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Diversity Programs in the Workplace

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The primary purpose of this study is to perform exploratory research about diversity programs in the workplace. Diversity, a current and extremely important issue in business, affects all individuals in the working environment in both positive and negative ways. To combat these negative connotations associated with diversity, organizations can implement diversity programs. Diversity programs consist of various components and are implemented for various reasons. This study compares the results of an original diversity survey sent to Human Resource professionals in Fortune 50 firms to the previous research that was discovered. The survey examines the components used as part of the whole diversity program, the reasons for implementing such programs, the means by which the effectiveness of the programs are measured, and various other issues concerning the planning, implementation, and success of diversity programs. Results from the original survey indicate that a major inconsistency exists in measuring the success of diversity programs. Apparently, professionals have a difficult time determining what to use to measure the level of success of these programs. Other than this discovery, the results are in accordance with results of previous numerical
research as well as the existing written research. Diversity is a hot topic of today, and it will continue to gain importance in the workplace as demographics and society change.
Because of the tremendous amount of change quickly taking place in the world today, businesses must race to keep up with or remain ahead of the competition. The most influential change is the demographics of the workplace and society itself. Included in these demographics are income levels, race, national origin, age, increasing numbers of women in the workplace, and education levels to mention a few in particular. One way for organizations to keep up with the different attitudes, perceptions, and lifestyles due to the changing social and internal demographics is to conduct a successful diversity program in the company. Diversity, currently a popular topic in the world of business, has many difficulties associated with it, one of which is accurately defining what this term means.

Definitions of diversity vary most in their levels of broadness from one professional to the next and from scholar to scholar. According to Gardenswartz and Rowe, “the trend seems to favor a broad definition, one that goes beyond the visible differences such as race, ethnicity, age, and gender” (1997). Included in this broader definition of diversity are such things as personality, religion, education levels, socio-economic levels, functional levels, and commuting distances to the office. Each and every factor of diversity is important in that these aspects are the causes of various assumptions, both true and false, that people make about one another. The extent to which employees collaborate on projects, are open with each other, trust each other, and feel comfortable working together are all greatly impacted by these assumptions that others make based on the aspects of diversity. There are various benefits to taking the approach with the broader definition of diversity. First, because no person can fit under just one label or one aspect of diversity. A person’s identity consists of much more than simply one’s race, sex, religion, ethnicity, or age group; individuals are very complex, and they should not be reduced to only one label or category. A second reason to agree
with a broader definition is that this definition helps employees find different ways to connect with their coworkers. People unexpectedly can find similarities that they have in common with others by acknowledging that they share in common differences. This broad definition "humanizes everyone and as much as possible levels the playing field" (1997). Finally, the third reason for utilizing a broad definition for diversity is include everyone in the definition. If people view themselves as a part of diversity, they will probably be much more willing to take an active role in supporting diversity and the programs that come along with it. Obtaining employee involvement in diversity is extremely important to the success of diversity programs because "resistance to diversity is never far below the surface" (1997). Because diversity is a very sensitive subject, managers should do everything possible to gain the support and openness of their employees. One way to do this is to utilize a broad definition of diversity. (Gardenswartz and Rowe 1997)

Mauricio Velasquez, the president of The Diversity Training Group, has seven truths to combat the seven myths about diversity. The first myth states that diversity is a problem. Rather than looking at diversity as a problem, diversity should be viewed as an opportunity to better understand others including supervisors, coworkers, subordinates, and customers. The second myth is that diversity is solely the responsibility of the Human Resources department in an organization. Every single employee in every department plays a role in diversity because by using a broad definition of diversity, everyone is included. The third and fourth myths as stated by Velasquez are that diversity is just about race and gender and that it only affects minorities and women in the workplace. As stated earlier, diversity does include these aspects, but it also contains so much more. The fifth myth is that diversity is exclusive. Velasquez states that "diversity is about creating a culture where each individual can thrive and contribute to the organization (integration/multiculturalism)" (1998). In other words, diversity is
inclusive. The sixth myth is that diversity is just another fad. The demographics are rapidly changing so much; just imagine how diverse the workforce will be ten years from now if the current trend continues. Finally, the seventh myth is that diversity is just another version of Equal Employment Opportunity (EEO) or Affirmative Action (AA). In reality, diversity is very different from these two ideas. For example, EEO and AA are initiated by the government and driven by the law while diversity is voluntary and driven by productivity. EEO and AA are quantitative, reactive, focused on problems and the internal environment. Diversity, on the other hand, is qualitative, proactive, and focused on both the internal and external environments. Finally, EEO and AA assume assimilation, and diversity assumes integration. (Velasquez B 1998)

Velasquez also provides a few reasons why companies are designing and implementing diversity programs. These reasons include the following. There is an increasingly diverse customer population as well as an increasingly diverse employee population. Companies also start programs because these companies find that retaining top talent is necessary to successfully compete. Diversity programs can also reduce or even minimize the risk for lawsuits based on diversity issues. Finally, the worst reason to implement diversity programs is because it is the right thing to do. Companies need to have a more solid reason than “it is the right thing to do” when implementing these programs in order for them to be successful. Velasquez also comments on what employers need to remember when introducing a diversity program. The employers should expect some resistance to the program and should be willing to take some heat. People will be watching what happens, and the employers will be held responsible for what they say will happen. Finally, employers must remember that the organizational cultures will not change immediately because a change of this magnitude takes a great amount of time. (Velasquez B 1998)
Diversity is a very complex subject that can play, negatively or positively, to the hearts of any employee. The concept of diversity has been around for a long time, but not much research has been completed on specific programs and the measurement of their effectiveness. The purpose of this study is to find support for the existing research or find information to dispute it. The study focuses on the planning, implementation, and success of diversity programs in the workplace: past, present, and future opportunities.

Review of Literature

Because diversity is currently a popular topic in business, much research has been performed regarding diversity programs in the workplace. Most of the available information discusses how to make diversity training programs successful and what can make them fail. Diversity programs include more than only training programs though such as targeted recruiting, mentoring, newsletters, succession plans, diversity teams, or surveys. A few companies place information about their programs on the Internet, and many consultants advertise their programs on the Internet, too. Even fewer sources are available that contain empirical data about diversity programs in the workplace. One concern about the implementation of diversity programs is that apparently many companies have diversity programs for the primary reasons of fulfilling legal or moral obligations. Recently, more concern has been placed on the question of how to accurately measure the effectiveness or success of diversity programs. Overall, much of the research on diversity and possible workplace initiatives is purely theoretical or conceptual, and not many proven facts exist.

According to much of this existing literature, organizations are required to be involved in some diversity management in order to remain competitive because of changes in the demographics of the workforce and an increase in global business. For example, more women are present in the workplace than have been in previous years,
and by next year, researchers have predicted that 81.4 percent of the women between the ages of 25 and 54 will be working (Research Institute 1998). Forecasts predict that approximately 47 percent of the workforce will be women in the year 2000 (Velasquez A 1998). Today, 53 percent of the workforce consists of people of color, women, and immigrants. Also, by the end of this decade alone, the number of black, Hispanic, and Asian workers will have increased by 33 percent, 75 percent, and 74 percent, respectively, and one in three Americans will be black Hispanic, or Asian by the year 2020 (Research Institute 1998). In fact, according to Velasquez, projections for the U.S. population in 2050 indicate that 52.8 percent will be white, 24.5 percent Latino, 13.6 percent black, 8.2 percent Asian, and 0.9 percent American Indian (Velasquez A 1998). Another change in demographics is that three-fourths of American families will be dual-income families by the year 2000. Also, between 700 and 800 new religions have been added to those already in the United States, and there are about 48.9 million Americans that have a disability (Velasquez A 1998). This is the first time in history that there are more elderly people than there are teenagers. The American landscape is becoming increasingly diverse, and American companies will have to adjust in order to keep up with these trends and remain competitive in today’s marketplace.

Training

One type of diversity program is for a company to be involved with a form of diversity training. As with any training program, the first step is to decide which people should receive the training, also known as a needs assessment. Diversity training, in particular, can focus on three groups of people: particular individuals in the organization, certain work teams, or the entire organization. The second step is to determine which approach will be taken, and according to the Research Institute of America Group, there is only one successful approach to diversity programs. That approach is the “Multicultural Approach,” and its quality comes from its creation of an environment in
which individuals are respected and valued due to their differences. According to the Research Institute of America, there are five models of diversity training; these models are based on the uses of diversity training. The uses, or models, for diversity training include: increasing knowledge, awareness, and sensitivity; solving problems; building skills; changing social interaction and interpersonal behavior; and developing an organization. These are the five models that the Research Institute of America Group suggests. (Research Institute 1998)

When actually beginning diversity training, the positioning of the program and its logistics are critical. For example, the training program can have mandatory attendance, highly suggested attendance, or voluntary attendance. Each organization must decide which of these options will best suit the company based on the benefits and downfalls of each option. Logistics of the training include the length of training, class size, class composition, training site, training agenda, goals, the instructor, and the classroom climate. An organization’s decisions concerning the positioning and the logistics can make the difference between the success and failure of the training program. Also critical for training are evaluation and follow-up. Both the trainees and the organization itself should participate in the evaluation and follow-up process.

According to Mauricio Velasquez, the president of The Diversity Training Group, there are 10 reasons why diversity training fails. The first reason is that an organization’s diversity training comes from the Affirmative Action or Equal Opportunity initiative instead of from a diversity steering committee. The second reason is that a company becomes involved in diversity training simply because it is the right or moral thing to do rather than emphasizing on the bottom-line. Too many companies implement diversity training programs only to satisfy moral or legal obligations. Thirdly, diversity training fails when training is the only diversity program that a company implements. A fourth reason is that the training lacks the commitment needed by management. If
training is not designed specifically for an organization, Velasquez believes that the training will not succeed. The sixth reason for the failure of diversity training is that the training is developed and implemented by people outside the company. When diversity training is constructed without an in-depth analysis of the company and its needs, the training will most likely fail. They will be unsuccessful if trainees do not receive hands-on skills or tools from the training. The ninth reason is that the organization itself does not change internally to further the diversity progress. Finally, diversity training will most likely fail if there is no form of feedback or follow-up from the trainees and management. (Velasquez C 1998)

Velasquez also has 10 reasons why diversity training succeeds, and Ann Perkins Delatte and Barry Baytos have eight guidelines for successful diversity training. There is some overlap between the opinions of these people. For example, both believe that in order for diversity training programs to succeed, it must be supported by research, including an analysis of the company and the market. They also agree that the program must be thoroughly planned, implemented, and measured in order to create enthusiasm among the employees. Also, the training must be developed by a number of diverse sources from within and outside of the company. Both parties agree that diversity training must not be the sole element of a diversity program that is implemented by a company, and that the diversity training should be an on-going process rather than a one-time session. Other examples of diversity training programs that can supplement training are targeted recruitment, mentoring, succession plans, employee surveys, diversity newsletters, diversity teams, and vendor diversity programs. Besides these ideas, Velasquez also includes the need for a senior-level advocate of the training, but the program should not depend on only one individual. Finally, he believes that in order for diversity training to be successful, it must be skill-based, and that skill must be transferable to the actual work environment (Velasquez C 1998). The list from Delatte
and Baytos differs from that of Velasquez in that they include the following for diversity training to be successful. Training should not be done only to do the right thing, and both education and training should be incorporated in the diversity program (Delatte & Baytos 1993). A curious question is whether or not Fortune 50 firms actually follow these guidelines for successful diversity training. Basically, the same ideas are present to promote the success of an organization's diversity training programs.

Determining the success of a diversity-training program is extremely important in the whole training process. For example, a training guru named Jac Fitz-enz has aided in the development of the Training Valuation System (TVS). TVS is a four-step process developed in the early 1990s by a group of representatives from various organizations. By constructing this process, they hoped to connect training outcomes to the overall changes in organizational quality, productivity, sales, and service. These training gurus claim that TVS is successful in measuring the value of training because it differs from traditional tests in the following way. A strong relationship is formed between the trainers and the managers, and the questions in the job analysis are structured in such a way to promote that relationship. (Fitz-enz 1994)

The four steps for TVS are the situation, intervention, impact, and value. The situation is the problem or opportunity that a company faces before the training takes place; it determines the acceptable and current levels of performance as well as what a person does and how he or she does it. Basically, this step is an in-depth job analysis conducted by asking the managers for their input. This is the most important step in the process in that it creates the important relationship between the trainers and the managers, and it makes clear the possible measurable value of training. Intervention consists of diagnosing the problem and then developing the solution. A large part of developing the solution is deciding whether or not training will be the most effective means of solving the problem. During the impact step, the trainer discovers the
differences in the trainees' behaviors and performances after the training has occurred. This leads to the development of an impact statement that can describe the variables that may have caused the behavior differences, the relative effect of each variable, how the new behavior changed and affected performance, and possibly why the training may not have been successful. The value step identifies the monetary worth of the changed behavior that can be seen in increased market share, margin on sales, or customer satisfaction or decreased time to market. Since a tight focus on value remains throughout the entire process, specific values are assigned to each skill that is being taught. TVS is only one possible approach to measuring the value of training programs specifically. In fact, the research of Fitz-enz is based on skill while Velasquez seems to focus more on the cultural aspect of diversity training. (Fitz-enz 1994)

**Measuring Diversity Programs**

Means of measuring diversity programs other than training exist as well. For example, one way to measure the success of diversity programs is to look at the return on the investment put into the program. An example of another diversity program is target marketing. An organization can link its diversity efforts with its marketing and sales (Digh A 1998). The spending power of minority markets is the first data that an organization should consider when tying diversity to marketing and sales. The aggregate incomes of various groups are as follows: disabled persons have $796 billion, African Americans have $469 billion, Hispanics have $348 billion, and Asians have $159 billion (Digh A 1998). Companies can market their products and services to these specific, diverse groups to increase sales.

Another possible way for an organization to measure the success of diversity programs is to hold managers accountable for diversity efforts. In Digh's article, Roger Wheeler states that "...diversity management should be incorporated into normal leadership training or mentoring programs" (Digh B 1998). If a company holds its
managers accountable for changes in diversity, the company's culture will develop into
one that supports diversity and the programs that go encompass diversity issues. Digh
cites various tools used to hold managers accountable including equal employment
opportunity and affirmative action metrics, employee attitude surveys, cultural audits,
focus groups, customer surveys, management and employee evaluations, accountability
and incentive assessments, and training and education evaluations (Digh B 1998).
Organizations have been known to offer monetary bonuses to management-level
individuals or teams that meet the requirements or the diversity efforts of the company.

Previous Surveys

A 1995 survey conducted by the American Management Association received
results from companies varying in size, location, and industry. Overall, the results
indicate that diversity management programs increase employees' well being. Some of
the results of this particular survey include the following. Minorities held 10.6 percent of
the senior management positions in 1995, up from 7.4 percent in 1992. A larger
percentage of minorities (15.1 percent) held middle management positions, while the
percentage of minority front-line managers in 1995 had been determined to be 19.3
percent. The survey also showed that minorities hold a greater percentage of the
management-level positions in smaller companies (fewer than 500 employees) than they
do in larger companies. Also, companies that have formal diversity management
programs have a greater number of minorities in management-level positions. The
American Management Association determined from its survey that 8 percent of the
respondents said that aggressive minority recruitment efforts in the future will be less
important, 44 percent said that they would be more important, and 48 percent said that
they would be just as important. This survey focuses more on the demographics of
organizations' management levels and the importance of diversity efforts. (Research
Institute 1998)
One of the earliest diversity surveys conducted had a very scientific approach that gathered information about diversity programs concerning the adoption of diversity training and perceived training success. Respondents included professional members of the Society for Human Resource Management that were not consultants or self-employed. Most of the diversity training (72 percent) lasted for only a day or less, and 84.1 percent of the respondents evaluate the participants' reactions immediately following the training. Most did not perform any type of long-term evaluations. Organizations varied quite a bit in their responses concerning the effectiveness of the training. Approximately 33 percent of the responses indicated that their diversity training is successful, while 18 percent reported that the programs are ineffective. The survey showed that "training adoption is positively associated with organizational size, recent increases in workforce diversity, relative priority of diversity versus other objectives, top management beliefs and support, managerial rewards for increasing unit diversity, number of other diversity-supportive policies, and presence of a diversity manager" (Rynes & Rosen 1995). The success of the training programs was related to not only the above topics, but also to requiring managers to attend the program, long-term evaluations of the program, and the use of broad definitions of diversity. Also, only 12 percent reported that their CEOs played an active role in supporting diversity. CEOs should have taken on a greater responsibility to implement diversity into the companies' cultures. Line managers were not rewarded for increasing diversity in 54 percent of the cases, and 23 percent of the line managers were rewarded very little for their efforts. A major question was whether or not these managers should have been rewarded better for their diversity efforts. This survey found that larger organizations had more extensive diversity efforts than smaller organizations. Overall, this survey displayed that serious problems existed in the planning, implementation, and measurement of diversity programs. (Rynes & Rosen 1995)
A third diversity survey was performed in 1998 by the Society for Human Resource Management. This survey received results from both Fortune 500 and non-Fortune 500 firms concerning the measurement, effectiveness, training, recruitment efforts, retention policies, compensation linkages, and mentoring. According to the results, 75 percent of Fortune 500 firms have diversity programs in place, and 8 percent plan to implement a program within the next year. Most of the programs began more than five years ago. Only 36 percent of non-Fortune 500 firms currently have diversity programs, and 14 percent plan to begin one within a year. As far as measuring diversity programs, only 54 percent of the Fortune 500 companies measure the impact of their diversity programs, while this is the case in only 38 percent of the non-Fortune 500 firms. Apparently, the most common measurement tools are employee surveys and the analysis of retention, promotion, and hiring statistics. About 76 percent of both of the Fortune 500 and non-Fortune 500 respondents claim that their diversity programs are at least somewhat effective. This survey also showed that training is a very popular part of diversity programs. In fact, 93 percent of the respondents said that their diversity initiatives include some form of training, and middle managers receive most of this training. Diversity management was shown to extremely important to both top executives and employees; approximately 84 percent of the respondents said that they believe their top executives to consider diversity training at least somewhat important. About 83 percent of employees believe that diversity training is at least somewhat important. This comprehensive survey conducted by the Society for Human Resource Management covers many topics involved with diversity efforts put forth by various organizations. (Mosaics 1998)

Not much research has been done with regards to diversity programs in the workplace, especially measuring the effectiveness of these programs. Most of the available research says basically the same things. Those ideas consistent throughout
diversity research have been expressed in the previous pages of this paper. Of course a few differences exist between the various sources, but slight differences are to be expected.

Because of the lack of research previously done on this topic, many aspects of diversity programs in the workplace can be further researched. For example, the retention of diversity information and the actual use of this information on the job can be a source of further investigation. This also includes the measurement of a training program’s effectiveness or retention of general knowledge provided by training, mentoring, or diverse work groups to name a few components of a diversity program. With regards to the various components of a diversity program, these parts can be individually studied to determine their effectiveness. Another source of potential research the relationship between the diversity programs offered and the actual population or size of the company or the reasons for implementing such programs. By conducting this survey of Fortune 50 organizations, the results of the existing research can either be supported or disputed. Information will also be provided concerning the planning, success, evaluation, and the specific reasons behind the implementation of the diversity programs.

**Methods**

An original survey was conducted in order to obtain data about the diversity programs that currently exist in the workplace. The responses to the questions in the survey indicated the levels of planning, implementation, and success that the components of diversity programs entail. One reason for this survey was to examine the reasoning behind the implementation of diversity programs in businesses. From personal experiences, I have observed the introduction of diversity programs for the
primary purposes of satisfying legal or moral obligations. When completing the diversity survey, companies displayed their reasons for implementing diversity programs.

These surveys were mailed to 147 human resource professionals employed at 43 of 1998's Fortune 50 companies. By searching the member directory on the Web site for the Society of Human Resource Management by company name, the names and titles of the HR professionals were acquired. Names of human resource professionals could only be found at 43 of the Fortune 50 companies, so only people at these 43 companies received surveys. The job titles of the survey recipients ranged from a Human Resources Assistant to the Vice President of Human Resources, and the surveys were sent to multiple people in the companies in hopes of a better response rate.

The survey consists of yes/no questions, Likert Scale questions, and open-ended questions. The recipients were asked to identify the components of their companies' diversity programs if the organizations actually have such programs and the respondents' individual levels of involvement in each component. These components from which the respondents could choose included targeted recruitment programs, culture-based training, skill or knowledge-based training, mentoring programs, succession plans, employee surveys, diversity newsletters, diversity teams, and a vendor diversity program. After indicating the number of years that the programs have been in place, the respondents described the primary reasons for the company's development and implementation of these diversity programs. The following question on the survey requested a list of the methods that the firms have used to measure the success of the diversity programs. The examples of such methods provided included surveys, performance evaluations, a proportional assessment by demographics, and the career tracking of targeted populations. In order to complete the survey, the respondents answered Likert Scale questions that determined the planning,
implementation, success, and profit of the current diversity programs. Answers to these questions could be 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), or 5 (strongly agree). The two-page survey took approximately ten minutes to complete, but it’s content covered much material. A copy of the survey is attached to this report in Appendix A.

After the responses of the human resource professionals had been collected, several analyses were completed on the provided data. These included descriptive statistics examining the levels of the responses provided for each question. The percentages of the responding companies that utilized the different components of diversity programs were calculated as well as the percentage of the respondents that were actively involved in each of the components. The purpose for these calculations was to depict the comprehensiveness of a company’s diversity program and to describe how much the respondents actually have to do with such programs. If the respondents were not very involved in their companies’ diversity initiatives, they might not have had a strong knowledge of the components, true reasons for the implementation, measurement tools, planning, or success of the diversity programs.

To determine the percentage of companies that used particular components, the total number of respondents that answered “yes” to each component was divided by the total number of responding companies. In the cases when multiple responses were returned from one company and the responses differed from one professional to the next, the answer that appeared more often from that company was used. In the case when the “yes” answers equaled the number of “no” answers, the “no” answer represented the response for that company.

After determining the length of time that the programs had been in place, the firms’ reasons for the implementation of such programs were discovered. Calculations based on this data were examined as well in order to find out the percentage of
companies using the three basic reasons: solid business purposes, legal obligations, and the right thing to do. Research indicated that organizations should not offer diversity programs solely because it was the right thing to do. In order for these programs to have succeeded, a stronger, more solid reason must have existed.

After looking at the number and types of methods used to measure the success of the diversity programs, the respondents' answers to the Likert Scale questions were evaluated. To perform these calculations, the averages for each question were determined. These averages indicated, in general, how much the respondents agreed with the given statements and, overall, how well the diversity programs were planned, implemented, and succeeded.

The correlations between some of the survey items were calculated. Correlations range between positive and negative one, and they describe the relationship between two variables. The correlations in this study compared the responses of one question with those of another question to determine if there was any sort of relationship between these responses. All of the above calculations were then used to develop certain results that either supported or disputed previous research or studies on diversity programs in the workplace. Also, the survey looked at the measurement of the effectiveness and perceived success of these programs, which have not been researched much in the past.

Results

The results of the diversity survey were compiled after the surveys were returned. A total of 38 Human Resource professionals responded out of the 147 people that received the surveys, for a 26 percent return rate. Of the 43 companies that the diversity surveys were sent to, 28 firms returned completed surveys equaling a 65 percent return rate for the companies. Only one of these responses indicated that the
organization was not utilizing a formal diversity program, nor had that company used a
diversity program in the past five years. This survey was not counted in any of the
statistical tests performed on the data. The remaining 27 companies all had
implemented formal diversity programs. These results indicated that previous research
was correct in stating that most large companies conduct formal diversity programs.

Survey Data

The first section of the diversity survey consisted of yes/no questions that asked
what components of a diversity program the company used and if the respondent
worked directly with the individual components. An amazing number of companies (96
percent) were currently utilizing targeted recruitment programs as part of their diversity
programs while approximately 65 percent of the respondents had actually worked
directly with targeted recruitment programs.

An interesting finding was that a great majority of the companies utilized culture-
based training and/or seminars as a component of the total diversity program. In fact, 89
percent of the responding firms provided this for top managers, middle managers, and
supervisors while 70 percent provided this training for operating level employees. About
62 percent of the respondents worked directly with training for top managers, 51 percent
for middle managers, 46 percent for supervisors, and 43 percent for operating level
employees. The percentage of companies that utilized skill and/or knowledge-based
training or seminars was much smaller in that 70 percent provided this type of training
for top management, 74 percent for middle management and supervisors, and only 56
percent for operating level employees. Slightly more than half of the respondents
participated in that type of training for top management (51 percent) while there was 46
percent for middle management, 41 percent for supervisors, and 32 percent for
operating level employees.
A large majority of the organizations claimed to use mentoring programs (89 percent), succession plans (93 percent), and employee surveys (89 percent). Only 41 percent of the respondents worked directly with the mentoring programs, 73 percent with the succession plans, and 68 percent with the employee surveys. A small number of firms utilize a diversity newsletter (37 percent) while 14 percent of the respondents were actively involved in this activity. Approximately 70 percent of the companies had implemented the use of diversity teams, and 78 percent used vendor diversity programs. Only 43 percent of the respondents had worked directly with the former, and 22 percent worked with the latter of the two. These numbers indicated that a large majority of the companies use more than one of the listed components, which implied that many organizations have fairly comprehensive diversity programs that encompass a wide variety of diversity issues. Also, the percentages of the actively participating respondents were relatively low. Because of the low levels of direct involvement, the results were possibly tainted in that the respondents possibly did not know exactly what their companies' diversity programs consisted of. For a better view of the averages for this first section of the survey, please see Appendix B.

The next question asked companies to identify those components other than the ones listed above in which they participated. Ten companies responded that they utilized other components. Included in this list of other components were a position for a diversity officer, diversity resource groups, business scorecards as related to diversity performance metrics, a diversity recognition program, diversity consultants, and an Intranet website. As a result of the few additional comments provided by the respondents, the survey apparently included a large percentage of the existing components of diversity programs.

The following two questions asked respondents to indicate the number of years that the diversity initiatives have been in place and the reasons for the implementation of
these diversity programs. All of the respondents replied that their programs had been in place for at least two years. In fact, 41 percent said the programs began between two and five years ago, while 59 percent said that the programs started longer than five years ago. As far as the companies' reasons were concerned, the three basic categories of the responses were that the diversity programs were a solid business strategy, satisfied legal requirements, and were generally the right thing to do. Of the 34 professionals that responded to this question, only one indicated that they began solely to live up to the legal expectations. Seven respondents said that the primary purpose for the implementation of such programs was because it was the right thing to do. Finally, 26 professionals indicated that diversity programs were for strategic reasons such as to create competitive advantages or serve a diverse customer base. These results were pleasing since existing research said that companies should not start diversity programs simply to satisfy moral obligations. Overall, the programs have been in place for quite some time, and most of them have been implemented for solid business purposes.

The next question asked respondents to describe the methods of evaluating the success of the diversity programs that the companies used. Examples given to each professional on the survey included surveys, performance evaluations, proportional assessments by demographics, and career tracking of targeted populations. The average number of methods provided by each respondent was 3.55. Many of the responding professionals simply agreed with all of the provided examples listed above; 16 of the 33 people, almost 50 percent, that answered this question replied with "same as above." The survey may not have been well worded in expressing what was expected. Rather than simply agreeing with the examples in the survey question, the respondents might have answered the question better by describing their evaluation methods more thoroughly. Other responses included the following: informal feedback, balanced scorecards at business unit and corporate levels, annual inclusion and
diversity assessments, goals, demographics of the organization, and retention analysis. Either the survey again included the primary means of measuring a program's success, or the respondents were unsure of how to answer this question or where to find the correct answers.

The remaining questions utilized a Likert scale for the responses. These questions focused mainly on the planning, implementation, and success of the diversity programs. To read the exact questions, see Appendix A. Questions 9, 10, and 21 each dealt with the planning of diversity programs. On a scale of one to five with one being "strongly disagree" and five being "strongly agree," the average response for each question was 4.03, 3.71, and 3.83, respectively. Overall, the respondents tended to agree with the fact that the companies set and clearly communicated diversity goals and the programs were well designed.

Questions 11, 18, and 22 each focused on the implementation of diversity programs. Question 11 asked if managerial performance evaluations included the accomplishment of diversity targets, and the average answer for this question was 3.53, approximately the midpoint between "neutral" and "agree." Question 18 asked if diversity accomplishments were tied to managerial compensation, and the average for this question was 3.39. Question 22 directly asked if the programs had been implemented effectively, and the average was 3.50. These responses indicated that the effectiveness of diversity programs had a lot of room for improvement. There was not a strong sense of agreement with the statements in the above questions.

Questions 8, 12, 13, 14, 15, 16, 17, and 19 each asked the respondents to rate various aspects related to the success of the diversity programs. Number 8 directly asked if the programs were successful, and the average was an even 4.00. Surprisingly, the average response of the question asking if the employees were satisfied was only 2.89 (question 19). Together, these two numbers indicated that the employees had
different expectations of the diversity programs than professionals in Human Resources. Possibly they needed clearer communication about the programs' goals between management and employees. A median of 3.94 was for the question (number 12) that asked to what extent did the programs improve the company cultures, and question 13 that asked if profitability had increased resulted in an average of 3.47. The respondents indicated agreement in that the employees interacted better with customers with an average of 3.83 (question 14), while the median answer for the question (15) regarding employees' interactions with each other was 3.94. Fairly close to these numbers were the averages of questions 16 and 17, 3.92 and 3.83, respectively. These averages indicated that respondents generally agreed that interactions between managers and subordinates were improved due to the diversity programs. Question 20 asked to what extent the respondents agreed with the statement that the company would need to continue the utilization of diversity programs for the next several years; the median answer was 4.61, indicating a strong agreement with that statement.

To gain a further understanding of the meanings of these answers provided, correlations were calculated. First, the responses for question 8 were correlated against questions 9 through 22. All except for one of these calculations was between 0.25 and 0.75; the one negative correlation of −0.21 was with question 20. The higher the perceived success of the programs, the less needed they were in the future. Very high correlations (greater than 0.65) existed between the success of the program and the effective communication of goals (0.70), the improved organizational culture (0.72), the good design of the programs (0.70), and the effective implementation of the programs (0.67). Many of the questions were fairly correlated (between 0.35 and 0.65) with the success of the programs as stated by the Human Resources respondents: representing diversity accomplishments in performance evaluations (0.47), improving interactions between subordinates and managers (0.54), improving interactions between managers
and subordinates (0.55), improving interactions between employees (0.56), setting clear diversity goals (0.55), increasing organizational profitability (0.60), and satisfying employees with diversity programs (0.62). Companies may want to improve the correlation between the perceived success of diversity programs and the satisfaction of employees with regards to these programs. This correlation indicated that the employees had different expectations of the diversity programs than professionals in Human Resources. Possibly they needed clearer communication about the programs’ goals between management and employees. Low correlations were between the success of diversity programs and improved communications between employees and the companies’ customers (0.31) and the inclusion of diversity accomplishments in the managerial compensation system (0.25).

A few other results were determined after calculating some more correlations between responses in the last section of the survey. One of these compared the answers given to questions 9 and 10, and the resulting correlation was also calculated to be 0.82. This is a very high correlation meaning that if the company set clear goals, they were usually clearly communicated to the employees. These results indicated different conditions than the correlation between questions 8 and 19 (0.62). This low correlation of 0.62 may not have had communication as the primary problem. The correlation between questions 10 and 19 was a low 0.39. Because this was so low, there was not much of a relationship between the effective communication of the goals of the program and the success of the programs as viewed by the employees. Instead, the correlation between questions 9 and 19 was calculated as 0.49, still a relatively low value. Again, not much correlation existed between the clear setting of diversity goals and the success of the programs according to employees. There should have been a clear relationship between the effective implementation of diversity programs (question 22) and the success as viewed by employees (question 19). The resulting number from this
calculation was surprisingly low at a value of 0.67. This number was expected to be higher because one would think that if the program had been implemented successfully, the employees would have been more satisfied with the success of the diversity programs. Another correlation that was expected to be higher than the resulting 0.46 was that calculated between the employees' satisfaction with the success and the improvement in organizational culture. Because of these lower correlations concerning the employees' perceptions, one could wonder how the respondents figured the level of employee satisfaction. The survey may have been lacking in an aspect of diversity programs that would cause the respondents to possibly base their answers to question 19 on something else. Another possibility was that because of the intense feelings that diversity could cause, no one could ever be completely satisfied with the effects of diversity efforts. One might just have expectations of a company's diversity programs to fail in the eyes of different people ranging from the employees, the public, or human resource professionals to top company executives.

By looking at these correlations, one could imply that, in general, companies have had problems determining what the indicators of the success levels of their diversity programs were. Even the correlation between the improved profitability of the organization and the overall success of the programs was relatively low at 0.60. What were these respondents using to measure the success of their diversity programs? In general, the employees were not satisfied with the level of success of these diversity programs. As stated earlier, an increase in the amount of clear and meaningful communication between managers and employees might have helped the companies better determine what made the diversity programs succeed or fail. In order for improvements to occur in the diversity programs offered by large organizations, the persons responsible for these programs might want to take a closer look at how the success of diversity programs are measured.
Limitations and Future Research

As with any research, limitations and the potential for further research exist from this particular study. First, this study could be expanded to companies outside of the Fortune 50 firms to include medium and smaller organizations. The limited results gained from this study can be generalized for larger companies such as those in the Fortune 500, and these results are most likely not applicable for medium-sized or smaller organizations. From this additional research in medium and small companies, one could compare the results between the different organizational sizes. Along these lines, one could also study the results obtained from one industry to the next to determine if the various industries treat diversity in a similar or different manner. There may even be some interesting findings if one simply would compare manufacturing firms with more service-related companies.

Second, a limitation of this study was to survey only Human Resource professionals that were members of the Society for Human Resource Management (SHRM). A researcher in the future may want to go beyond this limited scope of individuals to gain a wider perspective on the topic of diversity programs in the workplace. One could possibly research the views of line employees, Human Resource professionals that are not involved with SHRM, or executives. A follow-up letter or phone call may prove useful in obtaining a higher return rate on the surveys. Some consulting firms are involved with diversity, and they could possibly provide some insight to the world of diversity programs.

Third, based on the results, one could and probably should look into the determinants of what measures the success of diversity programs. Apparently, many programs are successful, but there is difficulty in pointing out how people know that these programs are successful. Some companies may look at improvements in organizational culture, while others might use profitability as an indicator of success. In
most cases though, the employees were not satisfied with the level of success of the diversity programs. Another possible approach to take is to examine the retention rates of employees that participate in various diversity training exercises as part of an organization's total diversity program. Future researchers can determine how successful employees are at transferring what they learned in training to what they actually do on the job. There really is very little consistency with this topic, so an opportunity for future research lies in the measurement of success of diversity programs in the workplace.

A fourth limitation or indicator for further research is that this study only calculated averages and simple correlations. One could possibly use the statistical T-tests or other such tests to further analyze the numbers in the results. These analyses could possibly answer the question about the measurement of success for diversity programs. Also, maybe a closer examination of the reasons behind the implementation would clue researchers in to what makes a diversity program successful.

All in all, the results support what previous research indicates. Most companies do have a formal diversity program in place, and most of these programs are fairly comprehensive. The former research states that there are many reasons for the implementation of such programs, and this study has results that display all of these reasons including legal, moral, and solid business sense. As with the other research, the success of these programs is questionable. By figuring out that aspect of diversity programs, organizations may have more success in satisfying the majority people involved with the company.
Works Cited


Appendix
Diversity Survey

Please take a few moments and fill out the survey below (both sides). Your answers will be held in strict confidence. Your responses will be anonymous in any analyses and/or reports created from this survey. Feel free to provide any qualifying remarks in the margins of the survey. Thanks for your help in this project.

1. Is your company currently utilizing a formal diversity program? Yes ______ No ______

2. If you answered no to question 1, has your company utilized a formal diversity program in the last five years? Yes ______ No ______

If you answered 'No' to the above questions, skip the remaining questions and return the survey in the enclosed envelope.

3. In the section below, identify which diversity program components your company utilizes by checking all that apply in the left column. In the right column, indicate which components you have worked directly with, either in the design or implementation stages.

<table>
<thead>
<tr>
<th>Program components used in my company (check all that apply)</th>
<th>Program components I have worked directly with (check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversity Program Components</td>
<td></td>
</tr>
<tr>
<td>Targeted recruitment programs</td>
<td></td>
</tr>
<tr>
<td>Culture-based training/seminars</td>
<td></td>
</tr>
<tr>
<td>for top managers</td>
<td></td>
</tr>
<tr>
<td>for middle managers</td>
<td></td>
</tr>
<tr>
<td>for supervisors</td>
<td></td>
</tr>
<tr>
<td>for operating level employees</td>
<td></td>
</tr>
<tr>
<td>Skill/Knowledge-based training/seminars</td>
<td></td>
</tr>
<tr>
<td>for top managers</td>
<td></td>
</tr>
<tr>
<td>for middle managers</td>
<td></td>
</tr>
<tr>
<td>for supervisors</td>
<td></td>
</tr>
<tr>
<td>for operating level employees</td>
<td></td>
</tr>
<tr>
<td>Mentoring programs</td>
<td></td>
</tr>
<tr>
<td>Succession plans</td>
<td></td>
</tr>
<tr>
<td>Employee Surveys</td>
<td></td>
</tr>
<tr>
<td>Diversity Newsletter</td>
<td></td>
</tr>
<tr>
<td>Diversity Teams</td>
<td></td>
</tr>
<tr>
<td>Vendor Diversity Program</td>
<td></td>
</tr>
</tbody>
</table>

4. Please describe diversity program components that your organization has used or is using that are not listed above.

5. How long have diversity initiatives been in place at your organization?
   _____ less than 1 year  _____ from 1 to 2 years  _____ from 2 to 5 years  _____ longer than I can remember

6. What were the primary reasons for your company's decision to start up a diversity program?
7. What methods of evaluating the success of your company's diversity program are utilized (i.e., surveys, performance evaluations, proportional assessment by demographics, career tracking of targeted populations)?

Using the scale on the right hand side of the page, please indicate the extent to which you agree with the following statements.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. Overall, my company's diversity program has been successful.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>9. My company has set clear diversity goals.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>10. My company has effectively communicated diversity goals.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>11. The degree to which managers accomplish diversity targets is reflected in their managerial performance evaluations.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>12. Organizational culture has improved as a consequence of my company's diversity program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>13. Organizational profitability has been improved as a result of my company's diversity program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>14. The capacity of employees to interact with customers has been improved by my company's diversity program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>15. The capacity of employees to interact with each other has been improved by my company's diversity program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>16. The capacity of managers to interact with subordinates has been improved by my company's diversity program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>17. The capacity of subordinates to interact with managers has been improved by my company's diversity program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>18. Diversity accomplishments are tied to the managerial compensation system at my company.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>19. The employees at my company are satisfied with the level of success of our diversity programs.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>20. My company will need to continue to utilize diversity programs and initiatives for the next several years.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>21. My company's diversity program and initiatives are well designed.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>22. My company's diversity program and initiatives have been implemented effectively.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
### Appendix B

<table>
<thead>
<tr>
<th>Company Use Average</th>
<th>Diversity Program Components</th>
<th>Respondent Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.96</td>
<td>Targeted Recruitment</td>
<td>0.65</td>
</tr>
<tr>
<td></td>
<td>Culture-based Training/Seminars</td>
<td></td>
</tr>
<tr>
<td>0.89</td>
<td>Top Managers</td>
<td>0.62</td>
</tr>
<tr>
<td>0.89</td>
<td>Middle Managers</td>
<td>0.51</td>
</tr>
<tr>
<td>0.89</td>
<td>Supervisors</td>
<td>0.46</td>
</tr>
<tr>
<td>0.70</td>
<td>Operating Level Employees</td>
<td>0.43</td>
</tr>
<tr>
<td></td>
<td>Skill/Knowledge-based Training/Seminars</td>
<td></td>
</tr>
<tr>
<td>0.70</td>
<td>Top Managers</td>
<td>0.51</td>
</tr>
<tr>
<td>0.74</td>
<td>Middle Managers</td>
<td>0.46</td>
</tr>
<tr>
<td>0.74</td>
<td>Supervisors</td>
<td>0.41</td>
</tr>
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<td>0.56</td>
<td>Operating Level Employees</td>
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<td>0.89</td>
<td>Mentoring Programs</td>
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</tr>
<tr>
<td>0.93</td>
<td>Succession Plans</td>
<td>0.73</td>
</tr>
<tr>
<td>0.89</td>
<td>Employee Surveys</td>
<td>0.68</td>
</tr>
<tr>
<td>0.37</td>
<td>Diversity Newsletter</td>
<td>0.14</td>
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<td>0.70</td>
<td>Diversity Teams</td>
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<tr>
<td>0.78</td>
<td>Vendor Diversity Programs</td>
<td>0.22</td>
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</table>