

The impact of diversity training on commitment, career satisfaction and innovation

Sohail, Adil and Rehman, Kashif ur and Haq, Shams ul and Iqbal, Jaam Javaid and Razaq, Adeel and Sabir, M. Suleman

Iqra University Islamabad- Pakistan

20 March 2011

Online at https://mpra.ub.uni-muenchen.de/53852/MPRA Paper No. 53852, posted 26 Feb 2014 07:33 UTC

The impact of Diversity training on Commitment, Career satisfaction and Innovation

*Adil Sohail, Kashif ur Rehman, Shams-ul-Haq, Jaam Javaid Iqbal, Adeel Razaq, M. Suleman Sabir Iqra University Islamabad- Pakistan
*adil.sohail@hotmail.com

Abstract: The purpose of this paper is to investigate the relationship between diversity training with organizational commitment, career satisfaction, and innovation in the organization. The paper builds conceptual understanding of the model. The paper takes organization commitment, career satisfaction and Innovation, as Innovation is the part of organization environment. There are many studies on diversity training but no one focused its effect of innovation. The paper concluded that employees who are trained for diversity are more committed towards their organizations, and more satisfied with their careers. The paper also concluded that diversity training has positive effect on innovation. This paper builds relationship among different variables through previous studies. Limitations of this paper are that it is not guaranteeing the empirical reliability of the model, than the research on innovation is difficult to conduct because innovation is very gradual and systematic process. While talking about the innovation in the organization, diversity training is a very technical and worth while approach for today's organizations. The paper finds that diversity training has its effect on commitment, career satisfaction and innovation.

Key words: Diversity Training, Organization culture, organization commitment, career satisfaction, organization environment

1. Introduction

Committed workforce is the need of every organization in today's competitive corporate environment of the world. Organization are spending huge amount of resources to get the committed workforce and to retain them with the organization. However management styles in the organization also effects the commitment of the workforce (Buchanan, 1974). If the organization wants committed workforce then it must also take steps to satisfy the career needs of the employees. There is a direct relationship between organization commitment and job satisfaction of the employees within a particular organization which effect the career of the employees ultimately (Nkereuwem, 1990). An effective organization will create the environment of commitment and satisfaction for the workers within the sphere of its influence. This will change the minds of the employees while working with the organization and new employees will also change themselves according to the values of that organization (Adeyinka, Ayeni and Popoola, 2007). In order to create the satisfaction and commitment in the organization diversity is the emerging issue which should be discussed in future.

On the other side ignoring diversity issue results high cost, conflicts among the employees, inefficiency, low attraction of quality workforce, and inability to retain the value able workforce in the organization. Thus it is important for organization to know how diversity effects motivation, performance, and communication with others (Sonal, 2011). Those Organizations who trains their workforce for diversity, have more committed workforce. Their employee's satisfaction is also up to the mark (Margaret, 2010). Now diversity becomes so important for the organizations. If any firm wants to increase the commitment level of its employees then it must manage the diverse work force, because now company's goals are to work globally. While working at global level organization encounters with the issue of diversity, so it must be tackled effectively and timely (E Holy and Lenora, 2010). Diversity issue must be part and should be aligned with the organization objectives. Previous theories such as focused on profitability, efficiency of workers, and hierarchy, but now theories are converting globalization and multiculturism (Richard, 1999). Managers must be aware about the importance of diversity. They should articulate objectives for diversity in the organization. They should communicate the employees about diversity related goals and motivate them as a compulsory part, for accelerating organization performance (Mark, 2010). By increasing the focus on diversity in the organization we can make the employees' attitudes more positive (Raj, Anne & Soet, 2008).

To manage the diversity organization have "Diversity management model". This model must be prepared after talking internal & external environment into consideration (Oya, 2006). Today management is formulating & implementing such strategies & policies which will support fairly, diverse workforce in the organization. This will lead the organization toward less perceived behavioral discrimination in the organization. The importance of diversity is increasing with time, many countries of the world contains significant, ethnic, linguistic & religious minorities. The country like USA imports slaves from Africa in seventeenth century which now segregated in the Americans organizations. In other courtiers like Canada almost 9% & 6% in UK is diverse population (Harish and Anil, 1996). Innovation is also important factor for the organizations and also for the economy of the country for today's world. Now economies of the countries are trying to promote the innovation. It has a positive effect on the per capita income of the economy and is beneficial for the organization as well (Someshwar et al, 2001).

Diversity becomes buzzword after 1990's. Many studies are published on diversity & diversity training. However more studies are required on this area. We must critically examine the issue by discussing its effect on different variables exists in the organization. Margaret, Mark, Charity (2010) worked on Diversity Training & its effects on career satisfaction and organization commitment. The data was collected from nine different organizations from Canada. My study is based on its future research which was recommended in its paper. I added an additional variable with career satisfaction and organization commitment. This additional variable is innovation & is this is novelty in my research paper. There are many studies which focused on Diversity training and its effect on different variables. But nothing has been done which took the effect of diversity training on innovation with organization commitment and career satisfaction.

<u>Research question</u>: What is the effect of diversity training on organization commitment, career satisfaction and organization culture in one context? This research paper is based on different parts. First part is introduction than Literature review than comes theoretical framework and hypothesis, then Discussion and practical implication, Conclusion and at last Limitation and directions for future research are the parts of this research papers.

2. Literature Review

Diversity: Term diversity is used to refer to the distribution of Personal attributes among the work force in the organization. There are different attributes lying in diversity. One of which can easily be detected while meeting a Person (age, sex, racial ethnicity) than comes the underlying attributes which are (Personality, values and knowledge) than comes attributes which remains in mind after getting to know the person (education etc). Difference of these attributes is diversity (Susan, Aparna and Niclas, 2003). Diversity increases creativity & innovation, which ultimately is beneficial for the organization's outcomes (Subash, 2003). To utilize diversity in the organization management have to manage its work force which are from different race, gender, ethnic background, religious, disability etc (Linda, 1996). Diversity management is not only managing employees under the banner of Equal employment opportunity. It also includes ethnic origin, personal work experiences, and personal and corporate background of an individual. A comprehensive strategy on diversity management gives a view to consider every employee as heterogeneous rather and homogeneous, which now is an outdated strategy (Philip, 1996). Owing to the importance of diversity today many organization, government agencies and non profit organizations are spending huge amount to train their workforce for diversity. Despite of its growth, it does not include any specific activities. Diversity training could be one hour briefing to long workshops. However the overall focus is to manage the national, local and international diversity (Bernardo & Sari, 1996). Training on cross cultural communication helps the people to be more competent and aware to diversity issues. This will give a positive output, which assist to develop people's cross cultural skills and their performance (James, 2002).

Organization commitment: While defining the organization commitment we can categorize it into three components. Effective commitment is a desire by the employee to be a member of the organization after getting comfort, personal competence and his experience. Then there is continuance commitment, under which the employees want to remain in the organization, keeping in mind the cost of leaving. Then comes normative commitment which comes from loyalty of the employee with the organization. If these forces are high then employee is considered more committed with the organization (Meyer and Allen, 1991). In another model organization commitment has its three dimensions which are complains, Identification and moral (Charles, 1986). It is the strength on employees' identification of his involvement with the

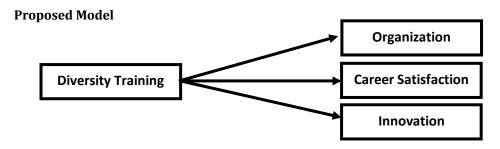
organization. This characteristic involves the beliefs and acceptance of the goals of the organization, maximum efforts of the employees for the organization and affirmation for organization and hard work for achievement of the goals of the organization.

Career satisfaction: Career satisfaction is a measure of satisfaction or dissatisfaction of an individual about his career. It summarizes the corporate attachment & its feelings of an individual, through out his career (John et al, 2008). This study also tells the relationship of personality traits & career satisfaction. Career satisfaction is the view that how an individual feels about his current job. If he is satisfies with his Job and things that his career is secure and a safe through this job than he would be more satisfied (Steve and Catherine, 1997).

Organization culture: While talking guide lines from the previous studies it is important to justify the Innovation factor in the model. This section provides the direction that why the organization culture has been selected for this study. Organization culture is part of organization environment (Abdullah H. 1999). Organization culture is also called corporate culture (Colin, 2004). Robbins in 2004 says that Innovation is attributes of organization culture. So, I took innovation as part of the organization environment. Before defining organization culture first I will define culture? Culture is the totality of ideas, values, beliefs, ideas and knowledge of the society. It reflects the way in which any human interpret the environment (Olivier, 2008). Organization culture reflects the shared meanings held by the members of the organization that makes it different organization from others (Robbins, 2004). It also gives 6 different attributes of organization culture. Innovation is on of them.

Innovation: A comprehensive definition of Innovation is Changes in large number of firms' activities that improves the firm performance. These activities could be divestment investment, marketing expenditures, training and development of employees or to substitute the existing technological equipment etc (Mark, 1998). The employees who are trained for diversity are more effective and more committed to their organizations. The employees who perceived Diversity training to be ineffective are less committed to their organization. So diversity training is an important factor to be considered for organization commitment. Diversity Training can cause backlash among employees, which in turn could result in high turnover and can decrease satisfaction (Margaret et al, 2010). Diversity training has a positive impact on organization commitment. If there is effective training employees will be more committed comparatively with the employees who are not trained for diversity (Scot et al, 2000).

Career satisfaction: Career satisfaction is also an important variable of this study. Employees who have effective diversity training are more satisfied with their careers. These workers work for the company for long time. Such employees are also feels save that their careers are secure (Margaret Yap, 2010). Career satisfaction is of course related to diversity Issue. People from other countries working are less atisfied with their careers that's why diversity has its effect on career satisfaction of such employees (Nancy and Rene, 1992). However, diversity training focus must be on learning and integration programs in the organization these programs are the part of organization culture. There is no direct link however, is between Diversity Training and Innovation, as this is part of organization culture.



In the above model diversity training is taken as independent variable and organization commitment, career satisfaction and innovation are taken as independent variable.

3. Methodology

This study is based on conceptualization of the model in which we will provide some theoretical evidences to justify our concept. As organization culture is taken in independent variable which is very broad term, to narrow down the concept Innovation is taken as independent variable. First, the study will provide a proof that Innovation is the part of organization culture/corporate culture. As diversity training is the independent variable of the study and Organization commitment, career satisfaction and innovation are the dependent variable. This study provide relationship between diversity training and independent variable individually and finally a conclusion of the study.

Hypothesis

H1: There is positive relationship between Diversity Training of the employees and Organization Commitment.

H2: There is positive relationship between Diversity Training of the employees and Career Satisfaction of the employees.

H3: There is positive relationship between Diversity Training and Innovation in the organization.

Discussion: Hypothesis 1 states that there will be a positive relationship between diversity training and organization commitment. Employees who are trained for diversity are reported higher scores in organization commitment, career satisfaction, relationship with managers, utilization of skills, education, and relationship with their colleagues, and with the senior management (Mark et al., 2009). Diversity training will improve the collectivistic culture in the organization. It enables the manager to tackle individual differences in more productive way which have an ultimate effect on the productivity of the resources of the organization. When the employees will work collectively this will create synergic effects of the performance. The collective culture is the power which will lead the organization to positive outcome and also have an effect on the commitment of employees with the organization (Amy, 2005). Collectivistic culture supports the co-workers, supervisors in the organization, smoothes the management operation in the organization and enhances commitment to the work organization (Michal et al., 2001).

Hypothesis two states that there is a positive relationship between diversity training and career satisfaction of the employees. Organizations which do this practice have higher scores in career satisfaction of their employees. Organizations that are trying to improve the career satisfaction of employees, needs effective diversity training in the organization (Margaret et al., 2009). The employees who perceived Diversity Training to be effective were more satisfied for their career than employees who are not trained for diversity issues. Diverse workforce has different personality traits. Some are optimistic and some are Pessimistic. Optimism is positively related to career satisfaction of employees (John et al., 2008). So through diversity training optimism can be promoted, which ultimately leads to career satisfaction.

Hypothesis 3 states that there is a strong relationship between diversity training and innovation in the organization. Effective Diversity management is one factor of organization objectives. The States of Oklahoma, Washington conducted a study on diversity. During this study the benchmarking committee found some diversity practices for diversity management. Diversity training is one of those practices (Neil, 2001). Neil also gives the evidence that diversity training is the part of diversity management. Effective management of diversity gives opportunity to Project manger to utilize the diverse work force. Effective management of diversity will also bring greater skills, improve satisfaction, and reduce conflicts, Encourage creativity, flexibility, and innovation in the organization (Michael, 2007).

When diverse workforce works in the organization in a organized manners, they come up with different ideas, different problem solving techniques so ultimately this will innovation in processes. If organization is successful to manage diverse workforce, the results will bring innovation in the organization (Sam, Richard & Zoltan, 2004). Mari and Kaija (2011) discussed a tool Valodi (Volarisation of Diversity skills) to enhance innovativeness in the organization. ValoDi includes analysis of Dominant approach, interviews and Diversity Training. In short managing diversity through ValoDi will bring the innovative culture in the organization.

Prism is an international internet forum to connect diversity for results. Diversity training is crucial component of efficient, high morale, and motivated workforce. Organization wants employees and team members which have increased innovation. Through diversity training an organization can discover

creativity and new approaches to address different issues, which ultimately will bring innovation in the organization (PRISM International, Inc.) Hence, hypothesis 1, 2 and 3, are accepted and there is a positive relationship between diversity training and innovation. At the same time diversity management will also increase the commitment and employees' will be more satisfied with their careers in a particular organization.

Practical implications: Practical implications of this study will mainly focus on the implication of one variable, which is newly added. Innovation is the variable, which needs to be focused. Today through innovation, organizations are more successful and increasing the market share without making huge investment on advertisement. This study also contributes toward the importance of Innovation for the organization, which have diverse workforce. Now organization can use diversity for the advantage of Innovation, and can hire and retain more diverse workforce. Organization are also expanding towards global organizations, they are facing diversity issues. This study also provides to redesign the Diversity Training models, which are prevailing in the organizations. Finally, study provides a technical knowledge to touch the innovation in the organization, in a more comprehensive way.

4. Conclusion

The purpose of this study is to build a relationship between Diversity Training, Organization commitment, careers satisfaction and Innovation in the organization. The paper provides evidences that Organization culture has different attributes in it, and Innovation is one of them. Then narrowing down the topic toward the Innovation, the theoretical contribution of the paper concludes that Diversity Training has positive effect on organization commitment, career satisfaction, and innovation. The management of diverse workforce will promote the innovation in shape of product, marketing and organizational innovation. Companies are going global and increasing their operation throughout the world and committed workforce became the need of the organization, which can be increased by Diversity management. Employees will be more committed and loyal if they are satisfied with their careers while working with the company.

Limitations and Directions Future research: While applying the model other considerations like compensation and working conditions of the employees should also be concentrated. If any organization wants to apply this model then it should create a balance for this factors also. This study is a conceptual study and is not backed by any basic research, that's why it is not guaranteeing the empirical reliability of the above discussed model. Second limitation is that the Diversity Training with the focus of innovation needs high resources. Because innovation is some thing new, and to bring some thing new in the organization, trainers should keep in mind that all they must know all the existing development of that particular area. Then another limitation of measuring innovation is that, it is very gradual and systematic process. Additionally, scope also exists for future research. Future research can also be based on empirical test of this model. Than future research could also be, add risk factor as independent variable. While by talking organization culture as a whole, and organization structure as a dependent variable can also provide based for future researches.

References

- Abdullah, H., Al-Abdul, G. (1999). Managing computer based information systems in developing countries. *Google Books*, 27/05/2011
- Adeyinka, T., Ayeni, C. O., Popoola, O. S. (2007). Work Motivation, Job Satisfaction, and Organizational Commitment of Library Personnel in Academic and Research Libraries in Oyo State, Nigeria, Library Philosophy and Practice.
- Amy, M. C. (2005). A configurational framework for diversity: socialization and culture. Personnel Review, 34(4), 488-503
- Bernardo, M. F., Sari, E. B. (1996). Models of diversity training, Handbook of intercultural training 282-
- Buchanan, B. (1974). Building organizational commitment: The socialization of managers in work organizations. *Administrative Science Quarterly*, 22, 533-546
- Business (2010). Management program, Business environment and organization culture http://www.bestbusinessinfo.com/1 1/tutorials/11104.html#a10, 25 May 2011, 1733

- Charles-O, R. J. C. (1986). Organizational commitment and psychological attachment: The effect of compliance, identification and internalization on pro-social behavior. *Journal of Applied Psychology*, 71 (3), 492-499
- E. Holly, B., Kevin B. L., Lenora B. H. (2010). Diversity climate impact on employee of color outcomes: does justice matter? *Career Development International*, 15(3).
- Harish C. J., Anil, V. (1996). Managing workforce diversity for competitiveness. *International Journal of Manpower*, 17(4/5), 14-29.
- James E. S. (2000). Managing Diversity, Global Human Resource Management-GSM 5126, CaseAnalysis.
- John, W. L., Robert, P. S., Lucy, W. G. & Adam W. D. (2008). Personality traits and career satisfaction of human resource professionals. *Human Resource Development International*, 11 (4), 351 366.
- John, W. L., Lauren, M., Lucy, W. G., Adam, W. D. & Mark, St. (2008). An Investigation of Personality Traits in Relation to Job and Career Satisfaction of Information Technology Professionals. *Journal of Information Technology, Running head: Personality Traits & IT Satisfaction*
- Linda, H. (1996). Managing workforce diversity: a critique and example from South Africa. *International Journal of Manpower*, 17(4/5)
- Margaret, Y., Mark, R. H., Charity-Ann, H. & Wendy, C. (2010). The relationship between diversity training, organizational commitment, and career satisfaction. *Journal of European Industrial Training*, 34(6), 519-538(20
- Mark, W. (2010). Managing diversity. Library leadership and Management, 24(3).
- Mark, R, (1998). The definition of measurement of Innovation. Malbourne Institute working paper, 10.
- Mari, P., Kaija, M. K. (2011). Tools for Enhancing Innovativeness through Diversity a Case of ValoDi Diversity and Diversity Management Tools. http://www.valodi.eu (referred 21.4.2011)
- Margaret, Y., Wendy, C., Mark , H. & Charity-Ann, H. (2009). Diversity training and visible minority employees' perceptions of their work environments. *ASAC* , Niagara Falls, Ontario
- Meyer, J. P. & Allen, N. J. (1991). A three-component conceptualization of organizational commitment: Some methodological considerations. *Human Resource Management Review*, 1, 61-98.
- Michal, E., Mor, B., Liora, F. & Leslie, H. W. (2001). Diversity, Inclusion, and Commitment in Organizations: International Empirical Explorations. *The Journal of Behavioral and Applied Management*, 2(2) 70.
- Michael, S. B. (2007). Improving Project Productivity with Diverse Membership, http://oneprofessor.com/drbird/diverse_project_teams.html, © Michael Stephen Bird, 2007, 26 May 2011.
- Nancy, D., Rene, C. (1992). Results of a large scale diversity in the industrial R & D workforce.
- Neil, E. R. (2001). Best Practices in Diversity Management", United Nations Expert Group Meeting on Managing Diversity in the Civil Service.
- Nkereuwem, E. E. (1990). Issues on the relationship between job satisfaction, job attitudes and work behaviour among the staff in academic libraries. *Information Services and Use*, 10 (5), 281-291
- Olivier, S. (2008). Culture Theory. Knowledge Solutions, 22.
- Oya, A. S. (2006). The cultural diversity phenomenon in organizations and different approaches for effective cultural diversity management: a literary review. *Cross Cultural Management: An International Journal*, 13(4), 296-315.
- Philip, G. (1996). Managing workforce diversity a response to skill shortages? *Health Manpower Management*, 22(6), 34–37.
- PRISM International, Inc., http://www.prismdiversity.com/, 28 May 2011.
- Raj, S. B., James, M. S., Anne, C. & Scott, D. M. (2008). The effects of diversity training on specific and general attitudes toward diversity. *Multicultural Education & Technology Journal*, 2(2), 87-106.
- Richard D. W. (1999). Managing the Diverse Organization: The Imperative for a New Multicultural Paradigm. *Public Administration & Management: An Interactive Journal*, 4(4), 469-493
- Robbins, S. P. (2004), Organizational Behaviour, 10th ed., Pearson Education India, Delhi, 525.(book).
- Sam, Y. L., Richard, F. & Zoltan, A. (2004). Creativity and Entrepreneurship: A Regional Analysis of New Firm Formation. *Regional Studies, Taylor and Francis Journals*, 38(8), 879-891.
- Scott, D. C., William, G. S., Kevin, N. W. (2000). Racial Diversity of Correctional Workers and Inmates: Organizational Commitment. Teamwork and Worker Efficacy in Prisons.
- Someshwar, R., Ashfaq, A., William, H. & Phaedra, K. R. (2001). The Importance of Innovation for Productivity. Micro-Economic Policy Analysis Branch, Industry Canada.
- Sonal, P. (2011). Managing cultural diversities in internationalization of business. *International Journal of Enterprise Computing and Business Systems*, 1(1).
- Steve, D. & Catherine, S. (1998). A three domain model of teacher and school executive career satisfaction. *Journal of Educational Administration*, 36(4), 362-378.

Subash, C. K. (2003). Workforce diversity status: a study of employees' reactions. *Industrial management and data systems*, 103(4), 215-226.

Susan, E. J., Aparna, J. & Niclas, L. E. (2003). Recent Research on Team and Organizational Diversity: SWOT Analysis and implication. *Journal of Management*, 29; 801.