



NEWSLETTER

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IMPORTANCE OF WORKFORCE DIVERSITY TO MODERN ORGANIZATIONS

On December 2, 2008, the *2008 Workplace Diversity and Inclusiveness Forum* was held by [The Conference Board of Canada](#) to showcase Canada's top diversity organizations and demonstrate how to drive engagement, optimize talent, and increase performance with inclusiveness. The Conference Board indicates that by 2011, immigration will account for 100 percent of the growth in the Canadian workforce. In addition, the removal of age, gender and culture related barriers to employment would allow an additional 1.6 million Canadians to fully participate in the workforce. Statistics Canada notes that between 2004 and 2007 the employment rate in the western provinces for Aboriginal people, between 25 and 54 years of age and living off-reserve, grew more rapidly than that for non-Aboriginal people.¹

Organizations, more than ever, are faced today with changing demographic realities in the labour force. Besides women who have already surpassed 50 percent of the workforce, employers are also having to consider other diverse groupings, including:

- ☞ visible minorities comprised of different races, cultures and religions
- ☞ Aboriginal peoples
- ☞ older workers
- ☞ persons with disabilities
- ☞ persons of varying sexual orientation (e.g. gays and lesbians).

Although there exists employment equity and human rights legislation governing the treatment of Canadian workers, organizations can no longer afford to view increased diversity in their workforce as not positively contributing to the health of the organization and to its business goals.

Diversity is now seen as being a desirable attribute in any community, whether a working environment, classroom, or extracurricular club. Diversity – whether in terms of ethnicity, political affiliation, religious conviction, etc – allows for a greater variety of approaches to solving common problems. Rob McInnes of Diversity World notes that “workforce diversity” is an immense and complex topic – from what drives companies to be more inclusive – to the programs, policies and practices that are needed to make that happen effectively.

Generally speaking, the term “Workforce Diversity” refers to policies and practices that seek to include people within a workforce who are considered to be, in some way, different from those in the prevailing constituency.²

¹ *Aboriginal peoples living off-reserve and the labour market – 2007*, Statistics Canada, The Daily, December 15, 2008

² *Workforce Diversity: Changing the Way You Do Business*, Rob McInnes, Diversity World, 2000: http://www.diversityworld.com/Diversity/workforce_diversity.htm

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In 2006, The Conference Board of Canada released a report which presented benchmark data on diversity-related priorities, policies, practices and achievements in Canadian organizations.³ The report's main highlights were:

- Canadian organizations say they value diversity but have not yet fully committed their policies, practices and resources to driving diversity to the core of their operations.
- Most organizations surveyed have yet to achieve basic representation rates that match or exceed Canadian labour force availability rates for the four diversity groups — Aboriginal people, members of visible minorities, persons with disabilities, and women — identified in the federal [Employment Equity Act](#).
- Many organizations have policies and programs to support diversity, but there is room for improvement in the strategies used to identify, retain and develop a diverse workforce, and in the way these strategies are linked to performance outcomes and success.
- Successful diversity initiatives require clear communication about intent, strong leadership commitment, and concrete strategies and objectives linked to organizational needs and goals.

Each year, the Federal Government tables a report on the results of employers reporting under the [Employment Equity Act](#). About one in ten Canadian workers is covered under federal equity legislation, which governs such important sectors as the federal public service, transportation, communications, banking, etc. In its *Annual Report – 2007*, two key observations indicated that in 2006:

- In the **federally regulated private sector**, the representation of members of visible minorities exceeded labour market availability. However, workforce representation gaps existed for the other three designated groups with particular challenges for persons with disabilities and Aboriginal peoples.
- In the **federal public sector**, slight improvement in representation was noted for women and Aboriginal peoples. However, the greatest challenge continued to be the gap in the representation of members of visible minorities.⁴

According to various American and Canadian studies, although faced with talent shortages and global competition, many organizations still fail to tap the full talents of their workforce because of hidden age, race, disability, gender, and sexual orientation barriers and prejudices. More importantly, they don't recognize the often unique qualities and potential contribution every individual can bring to the table. This is why it is very important to support "workplace diversity" intentions with policies and procedures.

Workplace Diversity Policies

Real and successful workplace diversity policies go beyond simply ensuring compliance with employment equity and human rights legislation. They are not just about preventing discrimination. Good policies also avoid affirmative action practices, particularly those employing quota targets for various groups and tending to be exclusive rather than inclusive. Such practices don't usually work and often create backlash and discord within the workforce, especially where the matter of required job

³ *Report on Diversity: Priorities, Practices and Performance in Canadian Organizations*, Allison Cowan, Nancy Huggett and Sandra Parris (The Conference Board of Canada, December 2006): <http://sso.conferenceboard.ca/documents.aspx?did=1828>

⁴ *Employment Equity Act Annual Report – 2007*, Human Resources and Skills Development Canada http://www.hrsdc.gc.ca/eng/labour/publications/equality/annual_reports/2007/page04.shtml

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qualifications is undermined. Organizations must ensure that merit, competence and potential form the basis for all decisions about recruitment, development and promotion.

Workplace diversity policies and procedures both communicate the values of an organization and provide everyone with a consistent process to follow. In general, creating an inclusive and supportive policy involves:

- Leading by example with a clear commitment from the top down that diversity is important;
- Adopting policies and procedures to support diversity, anti-discrimination and anti-harassment;
- Promoting (both internally and externally) the organization's commitment to diversity;
- Holding all managers and staff accountable; and
- Providing training and awareness in the workplace.

A policy on workplace diversity:

- Makes a commitment to anti-discriminatory practices and fosters equal opportunity through the removal of systemic barriers;
- Accommodates physical variances (e.g. women, visible minorities, persons with disabilities) in workplace health and safety practices and in the provision of personal protective equipment;
- Reinforces compliance with human rights and employment equity legislation;
- Links diversity with corporate social responsibility, which is often seen as a way of aiding retention and attraction by employing people with strong links to the local community; and
- Is a statement of an organization's values.

Workplace Diversity is All About Inclusion

Organizations can expect challenges from those who don't see themselves as part of "diversity." This will happen if one casts diversity primarily in terms of race, gender, ethnicity and sexual orientation. Besides the four previously mentioned primary equity-based groupings, an organization can prove that it is serious about workplace diversity, and not simply political correctness, by placing equal emphasis on a realistic variety of diversity dimensions, such as age, marital and parental status, education, personality type, communication style, etc. The emphasis needs to be communicated that everyone is part of the diverse workforce.

There will be resistance if the amount of time devoted to training, education and other diversity interventions is seen as taking away from what some would refer to as "real work," especially if allowances aren't made for time spent away from the job. Telling someone that he or she has to take a day to attend diversity training, but that there won't be any slack on work deadlines, is a good way to breed resentment toward the entire effort.

The best defense against resistance to an examination of diversity is education, but not limited to the classroom variety. Leaders throughout the organization, not just those in Human Relations, must help everyone in the workforce grasp this concept. If Company A has developed systems, procedures, policies and a culture that allows employees from a variety of backgrounds to contribute productively, and Company B's systems, etc., seem to work only for certain types of people, Company A's is most likely going to perform better.

An increasing number of organizations use a very broad definition of diversity and use the word "inclusion" to place the emphasis on commonality rather than difference. However, changing an organization to adapt to a more diverse workforce requires changing culture, systems, behaviors and more. This takes time. And it takes realistic expectations and broad inclusion.

Nothing converts skeptics like success. Demonstrating strong performance while building an organization that manages a diverse workforce helps convince the doubters and cynics that managing diversity, which we could simply call "managing reality," is a smart business strategy.

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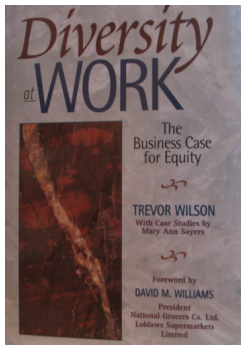
Why Is A Workplace Diversity Policy Important to the Bottom Line?

Not only is workforce diversity important to the health of an organization, but it also contributes to the bottom line in today's global economy. Consistently, successful organizations have demonstrated the importance of recruiting and retaining skilled workers, no matter what their race, age, gender or other characteristic. Organizations cannot afford to discriminate when it comes to hiring and promoting individuals, particularly given the current shortage of "knowledge workers" such as engineering professionals and technologists.

Furthermore, in a global economy, having persons of different cultural backgrounds and with additional foreign language capabilities can make the difference in obtaining or losing business opportunities overseas. In the business community, workforce diversity will help employers to adapt to the challenges organizations face in today's highly competitive and complex global marketplace, enabling them to find opportunities to grow new business ideas, identify new markets and keep ahead of competitors. For public and non-profit sectors, workforce diversity will permit organizations to better reflect the makeup of the clients that they serve and the communities in which they operate. In a multicultural and diverse society, organizations will be better able to tailor their products and service to recognize and meet individual needs.

Diversity concerns have become so important in the business world, that numerous companies have created the position of diversity officer. In the business world at large, the percentage of folks in the role of 'chief diversity officer' is growing. According to *DiversityInc. Magazine*, more than 20 percent of the top 50 chief diversity officers report directly to the CEOs or are one direct report removed.⁵

Recommended Reading:



“Diversity at Work”
(The Business Case for Equity)
 by Trevor Wilson
 (John Wiley & Sons Canada Ltd, Etobicoke, Ontario 1996)

Related Web Sites:

- ◆ Equality in the Workplace – Human Resources and Skills Development Canada: <http://www.hrsdc.gc.ca/eng/labour/equality/index.shtml>
- ◆ Diversity World, Workforce Diversity: <http://www.diversityworld.com/Diversity/index.htm>
- ◆ HR Council for the Voluntary and Non-Profit Sector: <http://www.hrcouncil.ca/hr-toolkit/diversity-at-work.cfm>
- ◆ DiversityInc Magazine: <http://www.diversityinc.com/public/department86.cfm>
- ◆ Diversity Central – Resources for Cultural Diversity at Work: <http://www.diversityhotwire.com/>

⁵ For Diversity Officers, No Good Deed Goes Unpunished, Workforce Management Online, February 2009

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