



## **DIVERSITY MANAGEMENT IN THE 21ST CENTURY: CHALLENGES AND OPPORTUNITIES FOR MANAGERS**

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**Abstract:** In today's globalized world, diversity management has become a crucial aspect of managing and valuing human resources within organizations. This systematic literature review aims to understand the challenges and opportunities presented to managers in managing workforce diversity in the 21st century. The study covers a systematic review of 25 journal articles and explores the benefits of diversity management, the role of managers in managing and valuing diversity, and the biggest challenges faced by managers in workforce diversity management. The study finds that emergence issues in workforce diversity management include multicultural task environments, inter-functional coordination, complexity, and discrimination at work. These challenges are brought about by globalization, outsourcing, and the need to retain diverse and talented human capital in organizations. The paper provides valuable insights into diversity management and suggests a framework for creating a diverse workforce that is productive and performance-driven. The findings have significant implications for organizational policies and practices aimed at recruiting, retaining, and managing employees from diverse backgrounds and identities. This review highlights the need for managers to adopt new perspectives and strategies to effectively manage and value diversity in the workplace. The study provides directions for future research in the areas of organizational performance, diversity climate perceptions, and organizational culture.

**Keywords:** Diversity management, workforce diversity, multicultural task environments, discrimination, organizational policies, organizational culture.

### **INTRODUCTION**

Diversity management refers to organizational policies and practices aimed at recruiting, retaining, and managing employees of diverse backgrounds and identities, while creating a culture in which everybody is equally enabled to perform and achieve organizational and personal objectives. In a globalized world, there is a need for contextual and transnational approaches to utilize the benefits that global diversity may bring as well as the challenges that organizations may face in managing a diverse workforce (Tariq 2017). Besler and Sezerelb (2012) were conducted study on Strategic Diversity Management Initiatives. The study signifies that as an effective management tool, enhancing corporate image and reputation, and strengthening employees' commitment.

Ewoh, (2013) in his study on Managing and Valuing Diversity: Challenges to Public Managers in the 21<sup>st</sup> Century. This analysis explores some of the challenges facing public managers in managing and valuing diversity in the 21<sup>st</sup> century. It begins with a discussion of the underlying conceptual values on the need for diversity in organizations. This is followed by an examination of different approaches to managing and valuing diversity. As managing a diverse organization is a complex issue that requires a multifaceted



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approach, the analysis concludes that every diversity initiative must be in consonance with organizational missions to be successful. That is, it must become integrated into the agency's overall operating plans and strategies with the aim of creating an institutional environment where every person who is different, in terms of human characteristics, feels not only accepted but also respected and valued.

Managers/leaders of the 21<sup>st</sup> century should concentrate on how diversity will be developed and implemented in order to achieve the demanded performance. Effective and efficient diversity Management is vital for the success and increment of institutional performance. The importance of Diversity Management was well stated by different scholars, but the result is inconsistent. This motivated the scholar to conduct systematic literature review on this topic since it will be contributed a lot for managers to know the challenges to managers in 21<sup>st</sup> century in order to manage diversity particularly in higher education institutions and international companies that demanded for the current education scenario.

The study conducted by Shaban (2016) on Managing and Leading a Diverse Workforce: One of the Main Challenges in Management revealed that increasing diversity skills is considered as an important step in managing diversity effectively in the organization. Rewarding employees for effective diversity management is also considered as an important step to encourage managers to manage diversity successfully. By applying the team leadership model, leaders will manage diverse teams more effectively. Ismail et al., (2015) suggested that today organizations are heavily affected by globalization and changes in the demographic structure of the society. Since the sex, race, and ethnic diversity of organizations are much broader than the past, nowadays the number of members in the same organization sharing different backgrounds and values has increased to a great extent. Moreover, the rapid development in technology not only entails more trained and skilled workforce but also necessitates sharpening intercultural collaboration skills in the organization. Organizations managing effectively a diverse workforce are capable of increasing organizational innovation and creativity, reaching more people and customers. Thus those organizations embracing diversity acquire competitive advantage and increase profitability. Therefore as the organizations' need increases in managing diversity

This review covers five chapters. In chapter one, introduction of the topic was given with the objectives and significance of the review literature. In chapter two, the theoretical view and the third chapter provided the empirical review of diversity management and challenges of 21<sup>st</sup> managers in result and discussion manner. In chapter fourth, the methodology and reviewing stages were provided. The last chapter provided the conclusion points of the review of the literature writer on the diversity management and challenges for 21<sup>st</sup> managers.

There are many important questions to be examined. Some of these questions are the follows:

- (a) What are the important theoretical background to diversity management and major challenges to managers in 21<sup>st</sup> century?
- (b) Why should managers need to adopt managing and valuing diversity in 21<sup>st</sup> century?
- (c) Will diversity create any major challenges for managers in 21<sup>st</sup> century? Answers to these questions will avail in the analysis under review.

### ***Objectives of the Review***

The general purpose of this systematic literature review is to give an overview to the Diversity Management, challenges of public managers in 21<sup>st</sup> century.

Specifically, this seminar aimed



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- ❖ To provide the theoretical background to the Diversity Management, challenges of managers in 21<sup>st</sup> century
- ❖ To identify benefits of managing and valuing diversity in 21<sup>st</sup> century?
- ❖ To identify major challenges of public managers in 21<sup>st</sup> century in managing and valuing diversity
- ❖ To contribute for future research direction

The specific objectives include the concept of Emerging Issues in Contemporary Reviews with special focus of Diversity management challenges of managers in 21<sup>st</sup> century. The goal of the systematic literature review is that a deep understanding of diversity management as well as how providing empirical findings.

## ***Contributions of the Review***

The systematic literature review on Diversity Management and its challenges for managers in 21<sup>st</sup> century has different significances. At the first managers become beneficiary from this review on Diversity Management. Because understanding and valuing diversity has become very important for public managers today. Globalization has presented challenges and opportunities for managers regarding to Diversity Management. There are some emerging issues in workforce diversity, which include multicultural task environment, existence of large talent pool used for creating and innovation, inter-functional coordination, complexity and discrimination at work. These issues are brought to bear through globalization, migration, aging population, outsourcing, women's work etc. Organization should have a framework for workplace diversity management; optimally allocating resources to create a multicultural engaged workforce for productivity and excellent institutional performance. Therefore, managers in 21<sup>st</sup> century need to understand contemporary issues in workforce diversity in current globalization.

Also, the review may help the scholars to get deep knowledge on diversity Management regarding to its challenges to managers in 21<sup>st</sup> century in order to find suited solutions. Significantly, this systematic literature review explains how managers can lead and manage diverse teams. Therefore, this study is focusing on one of the main recent challenges in management, which is managing and leading a diverse workforce. As a major challenge for all managers in the world is to lead and treat a diverse workforce in an equitable and fair manner.

## **LITERATURE REVIEW**

### ***Diversity Management: Biggest Challenge for 21<sup>st</sup> Century Managers***

According to the study conducted by Bedi; et al., (2014) on Workforce Diversity Management: Biggest Challenge Or Opportunity For 21<sup>st</sup> Century Organizations suggests Management being a social discipline deals with the behavior of people and human insight. Hence, workforce diversity is the biggest challenge and at the same times the biggest opportunity for the 21st century managers. "Diversity Management" is a strategy to promote the perception, acknowledgement and implementation of diversity in organizations. Workforce diversity has significant implications for the management. The managers will be required to shift their approach from treating each group of workers alike to recognizing differences among them and following such policies so as to encourage creativity, improve productivity, reduce labor turnover and avoid any sort of discrimination. Successful diversity management policy and program will eventually make a huge difference in the communication among employees and the general productivity of the organization. Today's organization need to recognize and manage workforce diversity effectively. Globalization and trade liberalization which has enhanced the mobility of factors of production from one nation to another easier has created a global market with most organizations speedily becoming diversified. Most workplaces



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are now heterogeneous rather than homogenous and having difference in people in terms of age, gender, ethnicity, culture, skills, profession etc., working in the same organization. Such workforce diversity helps in creating a learning organization through cross fertilization of ideas and knowledge. Workforce diversity brings about higher productivity and business performance in the workplace as people skills and competences are synergistically brought together for optimal performance of the firm. The emerging issues in workplace diversity are the emergence of a learning organization through integration of talent pool, higher productivity, communication, relationship building and multicultural work orientation. However, some emerging negatives are racial discrimination, high cost of diversity management, gender issues. The contribution of this study is that it would help the management of organizations to gain perspective on how diversity would impact performance in terms of the quality and efficiency of service delivery. This would guide the human resource department on how to create a good balance so as to encourage diversity. Not only would this be used as a guide in the recruitment process but it can also be used by managers to determine how to form or select diverse teams to work in different organizations (Tamunomiebi, 2020).

Ewuh, (2013) in his study on Managing and Valuing Diversity: Challenges to Public Managers in the 21<sup>st</sup> Century. One major conclusion to be drawn from the foregoing analysis is that a diverse workforce will enhance and foster employees' creativity and problem-solving abilities. Another is that it will increase its flexibility to tackle new challenges as well as provide a competitive edge in meeting organizational goals and objectives. To prepare the 21<sup>st</sup> century workforce, this analysis acknowledges that managing and valuing diversity approaches require the sum total of individual, group, and organizational efforts a cultural transformation of every organization. This transformation can be accomplished through the interaction of three key factors: leadership, empowerment, and institutionalization. As managing a diverse contemporary organization is a complex issue that requires a multifaceted approach, every diversity initiative must be in consonance with organizational missions to be successful. That is, it must become integrated into the agency's overall operating plans and strategies. The aim will be to create an institutional environment in which every person who is different, in terms of human characteristics, feels not only accepted but also respected and valued. Valuing diversity means more than labeling women, immigrants, and minorities as different from the majority and attempting to assimilate them into the organizational culture or corporate world. Today's employees are no longer willing to deny their cultural identities. Rather, they will try to protect and nurture their ethnic and cultural traditions while receiving the respect of their peers. The challenge this poses for public managers requires that they acquire all the essential skills for managing multicultural organizations. Similarly, most organizations must have to restructure their diversity initiatives to involve workers at all levels of management. The future is one that foresees all organizations capitalizing on the benefits of managing and valuing diversity. In addition, given the increasing complexity of the workplace, public agencies must view all the new approaches of managing and valuing diversity as desirable.

The study carried out by Parul and Supriya (2012) focused on workforce diversity management: biggest challenge for 21<sup>st</sup> century managers provided abstract that work, workers and workplaces are not what they used to be or where they used to be says Peter f. Drucker in his new book, management challenges for 21<sup>st</sup> century which provides insightful and timely information for individual and organizations alike as they work towards common goals in the next one hundred year. Among the eight new assumptions, workforce





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diversity is placed at the third position in terms of importance. Management being a social discipline deals with the behavior of people and human insight. Hence, workforce diversity is the biggest challenge and at the same times the biggest opportunity for the 21<sup>st</sup> century managers. "Diversity management" is a strategy to promote the perception, acknowledgement and implementation of diversity in organizations. Successful diversity management policy and program will eventually make a huge difference in the communication among employees and the general productivity of the organization. today's organization need to recognize and manage workforce diversity effectively. Researchers never find a significant negative relationship between establishment-level diversity and productivity. This leads us to conclude that establishments that employ a more diverse workforce are no less productive than establishments that employ a more homogeneous workforce.

Patrick and Kumar (2012) were conducted their study on Managing Workplace Diversity: Issues and Challenges. They suggested that Organizations with diverse employees are better suited to serve diverse external customers in an increasingly global market. Such organizations have a better understanding of the requirements of the legal, political, social, economic, and cultural environments. Diversity management is a process intended to create and maintain a positive work environment where the similarities and differences of individuals are valued. The literature on diversity management has mostly emphasized on organization culture; its impact on diversity openness; human resource management practices; institutional environments and organizational contexts to diversity-related pressures, expectations, requirements, and incentives; perceived practices and organizational outcomes related to managing employee diversity; and several other issues. The current study examines the potential barriers to workplace diversity and suggests strategies to enhance workplace diversity and inclusiveness. It is based on a survey of 300 IT employees. The study concludes that successfully managing diversity can lead to more committed, better satisfied, better performing employees and potentially better financial performance for an organization.

Helen EbohCletus (2018) Prospects and Challenges of Workplace Diversity in Modern Day Organizations: A Critical Review; According to the finds, diversity promotes critical thinking and problem-solving skills, employee growth and development, unification of diverse strengths, corporate attractiveness, and innovative ideas and skills in the workplace. However, these benefits are currently plagued by several factors including but not limited to the following. Firstly, the gender and lifestyle choices of people, ethnic and cultural differences, physical or mental disabilities, workplace communication, and generation gaps can result in problems in the workplace. As a result, people in these groups face hostility, disrespect and discrimination from other colleagues. According to the findings, such behavioral attitudes result in an uncomfortable atmosphere and poor productivity in the workplace. Also, these challenges can dampen morale, confusion, affect teamwork, and lower the attractiveness of the organization. Consequently, modern day organizations need to address the causes of these issues to benefit from the long-term benefits of diversity. To this effect, this review was proposed a way forward for improving diversity in the workplace. Firstly, organizations need to understand better discrimination through diversity training and orientation programmes that will optimistically determine individual's preconceptions in the workplace. It is envisioned that this will foster an empowerment culture, define job descriptions, and lastly build communication and team spirit among an organizations employees. Based on these presentations, the authors envisage that the findings will benefit future employees, managers and organizations adapt to the realities of workplace diversity. Also, the authors



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hope the findings to improve workplace diversity promote productivity and maximize profits in the increasingly competitive climate of global business and organizational management.

The extent to which managers recognize diversity and its potential advantages and disadvantages defines an organization's approach to managing the diversity. No organization in this world of globalization would survive without workforce diversity. Diversity is not a case of representation of different nationalities or ethnicities. It is a process of creating greater wealth through increased creativity and productivity. Consistent internal communication and employee education is vital to gain support of all the stake holders. It is the duty of the management to critically evaluate the benefits of workforce diversity in their organization. On the other hand the management should put in place conditions which would enhance the workforce diversity in their organizations, more especially in their strategies formulation on the diversity of the workforce. Hence, with the diversity of the workforce, the organization would be internally and externally competitive. Although, the process of diversification of organizations has six stages: denial; recognition; acceptance; appreciation; valuing; and utilization. It is believed that organizations should put in place strategies to enhance workforce diversity. In terms of organizational learning, organizations are still stuck on the problem of getting people to value diversity and have not yet determine the ways to utilize and exploit it. It is the approach to diversity, not the diversity itself which determines the actual positive and negative outcomes. Managing diversity in organizations is absolutely dependent upon the acceptance of some primary objectives to which employees are willing to commit, such as the survival of the firm. In today's fast-paced work environment a successful organization is one where diversity is the norm and not the exception. Finally, creating a diverse workforce takes time and even longer to reap the benefits. The management and leaders must not lose focus and interest in creating a diverse workforce – due to the lack of immediate returns (Parul and Supriya 2012).

The study by Sabharwal, (2014) focuses on the concept of organizational inclusion, which goes beyond diversity management, the dominant paradigm in the field of public administration. The study finds that diversity management alone is insufficient for improving workplace performance. What is required instead is an approach that promotes greater inclusion of employees in ways that takes their views into account and promotes self-esteem.

Önday,(2016) in his empirical work on global workforce diversity management and the challenge of managing diversity: situation on world and in turkey stated that workforce diversity is a primary concern for most of the businesses. Today's organizations need to understand and direct workforce diversity effectively. Although many articles have been written on this topic, but there is no detailed research of workforce diversity on global basis. 21<sup>st</sup> century's world rapidly increasing globalization requires more attention and interaction among people from diverse cultures, beliefs, and backgrounds than ever before. People no longer live and work in an alone marketplace; they are now part of a worldwide economy with competition coming from nearly every continent. For this reason, profit and nonprofit organizations need diversity for being more creative and open to change. Based on the findings and discussions, the study managed to fulfill its research objectives, and the following are the related themes. The international students are:

- Aware of the concept of managing diversity but are not committed enough to promoting diversity at the academic department.
- However, the students do not experience or encounter any problems in terms of studying and learning in their various classrooms.



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➤ Sometimes, there is a communication problem between the international students and the local indigenous students.

➤ Managing diversity has a great deal to do with encouraging a culture of tolerance and respect. When we respect one another, we can learn from one another.

➤ Managing diversity needs the university management leadership to be able to distinguish how important is diversity in an academic environment. It requires a consultative and participatory approach to leadership, and it requires courage and wisdom.

Ikemefuna et al. (2020) conducted their study on Comparative Study of Diversity Management and Employee Fairness in the North Central Universities of Nigeria. Findings reviewed that the significance levels are within 1%, indicating that there is no significant difference in the nature of relationship between job satisfaction and employee fairness. Employee fairness in promotion exercise, equity prevalence in the settling of disputes and approval of leave bonuses if done on fairness will lead to job satisfaction. In line with these findings, the study concludes that there is no difference in the mean of federal, state and private universities in their views regarding to their institutions being fair and just in the consideration and share of responsibilities, employees satisfaction in uprightness, employees' fair treatment which leads to job satisfaction, employees resignation as a results to non-job satisfaction, inequality among employees, fairness in promotion exercise, equity prevalence in the settling of disputes and finally, employees are satisfied when leave approval and bonuses are done on fairness and just, since it's all have an average mean value of above 3.00.

According to SajeenPradhan, (2013) Diversity is highly critical subject in a multicultural, multiethnic, multi religious and multifaceted society like India. Today, Indian organizations have become truly global as they are acquiring multinational assets, investing huge money in foreign projects, hiring foreign nationals for their foreign assignments in such circumstances Indian organizations should set benchmark in managing and harnessing the potential of diverse workforce.

Bah (2015) conducted his study on the Impact of a Diverse Workforce on an Organization: Challenges and Opportunities and used a coin as a metaphor to illustrate the concept that challenges turned into opportunities result in benefits. The coin has a head and a tail but if flip around, the head could be a tail and they are both on the same coin. The concept that challenges and benefits are opposite sides of the same coin is represented by the fact that if any element such as lack of communication, lack of trust, lack of training, lack of diversity in hiring is displaced and malfunctioning, the entire organization will be affected by lowered performance, efficiency and loyalty. Hence, the challenges and opportunities of a diverse workforce are like two sides of the same coin. If properly incorporated and well managed, the challenges can be a benefit to the organization.

## 1.1 Summary of the Review of Literature

Authors	Key takeaways
Önday, Ö. (2016)	21st century's world rapidly increasing globalization requires more attention and interaction among people from diverse cultures, beliefs, and backgrounds than ever before.
Parul D and Supriya	No organization in this world of globalization would survive without workforce diversity.

Ch.,(2012)	
Patrick and Kumar (2012)	<i>Diversity management is a process intended to create and maintain a positive work environment where the similarities and differences of individuals are valued.</i>
Ewoh, A. I. (2013)	<i>Managing and valuing diversity approaches require the sum total of individual, group, and organizational efforts a cultural transformation of every organization.</i>
Helen Eboh Cletus, N. A. (2018)	<i>Workplace diversity promotes productivity and maximizes profits in the increasingly competitive climate of global business and organizational management.</i>
Bedi; et al., (2014)	<i>Successful diversity management policy and program will eventually make a huge difference in the communication among employees and the general productivity of the organization.</i>
Tamunomiebi, M. D.-E., (2020)	<i>The emerging issues in workplace diversity are the emergence of a learning organization through integration of talent pool, higher productivity, communication, relationship building and multicultural work orientation.</i>
Bah, A. B. (2015)	<i>The challenges and opportunities of a diverse workforce are like two sides of the same coin.</i>
Parul D. and Supriya Ch. (2012)	<i>Workforce diversity is the biggest challenge and at the same times the biggest opportunity for the 21st century managers.</i>

## **REVIEW PROCESS AND METHODOLOGY**

### ***Systematic Review of Literature***

Systematic review is the methods that selected to review the articles that related to diversity management and challenges for managers in today's globalization. A systematic review is defined as a review using a systematic method to summarize evidence on questions with a detailed and comprehensive plan of study. The systematic review is created after reviewing and combining all the information from published articles (focusing on diversity management and challenges for managers) and then summarizing the findings. Moreover, themes should focus on relevant and important diversity management and its challenges for managers in 21<sup>st</sup> century, consider global needs and values reflect the current science, and are consistent with the adopted review methods.

Systematic reviews are characterized by being methodical, comprehensive, transparent, and replicable. Systematic search process to locate all relevant published work that addresses one or more research questions, and a systematic presentation and synthesis of the characteristics and findings of the results of that search has been used for this review. The systematic methodology and presentation used to minimize subjectivity and bias. The systematic review of this review is targeted to compare the existing reality on the diversity management and its challenges for managers. This is the reason why systematic review was selected for this review.





### ***Reviewing Stages***

The reviewing stages guide steps must be followed for the achievement of systematic review. The reviewing stage of this seminar includes the development of review objectives, forming criteria (through extracting data based on relevance criteria towards the subject by title, abstract, full-text screening and manual searching criteria), search strategy/searching databases. These steps are provided as follows:

**Identify review objective:** the paper is developed based on general and specific objectives to be achieved. Accordingly, general and specific review objectives for this study were developed under chapter one. The development of these objectives was depended on the existing literatures.

**Define inclusion and exclusion criteria:** the researcher develops inclusion and exclusion criteria. These inclusion and exclusions should be stated in advance to refrain us from bias. The inclusion criteria are used to identify those articles included for the study. Accordingly, the diversity management related articles written in English, year of their publication must be after 2011 G.C to included updated data and relevance of the articles on diversity management and its challenges for managers theme. Articles are excluded if they are unrelated to the subject manner, duplicated, unavailable full texts, or abstract-only papers and published before 2011 G.C. Based on this inclusion and exclusion criteria it would be easy and clear to obtain articles which contain information answering objectives of the study.

**Search for studies:** the articles were searched research gate, Google Scholar and science direct data base. They were selected because of their availability.

**Present results and assess the quality of evidence:** Clearly present the findings, including detailed methodology (such as search strategies used, selection criteria, etc.) such that the review can be easily updated in the future with new research findings.

**Find the best journal to publish the work: after presentation of the result the next step is** to submit the finding for publication. This will be achieved through submitting the finding for more reputable journal identification.

### ***Search Strategy and Criteria***

The systematic review, which was conducted to this study, to analyses literature on the diversity management and its challenges for managers, is based on an examination of contemporary studies in the field, in order to come up with good understandings of diversity management. A systematic search process was carried out using the following keywords: diversity, workforce diversity, managing and valuing diversity, diversity management and its challenges for managers in 21<sup>st</sup> century. The articles reviewed are in the area of diversity management and its challenges for managers in 21<sup>st</sup> century. The search covered relevant scholarly databases that included: Research gate, Science Direct, and Google Scholar. For this study, the searching process is limited to published articles/journals mainly databases of scientific data.

### ***Data Extraction and search results***

The data extraction was taken place based on articles inclusion and exclusion criteria. The articles inclusion criteria used with this review were relevance to the subject theme (the articles must relate to diversity management and its challenges for managers in 21<sup>st</sup> century), year of publication must be after 2011 G.C, and articles must be those written in English languages. This finding covered the systematic review of 25 published articles. Accordingly, only 25 articles that related to diversity management and its challenges for managers in 21<sup>st</sup> century were included for the review purpose. All these articles are those published after



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2011 G.C and written in English. This implies that literature review corresponds to the period from 2011 G.C to 2021 G.C.

The first scholarly databases search of selected keywords combinations revealed a total of 252 articles. The 34 articles were excluded because of the repetition criteria. After removing carbon copy records, the search resulted in 218 articles. Next to duplication exclusion the researcher was screening the articles through titles and abstract reading. Accordingly, 112 articles were excluded and 106 articles pass for the further process. A further comprehensive screening was conducted through full text articles assessed for eligibility. Based on these 40 articles were irrelevant and 14 articles were not having full-text that conveyed the demanded information. The 20 articles were excluded because of their year of publication is before 2011 G.C. At the end, 7 articles were excluded from the systematic review because of language; since the researcher cannot understand the language they were written. Therefore, the 25 articles are involved entirely in this systematic literature review. All these processes were presented via Figure 3.1 as below.

## RESULTS AND DISCUSSION

### *Results and Discussion of Benefits of Diversity Management*

Most scholars and researchers have discussed the benefits of diversity management and have classified diversity into blocks, usually four main fields which are personality, internal characteristics of diversity, external characteristics of workplace and organizational characteristics of workplace diversity.

Odhiambo (2018) stated that age diversity is very critical and positively influences employee performance. Moreover, age diversity creates a situation in which generational skills, knowledge and experiences are harnessed in the production process ending the production of good and quality products. The study conducted by Mollel et al., (2015) sought to find out the impact of workforce diversity management and global organizational growth in the 21<sup>st</sup> century using secondary review. The finding revealed that, leaders and companies that encourage workforce diversity and inclusion tends to have ability to not only improve their market share in the existing domestic market but also capture a new market in the global business environment. The finding further discovered that, organizations with the inclusion work environment tend to attract and retain the best talent available who are the key ingredient for generating creative ideas that in turn impact on customer's retention and on organization's performance. Hence, it can be pointed out that employee and customer's retention, enhancement on organizational performance, and expanding company to global market are some of the major benefits of workforce diversity management and global organization's growth in the 21<sup>st</sup> century

The finding by Demsew, (2019) on Workforce Diversity Management Practices and Challenges suggested that Creativity, efficiency, motivational improvement and increment of employee's productivity are the benefits that the organization got through diversity management. Kulik, (2014) concluded that maintaining the diversity in the workplace will give the best success to organizations. And also Downey, et al., (2015) were conducted their study on the role of diversity practices and inclusion in promoting trust and employee engagement. The finding indicates that a potential increase in creativity, increased productivity, new attitudes, new language skills, global understanding, new processes, and new solutions to difficult problems, greater agility, better market insight, stronger customer and community loyalty, innovation, and improved employee recruitment and retention. This finding also indicate that the manner, in which diversity management is approached, has a great impact on aspects such as developing the competencies of employees. If diversity is managed effectively, it will add essential value to organizations. One can conclude



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that managing diversity is more than simply acknowledging differences in people. It involves recognizing the value of differences, combating discrimination, and promoting inclusiveness. Diversity management helps firms compete in international markets effectively by generating fresh ideas, improving firm performance, enhancing firm image, and hiring valuable human resources.

Bediet. al. (2014) was conducted their study on Workforce Diversity Management: Biggest Challenge or Opportunity For 21<sup>st</sup> Century Organizations. They stated advantages of having diverse workforce: in their study as follows: 1) High level of Productivity 2) Exchange of varieties of ideas and Team work 3) Learning and growth 4) Effective Communication and 5) Diverse Experience.

**Results and Discussion** of Challenges of Diversity Management for Managers in 21<sup>st</sup> century Scholarly literature has shown that workplace diversity helped most organizations and institutions by driving positive success to the firm. However, the complexity of workplace diversity is part of the challenging issues of critical dimensions of firm management.

In most recent study conducted by Bediet. al. (2014) titled 'Workforce Diversity Management: Biggest Challenge or Opportunity For 21<sup>st</sup> Century Organizations', they emphasized that management is a social discipline that deals with people's behavior and human disposition. Hence, workforce diversity is seen as the biggest challenge as well as the biggest opportunity for the 21<sup>st</sup> century managers. Diversity Management is a strategy fashioned to encourage the acknowledgement and implementation of diversity in organizations. And also different literatures elaborated that negative thoughts and behavior can be serious barriers to organizational diversity because they can harm working relationships and damage morale and work productivity such behaviors are Stereotypes. Another challenge is prejudice which is unfair and unreasonable opinion or feeling, especially when formed without enough thought or knowledge an unjustified negative attitude toward a person based on his or her membership in a particular group. Prejudice can have demonstrated in different forms. It can show up during the hiring process, promotion, or even the daily interactions that take place with the work environment. The study on the Effects of workforce diversity on employee performance by Ekot, (2017) indicates a power struggle between managers in implementing diversity policies. And also communication is a serious barrier; People may speak different languages at work place because of different geographical region to which they belong. Due to which the people may find communication problems, misunderstanding and mistrust between employees which also affect their productivity.

On the other hand, Lack of ability to manage diverse work force, negative attitude of individual such as discrimination of groups also challenge to manage diversity in CBE and turnover intention also observed as challenge to manage diversity. Managers also challenged by Lack of confidence based on their educational background (Demsew2019). Therefore, from the review it can be said that Managers may be challenged with losses in personnel and work productivity due to discrimination and legal actions against the organization. For example, diversity can reduce the cohesiveness of the group, resulting in increased employee turnover; males working in homogeneous environments were more attached to coworkers and to their jobs.

Mollel et al., (2015) were stated study indicates implementing diversity initiatives posits a challenge to both top management and line managers in any Organization. These includes Divergent paths taken to reach the same goal, corporate culture hinder diversity efforts, Data difficulties, Diversity and top management support. From the above findings, one can declare that negative attitudes and behaviors as well as lack of



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commitment from top and line management normally becomes a barrier to organizational diversity initiatives because they can harm working relationships and damage morale and work productivity.

## **Results and Discussion of Managing and Valuing Diversity Management**

Samuel and Odor (2018) Managing diversity effectively is surely a win within situation for any organization that intends to grow and compete across borders. The differences in age, gender and race are not the only factor that account for cultural diversity at work. Therefore the ability of an organization to effectively manage its diversified workforce directly influences the quality of its creativity and innovation in terms of new product planning and development. Diversity helps to bridge the gaps in cultural deficiencies because people are gifted differently. A company who embraces diversity will attract a wider range of candidates to their vacancies, as it will be viewed as more progressive organization and will appeal to individuals from all walks of life. One particular culture might be very good in technical skill but may not be good at human skill. So it is essential to play on each individual's strengths and collaborate with others in the team. So, a good blend of cultural diversity will create a good synergy for effective organizational effectiveness. It was ascertained that understanding and managing diversity has played a pivotal role in the (research) organization's performance and effectiveness over the past 5 years. More specifically, diversity management created room for appreciation, innovation and creativity that gave the organizations an edge to tackle diverse markets.

The study conducted by Oyedele Ola Olusegun (2018) concluded that Workforce diversity represents both a challenge and an opportunity for business and corporate entity. In addition a growing number of progressive organizations are realizing the needs for valuing diversity in the workforce, so as to ensure strategic utilization of human resources for the accomplishment of strategic goals. Hence no organization this dispensation of globalization would survive without workforce diversity. Sadia et.al (2020) they were conducted their study on Employee outcomes of supporting and valuing diversity: mediating role of diversity climate. The mediating role of diversity climate in the relationship of organizational value of diversity and outcomes (job satisfaction and organizational identification) is significant. Sooner polat (2017) suggested that leading consultants, academics, and leaders assert that differences must be handled with an approach that values diversity.

## **CONCLUSION AND RECOMMENDATION**

**Benefits of Diversity Management:** Diversity leads to synergy among the different skills and competences inherent in the organization, this tends to encourage collaborative work situation, drive productivity and lead to excellent business performance, potential increase, creativity, increased productivity, new attitudes, new language skills, global understanding and expanding company to global market, new processes, and new solutions to difficult problems, greater agility, better market insight, stronger customer and community loyalty, innovation, and improved employee recruitment and retention are the benefits that the organization got through diversity management.

**Challenges of Diversity Management for Managers in 21st century:** Lack of commitment from top and line management normally becomes a barrier to organizational diversity initiatives because they can harm working relationships and damage morale and work productivity. Some of the challenges were identified by most recent scholars includes; negative thoughts and behavior / Stereotypes, unfair and unreasonable opinion or feeling/prejudice, power struggle between managers in implementing diversity policies,





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communication is a serious barrier, Lack of ability and confidence to manage diverse work force are observed as challenge to manage diversity.

**Managing and Valuing Diversity Management:** As it was observed via this systematic review, not only managing diversity, valuing diverse workforce is significantly affects productivity means that efficiency and effectiveness of employees to meet organizational objectives. Managing and valuing diversity enhances performance, organizational effectiveness; Leadership diversity influences and drives organizational transformation. Promoting diversity is significantly related with performance improvement in terms of knowledge to drive transformation. Therefore, Workforce needs to be treated with dignity and respect at work, Institutions should recruits employees from all walks of life and have a diverse workforce and Individual differences required be valuing and appreciating by the organizations.

## Recommendation

Based on this systematic literature findings major conclusions were drawn. Accordingly, the managers in 21<sup>st</sup> century requires to be consider all challenges as opportunities to deal with diverse workforce in order to come up with performance excellence of organizations.

- Commitment of top and line management, expected to be proved with working relationships, morale and work productivity.
- Minimizing negative thoughts and behavior / Stereotypes, unfair and unreasonable opinion or feeling/prejudice, power struggle between managers in implementing diversity policies, communication barrier.
- Ability and confidence to manage diverse work force should be enhanced via training.
- Promoting Strategies for inclusive workplace includes Diversity and top management support, make diversity as a core business value, build an infrastructure to support diversity, metrics and rewards set clear diversity targets and focus on diversity in the entire talent pipeline.

Generally, required strategies for managing diversity includes top management support, HR initiatives, training, organizational communications, culture and management system audit, research and follow up.

## Future Research Direction

After conclusion the followings are the future research direction that given after systematic review of literature

The first future research direction is that the relation between workforce diversity and organizational performance were discussed. However, in today's global environment impact of managing and valuing workforce on organizational performance needs investigation for different organizations more specifically in higher education institutions because there is huge diverse workforce and other international companies.

The Second future research can attempt to identify additional variables that Diversity climate account for diversity climate perceptions, such as group and organizational characteristics. In order to fully analyze diversity practice further study need to be undertake by including all characteristics that are not included in this study and also organization culture has to be examined because diversity management highly depend on organizational culture and hierarchical structure of the organization

The last future research direction is that the investigation included under this systematic review analysis is more depend on articles of foreign countries on their companies. So, it is better to investigate the entire raised theme within our country.



### **Limitations of the study and its applicability**

There are some limitations inherent in the study. The finding was systematic review of published articles only. One limitation of the review is the data base. The researcher used only few data base because of their availability. Another limitation was the articles included were articles are from abroad.

Lastly, the study considered only efforts to support diversity and organizational value of diversity as the predictors of perceptions of diversity climate; however, many other organizational factors can influence employees' perceptions of diversity climate.

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