Encouraging employment equity for women: Can 'diversity' programs make a difference?

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ABSTRACT

At issue is whether diversity programs promote employment equity for women or merely offer a panacea without any substantive change. A study into equity management strategies for women in Australian workplaces was designed to identify approaches to equity management and related outcomes for women. Four equity management approaches were identified. While findings indicate that there is little evidence that broad-based diversity programs create more equitable outcomes for women generally or women in management, specific strategies designed to support women and acknowledge differences in their work and life roles do encourage increases, specifically in gaining access to management levels.

Introduction

Operating in rapidly changing domestic and global markets challenges organisations to seek competitive advantage on a continual basis. In recent years calls for stronger links between competitive advantage and strategy, structure and systems, have been joined by arguments for competitive advantage through strategic human resource management. One human resource management strategy encouraged is the increasing of employee diversity. The aim of diversity is to achieve cultural and gender difference throughout organisations that will translate into strategic advantage through the development of a committed and motivated workforce (Thomas, 1991; Cox, 1991) with a potential for increased organisational effectiveness (Miller, 1998). While the links between a committed, motivated and diverse workforce and increased productivity and quality as a means of competitive advantage have been tenuous and mostly case based, this link continues to be widely encouraged.

The increasing diversity within organisations has brought with it renewed calls for fair and just treatment of individuals in organisations (Strachan and Burgess, 2001). The term equity management is used to refer to all the practices and processes utilised in organisations to ensure fair and just treatment of diverse individuals (French, 2000; Strachan and Burgess 2001; Ng and Chiu; 2001). Yet traditional management practice and ethnocentric cultures continue to operate as though the workforce was relatively homogeneous in nature. Increasing representation across all parts of organisations for many people classified as members of minority groups remains limited to those organisations able to be proactive in their equity management process (French, 2001; French and Maconachie, 2004).

There has been a lack of evidence classifying strategies and any results in substantive or effective change for achieving equity within diversity (Konrad and Linnehan, 1995; French, 2001; Naff and Kellough, 2003). This paper uses data from a study into equity management strategies for women to identify strategies for managing diversity and related outcomes. Until now research has focused on the causes of disparity between different groups in the workplace and argued for various strategies to change that inequality. In addition, the current situation of various groups in the workplace has been measured and reasons postulated for the employment profile of minority groups, but few studies have linked equity strategy and any outcomes for minority/identity groups (see Konrad and Linnehan, 1995). This study differs from others in several important respects. It distinguishes different approaches used in managing equity and identifies the relationships between them and the variations in the measures of the employment status of women. It also examines variants in contextual issues in which equity management approaches are implemented and determines that there is little evidence that diversity programs have created more equitable work environments for women.

Strategies for achieving equity in diversity

Encouraging equity within diversity has been determined as requiring changes in various areas of organisations including structural decision-making (Konrad and Linnehan, 1995) policy type, (Kanter, 1977; Sheridan, 1998) and justice perspective (French and Maconachie, 2004). Evidence has also been provided that the context of the change is important including management support; industry type and gendered type of organisation also affect strategic equity management (Konrad and Linnehan, 1995; French, 2001; Ng and Chiu, 2001; French and Maconachie, 2004).

Links between different types of decision structures and change in the measures of employment status of disadvantaged groups have been identified. Identity-conscious decision structures recognise gender and/or race throughout decision-making and identity blind structures do not. Identity conscious decision structures rather than identity blind structures have been found to be positively related to increases in the numbers of women and people of colour, employed (Konrad and Linnehan, 1995).

As well as decision structure, policy type is noted as having a procedural effect on equity management and ultimately its outcomes. Kanter (1977) identified three different policy types used in equity management including social structural policies, temperamental policies and role related policies. Social structural policies include strategies that address bias and structural disadvantage, temperamental policies include strategies that address perceived inadequacies or limited training of women and role related policies utilise strategies that acknowledge differences in social roles and their impact in the workplace. However, Sheridan (1998) found policy types today to be somewhat different and suggested that the overuse of social structural policies in Australia may limit substantive change because changing structures to overcome bias is not enough on its own. French and Maconachie (2004) note that equity management policies that recognise role-related differences and policies which support women and their different experiences in the workplace do predict increases women in management, whereas, policies that change structures and processes do not. Indeed, an equity management approach designed to achieve equity that includes a predominance of social structural policies (to change bias in policies and structures) and development policies (to address the so-called "deficiencies" of women) is negatively associated with increasing numbers of women in management.

The distinction between equality and equity further confounds the issue of addressing any disparity between groups in the workplace. Deutsch (1985) noted that the use of equity or equality as the principle of distributive justice is associated with different social contexts and psychological orientations. Equality is a distributional notion based on the equal value of individuals and their right to benefit equally in any benefits and burdens. Equity is concerned with procedure and distribution based on individual inputs as well as opportunity. French and Maconachie (2004) note the principle of justice is related to change in outcomes for minority/identity groups when managing difference to encourage fair outcomes. Equal access, opportunity and treatment encourages equal outcomes for all individuals no matter their differences, whereas, equitable access, opportunity and treatment encourages different outcomes for different individuals.

In summary, research shows that structure, policy and justice perspective proffer various strategies to encourage equity within diversity. However, any genuine change in outcomes for disadvantaged groups within the workplace will differ comparative to the strategy type selected, the outcome desired and the context of the culture within which the change is to occur.

Context for achieving equity in diversity

Organisations have always managed diversity, but previously, strategies included exclusion, segregation and/or assimilation. The results were organisations distinguished by a segregated and concentrated workforce offered limited access to the benefits and a greater share of the burdens to some individuals/groups (French, 2000). Today, legislation, social policy and management practice have combined to foster an appreciation of difference although many of the difficulties and challenges remain in ensuring fairness and opportunity.

Research shows that the context for managing equity in diversity influences the acceptance of the strategies and may influence outcomes for members of disadvantaged groups. Senior management commitment; industry type; industry size and gendered organisational type vary the outcome

from specific strategies. Senior management support has been acknowledged as important in maintaining organisation culture and values (Schein, 1985). Equity and diversity management influences the values of the organisation; consequently management support has long been recognised as critical (Blanchard, 1989; Morrison, 1992; Konrad and Linnehan, 1995).

Organisational size has been considered to be a significant predictor of the employment status of protected groups (Powell, 1991) and associated with the highest ranking for a person of colour and percentage of people of colour employed Konrad and Linnehan, 1995). The gendered culture of management and organisations where women are culturally and structurally excluded from certain roles, and thereby denied access to the same terms and conditions of employment, has encouraged under-representation of women in certain areas and particularly in senior positions (Still, 1993; AAA, 1998). Further the gendered type of an organisation can affect the acceptance of different approaches to equity management (Ng and Chiu, 1997) and the construction of gender generally in organisations (Ely, 1995). While manufacturing has a negative association with the percentage of women in management and the percentage of female employees generally (Konrad and Linnehan, 1995) there is limited information on gendered organisational type and its effects on equity management outcomes generally.

Methodology

This study developed information from two prior analyses to investigate specific outcomes within organisations for the change in concentration and segregation of women in the workplace along a number of employment measures. The independent variables were four different equity management approaches taken by 1971 Australian organisations.

FIGURE 1

Management approaches

		Distributive Structure	
Institutional	***Affirmative Action*** Equal and Equitable treatment structures through gender blind and gender conscious decision making addressing internal organisational issues of disparity	***Anti Discrimination*** Equal treatment structures through gender blind decision making encouraging equal outcomes through development, opportunities	
Non-Institutional	***Traditional*** No discernable equity management strategies or policies implemented	***Gender Diversity*** Equal and Equitable treatment structures through gender blind and gender conscious decision making addressing internal and external issues that cause disparity between men and women	
	Equity	*Distributive Structure*	**Equality**

(Left axis: *Intervention Process*)

Traditional Approach – below the mean use of any equity management strategies across all variables for implementation - 244 organisations utilised this approach to equity management.

Anti-discrimination Approach – above the mean use of equal treatment factors and identity blind strategies (factors 5 and 7) as well as significant use of developmental policies and social structural policies (and below the mean use of proactive equity management factors 1, 2, 3, 4, 6, 8, 9, 10 and 11) - 699 organisations utilised this approach to equity management.

Affirmative Action Approach – above the mean use of proactive equity management factors including identity conscious structures, equitable treatment; as well as significant use of role related policies and support policies (2, 3, 4, 5, 6, 7, 8, 10 and 11) but below the mean use of social/external consultation factors 1 and 9) - 618 organisations utilised this approach to equity management.

Gender Diversity Approach – above the mean use of all equity management variables including social/external consultation factors – 401 organisations utilised this approach to equity management. See Figure One. Further information on this analysis is identified in French (2001) and explained prior to the Findings and Discussion Sections.

The dependant variables included the number of women employed; number of women in specific job classifications (eight (8) types); number of women in management (tiers 1, 2 and 3); and number of full time, part-time and casual positions held by women.

The control variables include organisational size and gendered organisational type. Organisational size is a significant predictor of formalised HRM structures and the employment status of protected groups including women (Konrad and Linnehan, 1995). Organisational size was determined as the number of employees using four categories 1=100-500 in size; 2=500-1000; 3=1000-2000 and 4=2000+. Gendered industry type is a significant predictor of acceptance of different strategies in equity management (Ng and Chiu, 1997). Gendered industry type was coded using the Agency standards where industries employing more than 60% females were coded as female, while those employing more than 60% males were coded as male.

Multivariate analysis of covariance (MANCOVA) was chosen as the analytic technique for this study. In this case MANCOVA asks if various measures for women in employment, occupational areas, levels of management and employment type, differ across the four equity management approaches after adjusting for organisational size and gendered industry type. Three one-way MANOVAs with post hoc testing were conducted to distinguish between groups where any difference(s) actually existed. The post hoc tests aid the interpretative process by providing tests of each pairwise combination of groups. Tukey's HSD test was used and reported as the most conservative and appropriate test (Tabachnick and Fidell, 1996).

Measures and analysis to determine equity management approaches

The research was undertaken using data gathered from information provided by one thousand nine hundred and seventy one (1971) organisations reporting in 1997 (published in 1998) to the Equal Opportunity for Women in the Workplace Agency on their equity management processes. Reports consisted of a standardised survey form and included details of the reporting organisation and its equal opportunity support systems, employment statistics for women and men, current human resources policies and practices and strategic planning for equal opportunity (Affirmative Action Program 1996/7). For most items the respondents tick a box to indicate whether or not the organisation has such equity management structures or processes in place. For the items identified as employment status and statistical profile, respondents are required to provide accurate numerical details for certain groups and percentages for others.

The report includes 33 items identifying managerial commitment to and support systems for affirmative action, equal employment opportunity and non-discriminatory processes in three categories namely, organisational commitment to anti-discrimination, affirmative action and equal employment opportunity; (13 items); consultation with employees; (11 items) and consultation with unions (9 items).

The report includes 46 items describing formalised HRM structures in three categories, namely, recruitment selection, promotion, transfer; (11 items); conditions of service; (19 items); training and development (16 items).

Exploratory factor analysis and confirmatory factor analysis of these 76 items revealed eleven (11) factors designed to address equity management issues through two decision structures - identity blind and identity conscious structures; two equity perspectives - equal treatment and equitable treatment perspectives; and four different policy types - social structural policies, role related policies, developmental policies and support policies.

Eleven equity management factors

- Consultation with unions on EEO;
- Consultation with Employees on EEO;
- Anti-Discrimination training;
- Overcoming organisational disadvantage;
- T and D for Women;
- Equal treatment in reward systems;
- Equal access to study opportunities;
- Addressing bias in organisational policies;
- EEO in enterprise bargaining;
- Flexible work and family practice;
- Gender specific EEO Structures and Strategies

Cronbach's alpha was used to assess the internal reliability of the factors. Reliability ranged from .48 to .85. Further information on this analysis is in French and Maconachie (2004).

Cluster Analysis of the 1971 organisations based on their use of these eleven (11) equity management factors identified the four different equity management approaches utilised in Australian organisations. Differences between the clusters were tested using multivariate analysis of variance, univariate analysis of variance, and discriminant analysis. Results of the multivariate analysis of variance indicated a significant overall difference between the clusters ($p < .001$). Univariate F-tests of differences between clusters were significant ($p < .000$). Discriminant analysis using the original eleven clustering variables in a single block assigned ninety-three percent (93%) (1823/1962) of the organisations to their correct clusters including ninety-five percent (95%) of the traditional types; ninety-three percent (93%) of anti-discrimination types; ninety-five percent (95%) of affirmative action types; and eighty-eight percent (88%) of diversity types.

Findings

1: The first MANCOVA procedure was performed using the equity management approach categorisation identified in figure one as the independent variable and employment numbers of women and women in job classifications (nine items), as the dependent variables. After adjustment for differences on the covariates, the dependent variables were found to be significantly related to the covariates and significantly affected by the type of equity management approach utilised by organisations. Both industry size and gendered industry type provided significant adjustment to the numbers of women in specific classifications within organisations, particularly management, the professional and para-professionals, clerks and sales.

Post hoc tests identified that those organisations using a *gender diversity approach* to equity management (with an average of 18.06% women managers) or a *traditional approach* to equity management (with an average of 18.45% women managers) had a significantly lower percentage of women managers than those organisations taking an *affirmative action approach* to equity management (with 23.00% of women managers). This result supports Still's (1993) assertion that participation rates for women in management within the private sector are changing due to affirmative action policies adopted in organisations. A further possible explanation involves the use of identity conscious strategies in the affirmative action approach (Konrad and Linnehan, 1995). However, this does not explain why the *gender diversity approach*, which uses similar strategies, does not have similar results. A possible explanation involves the broad application of diversity strategies, which can result in limited practical outcomes (Hall, 1995). Another explanation is that the diversity approach to equity may take up to twenty-five years due to the slow pace of cultural and structural change without direct affirmative action strategies (Thomas, 1996).

2: A second MANCOVA procedure was performed using the equity management approach categorisation identified in figure one as the independent variable and the numbers of women in three management tiers (three items) as the dependent variables. After adjustment for differences on the covariates, the dependent variables were found to be significantly related to the covariates and significantly related to equity management approach utilised by organisations. Both industry size and gendered industry type provided a significant adjustment to the numbers of women across all management tiers.

In order to identify between the equity management approaches to determine where significant differences existed, a MANOVA with post hoc tests was performed. Each variable is discussed in turn.

a. Tier one management is classified as those who direct and are responsible for the organisation and its development and includes CEO, president, executive director, and general manager. Organisations using a *traditional approach* to equity management had significantly fewer numbers of women in tier one management (5%) than those undertaking an *affirmative action approach* which comprised 10% women in tier one management. Other approaches were not significant. A possible explanation for the result is that the type of equity management approach is important when encouraging women into higher levels of management. Proactive strategies that involve fair and equitable treatment rather than merely equal treatment may be required to provide opportunities encouraging women into top tier management.

b. Tier two management is classified as those who are directly below the top level of management including divisional management or state managers who are answerable to level one management. Organisations using a *gender diversity approach* or a *traditional approach* to equity management were both statistically significantly lower in the numbers of women in tier two management (15%) than organisations using an *affirmative action approach*, (19%). Again, one explanation is similar to that offered for the tier one management group. For women within the management system, the *affirmative action approach* to equity management appears to provide an appropriate means to overcome bias within the system and may assist their continued rise in management.

c. Tier three management includes managers responsible for a functional division including accounting, computing, training, or specific project managers. Organisations using the *traditional approach* to equity management had significantly fewer women managers in tier three, (22%), and organisations using an *anti-discrimination approach* had significantly fewer women managers in tier three, (23%), than those organisations using an *affirmative action approach*, (28%). The gender diversity approach was not significant.

3: A third MANCOVA procedure was performed using the equity management approach categorisation in figure one as the independent variable and three types of employment (3 items - full-time, part-time and casual employment) as the dependent variables. After adjustment for differences on the covariates the dependent variables were found to be significantly related to the covariates and significantly affected by equity management approach utilised by organisations. Industry size provided significant adjustment to the percentage of women in casual employment whereas the gendered industry covariate provided significant adjustment to the percentage of women in full time employment and the percentage of women in part time employment. In order to identify between which of the equity management approaches differences existed, a MANOVA with post hoc tests was performed. Those for women in full time and part time employment were not significant. However differences were identified for women in casual employment.

Significant differences between two groups of different approaches, the *traditional approach* and the *anti-discrimination approach*, as well as the *traditional approach* and the gender diversity approach were noted. Organisations taking a *traditional approach* to equity management had significantly fewer numbers of women in casual employment, (49%), than those organisations using the *anti-discrimination approach* to equity management, (58%), and those organisations using a *gender diversity approach* to equity management, (58%). One explanation is that the *traditional approach* to equity management does not help to increase the number of women in casual employment. Casual employment is currently a growth area in employment (Preston, 2001). Those approaches to equity management that encourage equal or neutral treatment appear better linked to increasing women's access to employment of this type. It may be that women returning to work after maternity or family leave have greater opportunities for employment in those organisations with an equity management approach other than the traditional approach. Of course, a second issue is the ghettoisation of women in casual work and further research is needed to determine the full effect of these two approaches and their links to increased numbers of women in casual employment.

The study found that gendered industry type did influence the number of women in sales and clerk positions, the numbers of women in all levels of management as well as the number of full-time women employed and the number of part-time permanent jobs were filled by women. However the study found no indication that the type of approach to equity management used by an organisation was related to gendered industry type. Industry size does influence the number of women in all levels of management and the number of women in casual positions. There was evidence of an association between the equity management approach taken by the organisation and organisational size. Larger numbers of smaller organisations (<500 employees) implement equity management through the use of an anti-discrimination approach or an affirmative action approach while large organisations do not. A greater proportion of large organisations (2001-3000 employees) use no equity management strategies at all. Moreover, there was a smaller proportion of these large organisations using the affirmative action approach than could be expected by chance.

Discussion and conclusion

A number of approaches for managing equity are predictors of increases in the measures of the status of employment for women including; the percentage of women employed in different job classifications; the percentage of women in management tiers; and, the percentage of women in different types of employment.

Organisations classified as undertaking a traditional approach to managing equity, due to their lack of implementation of any factors associated with equity were not predictors of any increases on any indicators of the employment status of women. Indeed, organisations using a traditional approach to equity management were significant predictors of fewer casual positions open to women, thus reducing opportunities for women with family responsibilities to undertake this approach to flexible work if required. Further, organisations using this limited approach to equity management had significantly fewer numbers of women in any of the three management tiers.

Organisations classified as utilising an anti-discrimination approach to managing equity, due to their implementation of equal treatment strategies, specifically in the area of access to further development, were not predictors of an increase in the employment status of women. Indeed, the results indicate that organisations using this approach are negatively associated with one of the indicators of the employment status of women, specifically, significantly fewer women in the supervisory level of management than those organisations. This result suggests that rather than equal treatment of men and women it may be that equitable treatment of men and women through different but fair treatment is needed to ensure substantive change in the numbers of women gaining access to the beginning rung of management. The equal treatment of men and women may be detrimental to the progress of women into management. Equal treatment has been championed as fair to both men and women but in reality, men and women are not equal in our society or in its organisations. Trying to treat men and women exactly the same may have adverse repercussions for women.

The affirmative action approach to equity management was found to be significantly positively associated with a number of indicators of the employment status of women. Of the four types of equity management approaches the affirmative action approach was consistently the best predictor of increasing numbers of women managers and women managers in various tiers. Those organisations implementing both gender conscious and gender blind decision structures as well as a range of developmental, role related, social structure policies and support policies and equal and equitable treatment strategies had significantly more women managers across all three tiers than either those organisations undertaking any other equity management approach. These findings indicate that positive opportunities and equitable treatment may be needed to address the disadvantages of the past and ameliorate the biases of the current systems and decision-makers in order to encourage substantive change.

Organisations classified as using a gender diversity approach to equity management were not predictors of significant increases across any of the indicators of the status of women's employment except increases in casual employment for women. These organisations implement equity through the use of all the identified equity management strategies. Further, the use of this approach is a significant predictor of fewer women in management and middle management.

The broad application of diversity strategies appears to result in limited practical outcomes for women. Overall, the various equity management approaches offer managers a frame for conceptualising purpose and values with regard to equity in addressing workplace disparity. Findings support the proposition that different equity management approaches result in different outcomes in different situations, and broad-based gender diversity programs may, in trying to do everything, achieve nothing substantive for women.

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