. The former is accountable to stakeholders for employment equity progress, while the latter is required to support line management with relevant policies and practices.

To ensure HR delivers the best practices on diversity and inclusion, some of key strategies of Bersin by Deloitte's diversity and inclusion framework as identified by Kozan (2019) include the following:

- Creating a focus and strategy at the CEO/COO/CHRD.
- Assigning a top executive, the responsibility for leading and sponsoring a diversity and inclusion programme (Not necessarily CHRD).
- Creating behavioral standards and holding leaders accountable for results.
- Training people at all levels on topics like unconscious bias (something often not acknowledge).
- Integrating diversity and inclusion strategies in recruitment, performance management, leadership assessment, and training.
- Creating employees networks (e.g. employee resource groups community outreach groups).
- Creating an extremely visible scorecard to measure progress, including metrics for recruiting, promoting rates, compensation levels, turnover, participation in ERGs, and supplier diversity.

According to the SABPP (2016) the fundamental requirements for good employment equity and diversity practices include the following:

- Executive HR should lead from the front and ensure that organizational awareness of employment equity and diversity is facilitated and conversations take place about related problems and solutions occur.
- Top management that should lead by clearly supporting and role modelling policies and behaviors' necessary to achieve employment equity and diversity.
- Employment equity decisions and choices should be communicated to everyone in the organization, no matter how difficult they may go.
- Given that employment equity is critical for organizational strategy, it should be therefore in performance management and remuneration practices.

## 6. Conclusion and Recommendations

Workforce diversity in universities has been a complex topic, however, relatively little research has been conducted. Because of its importance, no University in the world will sustain in the world. No organization in this world of globalization would survive without workforce diversity. Academics have responsibility of critically evaluating the extent of workforce diversity. On the other hand, the management must stand firm in ensuring workforce

diversity. Not implementing the guidelines, as stated by the SABPP, diversity and employment equity standard posits a dynamic approach to people management, which is proactive and inclusively for the benefit of all stakeholders.

Building diverse talent pools will not only create a representative university, but also enlarge talent pools for future development, talent optimization and succession plan.

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