

## RESEARCH BRIEFS

### DO DIVERSITY AND INCLUSION HELP DRIVE EMPLOYEE ENGAGEMENT?

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#### RESEARCH QUESTIONS

Diversity practices are among the most contentious personnel issues facing managers and employees in organizations. One of the authors recalls an exchange at an industry seminar on diversity some years ago. After the speaker shared strategies for promoting diversity programs, a white audience member shook her head and expressed concern over the proposal of making diversity work. Well-meaning in her stance, she suggested that once an organization commits to “bringing them in,” it was up to the new arrivals to “fit in to the culture” if they wanted to succeed. While the audience member was making a statement about pragmatic choices that minorities face at work, others in the audience questioned her phrase “bringing them in,” and what it meant for minorities to “fit in.” The debate pivoted on the presenter’s suggestion that majority (white) employees had a certain responsibility to include minorities in organization life. Beyond these kinds of debates that occur within firms, researchers are also working to assess the effect of fitting in as a factor in the success of organizational diversity efforts.

One such study is recent work by Stephanie Downey and Kecia Thomas (University of Georgia), Lisa van der Werff (Dublin City University), and Victoria Plautt (University of California Berkeley) looking at the relationship between the role of diversity practices and inclusion in enhancing trust and employee engagement; the latter is typically viewed as a large contributor to the well-being of personnel. In a nutshell, Downey and her colleagues sought to determine if a climate of trust affected or was affected by employee interaction, and how much this affected the overall level of engagement and the feeling of inclusion by employees.

Their work falls among the growing investigation of factors (e.g., organizational culture and human resources initiatives) that impinge on the well-being of individual employees and, consequently, their

level of engagement in organizational processes. That widening stream of research surfaces in recent studies looking at specific variables that may affect employee engagement, such as internal communications (Mishra, Boynton, & Mishra, 2014), listening climate (Reed, Goolsby, & Johnston, 2014), flexible work arrangements (Timms et al., 2015), and leadership styles (Hansen, Byrne, & Kiersch, 2014). Oswick (2015) described employee engagement as an “illusive, slippery, and poorly defined concept” (p. 9), which results in a futile effort to operationalize and manage engagement strategies. Instead, he suggests that managers employ intermediaries or issues that employees care about. One of them he calls “promoting inclusiveness and diversity” (p. 14).

More specifically, Downey and her colleagues wanted to know whether diversity efforts affected engagement and trust, even though they acknowledged the difficulty of directly attributing engagement and trust to such efforts. Indeed, Sabharwal (2014) advised organizations to look beyond diversity management to other interpersonal factors as a way to enhance inclusion and improve employee performance. Still, Downey and her colleagues assumed that employees who believed that they were included in decision making were likely to have positive views of diversity efforts. Their study sought to explain relationships among four variables—diversity practices, trust climate, inclusion, and engagement.

#### STUDY DESIGN AND METHOD

These four variables, plus three others not analyzed in this study (fairness, diversity ideology, and organizational communication) were the basis of a 74-item anonymous online survey measuring “diversity climate” in a healthcare organization. The nearly 5,000 employees surveyed were mostly women (79.2%) and white (79.2%). As the name of

the organization is not given, it is hard to determine the location and scope of its operations.

All items were answered on a five-point scale ranging from strongly disagree to strongly agree. To assess diversity practices, a total of 15 items included statements such as "Recruitment of diverse job candidates is a priority at [organization]" and "Diversity is a priority for leadership." To assess trust climate, a total of 14 items included statements such as "Co-workers treat each other with respect" and "Employers are trusted." Inclusion was measured using 10 items such as "Everyone at [organization], regardless of background and perspective, is encouraged to share their ideas openly" and "My co-workers show appreciation for the contributions I make to our department." Finally, seven items measured engagement with statements such as "Doing well in my job is an important part of who I am" and "I am willing to go beyond what is expected to help [organization] be successful." All of the items used in the survey were drawn from previous research studies.

### KEY FINDINGS

The increase of both demographic and functional diversity within organizations makes research into the field increasingly pertinent. This is the first study to draw a direct link between diversity practices and engagement and provides a sound theoretical base for future research and tangible insights for practitioners. Through their research, Downey and her colleagues were able to illicit perceptions of actual diversity policies and practices as opposed to operating ideologies. Furthermore, the findings presented were obtained from a large sample and consequently provide a robust basis on which to build.

Downey and her colleagues found that diversity practices reach beyond minority groups to positively affect all employees. This is in contrast to previous finding that suggest such policies can create a backlash. Specifically, Downey and her colleagues demonstrated that engaging with diversity practices can have concomitant effects for employee well-being, which supports the view that such policies indicate to employees that the organization cares about them. From a practical perspective these findings would suggest policies promoting engagement go beyond recruitment and retention, but could potentially be important in shaping broader business processes.

Downey and her colleagues provided further evidence to suggest diversity practices and inclusion are distinct but related constructs. Their findings indicate that high levels of perceived inclusion are

important for facilitating the positive relationship between diversity practices and the climate of trust. This suggests that inclusionary practices are a critical companion of equal-opportunity employment practices. The literature on the antecedents of inclusion remains scant, something Downey and her colleagues call to be rectified.

In relation to trust climate, Downey and her colleagues reported that building a trusting climate within organizations provides a range of benefits. They argued that the construct occupies a pivotal mediating role between HR practices and performance in the broader sense. The climate of trust provides an important mechanism for transmitting the positive effects of diversity practices to engagement. Moreover, their study indicates a close relationship between trust and inclusion. Downey and her colleagues theorize that perceptions of a high level of inclusion increase the opportunity for contact and improve trust climate. While beyond the scope of their investigation, Downey and her colleagues have paved the way for future studies to explore this interesting avenue of research.

### CONCLUSIONS AND IMPLICATIONS

As organizations are presented with increasingly diverse workforces, understanding how diversity practices can be leveraged for greater organizational success is important. Drawing on a large dataset from the health sector, Downey and her colleagues explored the role of inclusion and trust on the relationship between diversity practices and engagement, an important component of well-being. Their study indicates that forming a climate of trust and promoting a perception of inclusivity are important not only to engagement but potentially to wider organizational concerns.

The results of this investigation provide a number of considerations for practitioners. First, Downey and her colleagues illustrate that the benefits of diversity practices touch all, not just minorities. Second, they promote the idea that pairing inclusion measures with traditional employment practices would be beneficial. Third, building trust alongside inclusion may increase the effectiveness of HR policies with concomitant implications for engagement and performance.

While the research design limits what can be said regarding causality, the grounding in social exchange theory provides a solid theoretical underpinning, and paves the way for future longitudinal or experimental studies to explore more complex interactions.

Ongoing research of this nature provides a sound base for promoting engagement and inclusivity within organizations for a plethora of social and financial reasons.

### SOURCE

Downey, S. N., Werff, L., Thomas, K. M., & Plaut, V. C. (2015). The role of diversity practices and inclusion in promoting trust and employee engagement. *Journal of Applied Social Psychology, 45*(1), 35–44.

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