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MANAGING WORKPLACE DIVERSITY – EMPIRICAL EVIDENCE FROM CZECH REPUBLIC

The purpose of this paper is to provide an insight on diversity management in Czech organizational setting. The paper presents a research study aimed at identifying the key issues of diversity dimensions in Czech organizations and exploring whether diversity training influences approaches of managers to diversified workforce and to the practical implementation of workplace diversity. The data were collected by a questionnaire survey conducted among Czech managers. The findings of the study indicate that gender diversity receives more attention than other dimensions of diversity. Furthermore, we find that managers with diversity training treat employees more equally (regardless their age, gender and disability) and adopt more proactive approach to diversity practices in workplaces. The findings of the research have both theoretical and practical implications for the implementation of diversity management.

Keywords: workplace diversity; diversity management; managers training; Czech Republic; research survey.

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УПРАВЛІННЯ КАДРОВИМ РІЗНОМАНІТТЯМ (ЗА ДАНИМИ РЕСПУБЛІКИ ЧЕХІЯ)

У статті описано, яким чином вирішується питання управління кадровим різноманіттям у Республіці Чехія. Представлено основні виміри кадрового різноманіття і те, яким чином тренінг з управління кадровим різноманіттям впливає на підходи менеджерів до практичного вирішення даного питання. Дані для аналізу було зібрано шляхом анкетування менеджерів чеських корпорацій. Результати аналізу опитування виявили, що найбільш популярним аспектом кадрового різноманіття є гендерне питання. Менеджери, які пройшли тренінг(и) з управління кадровим різноманіттям, більш справедливі у відносинах з персоналом і ведуть більш проактивну кадрову політику різноманіття. Висновки дослідження можуть бути корисні як для подальших теоретичних досліджень з кадрового різноманіття, так і для практиків даної сфери.

Ключові слова: кадрове різноманіття; управління різноманіттям; тренінг для менеджерів; Республіка Чехія; анкетування.

Табл. 5. Літ. 26.

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УПРАВЛЕНИЕ КАДРОВЫМ РАЗНООБРАЗИЕМ (ПО ДАННЫМ РЕСПУБЛИКИ ЧЕХИЯ)

В статье описано, каким образом решается вопрос управления кадровым разнообразием в Республике Чехия. Представлены основные измерения кадрового разнообразия и то, каким образом тренинг по управлению кадровым разнообразием влияет на подходы менеджеров к практическому решению данного вопроса. Данные для анализа собраны путём анкетирования менеджеров чешских корпораций. Результаты анализа опроса показали, что наиболее популярным аспектом кадрового разнообразия является гендерный вопрос. Менеджеры, которые прошли тренинг(и) по управлению кадровым разнообразием, более справедливы в обращении с персоналом и ведут более проактивную кадровую политику разнообразия. Выводы исследования могут быть полезны как для дальнейших теоретических исследований кадрового разнообразия, так и для практиков данной сферы.

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Ключевые слова: кадровое разнообразие; управление разнообразием; тренинги для менеджеров; Республика Чехия; анкетирование.

1. Introduction

The workplace in Europe is becoming more and more diverse, and this trend will continue in the future as well. The Visegrad countries including the Czech Republic, which became fully-fledged member of the EU in 2004, are no exception (Eger et al., 2012; Lancaric, Savov, Cheben, 2012). Current economic, demographic, social and cultural changes indicate the growing workplace diversity in Czech society which is a fact mainly related to the integration into the EU (Shengen area since 2007). Furthermore, because of the globalisation and internationalization, companies in Czech Republic operate in more diverse environment and must manage widely dissimilar workforce. Therefore, the concept of diversity management need to be considered by company managements as a significant issue in their organizational practice and need to be viewed as an integral part of the organizational system (Hubbard, 2011).

A leading role in successful diversity management is played by the managers who are expected to show maturity in managing diversified workforce (Eger, Egerova, 2013). Well-managed diverse workforce can give companies the competitiveness needed to successfully operate in the global business market (Cox, Taylor, Blake, 1991). Therefore, it is important to provide management of companies with specific knowledge and skills necessary for successful managing workplace diversity.

The presented study provides information helpful for successful implementation of workplace diversity in Czech corporate settings. The findings of this study are useful for overcoming the lack of awareness concerning managing diversity in the Republic, one of the major barriers in implementing adequate diversity and equality policy at workplaces.

2. Theoretical framework

Generally, the term "diversity" refers to differences and similarities between individuals in an organization (Thomas, 2010; Risberg, Soderberg, 2008; Eger et al., 2012). Diversity is a multifacet concept that can be viewed from different perspectives. Hubbard (2011) has noted the following 4 aspects of this concept: workforce diversity, behavioural diversity, structural diversity and business and global diversity. For the purpose of our research study the aspect of workforce diversity is used.

2.1. Diversity and its dimensions. Workforce diversity as a multidimensional concept includes a number of dimensions that have been classified in many categories. Workforce diversity is more often linked to demographic dimensions like gender, sex, sexual orientation, age, physical abilities and ethnicity (McGuire, Bagher, 2010). According to Hubbard (2011) workforce diversity encompasses group and situational identities of employees (e.g., gender, race, ethnicity, religion and sexual orientation, physical ability, age, family status, economic background and status, geographical background and status). It also includes changes in the labour market demographics. Anderson and Metcalfe (2003) described workforce diversity using the following dimensions: social category diversity, which includes the differences in demographic characteristics, such as age and race, informational diversity which refers to the diversity of background such as knowledge, education, experience, tenure and functional

background and value diversity which involves differences in personality and attitudes.

Many authors (Hubbard, 2004; Tetteh, 2008; Sub, Kleiner, 2008; Eger et al., 2009) distinguish between the primary and secondary dimensions of diversity. The basic characteristics of primary diversity include age, ethnicity, gender, mental and physical abilities, race and sexual orientation. Secondary diversity refers to the characteristics, such as socioeconomic status, education, religion, geographical affiliation and marital status (Sweetman, 2004). Ewijk (2011) adds some more characteristics such as language, lifestyle, and communication style or work experience.

For organization's purposes it is necessary to recognise all dimensions of diversity because this helps people to know and understand each other and reduce prejudice and conflict. On the other hand, each organization is unique and therefore needs to identify the key dimensions of diversity (Hubbard, 2004; Tetteh, 2008; Thomas, 2006). Knowing the key dimensions enables organizations to create more effective diversity strategies and tailored programmes to achieve organizational goals and higher organizational performance. Furthermore, diversity as a social concept needs to be viewed in the socioeconomic and cultural context.

Our research survey is focused mainly on the 4 key diversity dimensions including age, gender, ethnicity and disability as these are supposedly the factors most often associated with diversity by the companies in Czech Republic.

2.2. Diversity training and managers. From a broader perspective, managers are the most important people for the success in managing diversity (Tatli, Ozbilgin, 2009) and also the key actors in integrating the diversity policy. A skilful and diversity sensitive manager is able to manage situations effectively and successfully interact with people who are different from one another (Hubbard, 2004). Managers with lack of relevant diversity competence are less able to work successfully with diverse workforce.

Developing relevant diversity competence is a continuous learning process. It requires self-awareness, knowledge, understanding and behaviour changes (Hubbard, 2004). One way to develop awareness and increase manager competencies to diversity issues is diversity training (Waight, Madera, 2011). In the broadest sense the aims of diversity training are to equip managers with the potential for them to be able to deal with diverse workforce, to understand culturally diverse people better and to be more sensitive to their needs and demands (Wiley, 1996). It is expected that well-designed diversity training positively affects the behaviour of managers related to the treatment of diverse employees; it reduces or eliminates different treatment of others. In our research survey we try to find the relationship between the diversity training of managers and the treatment of diverse staff and active implementation of diversity practice.

3. Research design

3.1. Methodology. The research survey was conducted to explore how workplace diversity is translated and managed in Czech corporate settings. In the research survey the objectives were defined as follows: to identify the key issues of diversity dimensions in Czech corporate settings and to examine the relationship between diversity training and equal treatment of diversified workforce and the managers' approach to diversity practice.

3.2. Research hypotheses. Based on the literature review and in the view of the research objectives the following hypotheses were formulated:

Hypothesis H1: The dimension of gender diversity in organizations receives more attention than the dimensions of age, disability and ethnicity.

Hypothesis H2: Managers who undertook proper diversity training treat all employees more equally than those who did not undertake any diversity training.

Hypothesis H3: Managers who undertook proper diversity training adopt a more proactive approach to diversity practices in the workplace than those who did not undertake any diversity training.

3.3. Instruments and procedures. The theoretical survey on the research problem was created on the basis of reviewing the related literature. The review provides the foundation for the research and also the information on what has been done and how to conduct research (Saunders, Lewis, Thornhill, 2009). The literature review has been followed by the procedures, such as synthesis information, deduction, induction, comparison and final analysis of information. An Internet-mediated questionnaire (Saunders, Lewis, Thornhill, 2009) of the authors' own construction was used as the main instrument of data collection. The questionnaire was administered via Google Docs form on the Internet. Apart from the 6 items related to the respondents' background the questionnaire contained 25 items. Each was accompanied by 7-point Likert scale (1 = complete agreement with the statement, 7 = complete disagreement) for all the items. The added point 8 enabled the manager not to comment on the given statement, such answers were excluded from any further data analysis.

3.4. Reliability of the applied instrument. The reliability of the questionnaire was assessed via the reliability analysis. Because the items in the questionnaire were coded in the same direction, the reliability was examined by means of Cronbach's alpha coefficient. Cronbach's alpha is a measure of internal reliability for multi-item summated rating scales. It ranges from 0 for a completely unreliable test to 1 for a completely reliable test. Most statisticians state that the right value we need for questionnaire or a measure to be reliable is 0.7 or higher (Brownlow, 2004). The value of Cronbach's alpha is 0.925, which indicates that the applied instrument is highly reliable. Table 1 shows the values of Cronbach's alpha calculated in SPSS.

Table 1. Cronbach's alpha coefficient

Cronbach's Alpha	Cronbach's Alpha based on standardized items	Number of items
0.925	0.928	25

3.5. Characteristics of the sample. The questionnaire was filled in by 125 managers from the organizations located in Czech Republic, each of them representing one business subject. The respondents come from different organizations with different legal forms (LF), number of employees (NoE), share of foreign capital (SoFC) and from different industrial sectors (IS). The frequency of these sample characteristics is seen in Table 2, expressed in valid percentage.

Table 2. Frequency of sample characteristics in percentage (Valid percentage = exclusion of missing values)

LF (Valid percent)		NoE (Valid percent)		SoFC (Valid percent)		IS(Valid percent)	
(1) JSC	221.1	(1) up to 10	20.2	(1) 0%	74.2	(1) Primary	11.3
(2) Ltd	664.2	(2) 11-50	30.6	(2) 1%-20%	0.8	(2) Secondary	21.8
(3) PLC	22.4	(3) 51-250	21.8	(3) 21%-40%	0.8	(3) Tertiary	60.5
(4) Cooperative	00.8	(4) 251 and more	27.4	(4) 41%-60%	1.6	(4) Quaternary	6.5
(5) Another	111.4			(5) 61%-80%	2.4		
				(6) 81% and more	20.2		

Note: LF = legal form, NoE = number of employees, SoFC = share of foreign capital, IS = industrial sector.

4. Testing the research hypotheses

The hypotheses were tested by analysing the responses to the survey questions. The validation of each hypothesis was proved by nonparametric methods. The Mann-Whitney test for two unrelated samples and the Wilcoxon test for two related samples were used.

Hypothesis H1 states that in the organizations in Czech Republic more attention is paid to gender diversity than to other dimensions of diversity. To test this hypothesis we used the Wilcoxon test for two related samples. The Wilcoxon statistic was calculated through the differences and their sums. Critical values on the level of significance of 5% are ≥ 1.96 and ≤ -1.96 and on the level of significance of 1% ≥ 2.576 and ≤ -2.576 . If the Wilcoxon test rejects the null hypothesis, it means there is a significant statistical difference between the pair of responses. The results of testing hypotheses are presented in Table 3.

Table 3. The mean value of responses and test statistics results

(G/ D) Mean		(G/ A) Mean		(G/ E) Mean	
Gender	Disability	Gender	Age	Gender	Ethnicity
2.51	3.69	2.52	3.61	2.55	3.54
Test statistic		Test statistic		Test statistic	
1.274312		-4.89373		-4.13335	
No statis. signif. difference		Statis. signif. difference		Statis. signif. difference	

Note: G/ D = Gender/ Disability, G/ A = Gender/ Age, G/ E = Gender/ Ethnicity.

As it is obvious from Table 3, there is a statistically significant difference between the answers regarding to "Gender/Age" (G/A) and "Gender/Ethnicity" (G/E) but, on the other hand, the Wilcoxon test did not prove the statistically significant difference regarding the questions "Gender/Disability" (G/D). Therefore, the results mostly confirm the validity of H1.

Hypothesis H2 states that managers with proper diversity training treat employees equally regardless their age, gender, ethnicity and disability. To verify this hypothesis we ran the Mann-Whitney test for two unrelated samples. The Mann-Whitney test is one of the strongest non-parametric tests and also one of the most used. Because of the large sample size it was necessary to approximate normal distribution and then to calculate the test statistics. The values of the test statistics are presented in Table 4 and they are compared with the standard normal quantiles ± 1.96 (at the significance level of 5%) or with a value of ± 2.576 (at the significance level of 1%).

Table 4. The mean values of responses and test statistics results

Age means		Gender means	
With training	Without training	With training	Without training
1.659091	2.7	1.659091	2.535714
Test statistic		Test statistic	
2.543226		2.206263	
Statist. signif. difference		Statist. signif. difference	
Ethnicity means		Disability means	
With training	Without training	With training	Without training
1.525	2.357143	2.55	3.54
Test statistic		Test statistic	
1.389415		2.971134	
No statist. signif. difference		Statist. signif. difference	

Table 4 indicates that three from four cases were statistically approved. Therefore the results mostly confirm the validity of hypothesis H2.

H3 hypothesis states that managers with proper diversity training use more diversity practices in the workplace than those without diversity training. The hypothesis examines the questions regarding the open discussion on the diversity issues and equality in the workplace ("discussion"), the perception of employees as individuals ("individuals"), work and duties allocation with respect to diversity ("work allocation") and the job content adaptation to individual employee groups ("job adaptation"). To test the hypothesis we used the Mann-Whitney test for unrelated samples. We compared the calculated test statistics with the quantiles ± 1.96 (the significance level of 5%) or ± 2.576 (the significance level of 1%). Table 5 presents the mean values of manager responses with or without training and also the test statistics results.

Table 5. The mean values of responses and test statistics results

Discussion means		Individuals means		Work allocation means		Job adaptation means	
With training	Without training	With training	Without training	With training	Without training	With training	Without training
1.840909	4.612903	2.022727	3.40625	2.244444	4.375	2.454545	4.6875
Test statistic		Test statistic		Test statistic		Test statistic	
5.804544		3.413962		5.054415		10.31553	
Statist. signif. difference		Statist. signif. difference		Statist. signif. difference		Statist. signif. difference	

For all the fields the results indicate the statistically significant difference between the responses of managers with and without training, both at the level of significance 5% and even at the level of significance 1%. Thus, H3 can be accepted.

5. Discussion and conclusion

The purpose of this research study was to investigate how workplace diversity is adopted and managed in Czech corporate settings. The aim was to find what are the key issues of workforce diversity, whether diversity training influences the approach of managers to diversified workforce and to the implementation of workplace diversity.

In accordance with the hypothesis H1 we assumed that gender diversity is the key dimension of diversity management in Czech corporate settings, with the only one exception, the disability dimension. It has been proved in our survey that the orientation of diversity management is influenced by a number of context elements (socioe-

conomic and sociocultural) from outside and inside organizations (Demir, Unnu, Erturk, 2011; Brunet-Thorton, Bures, 2012; Jin, Fosch, Chen 2012). In case of Czech Republic an important role is played mainly by economic, demographic, legislative but also by cultural and historical aspects (Egerova et al., 2013). The paradox is that even though the results indicated the key orientation of workforce diversity to gender diversity, Czech Republic still tackles a number of problems that are also reflected in practice. It can be seen that the principle of equality is applied mainly in the fields arising from the law, while in the fields not directly mentioned by the law the situation is rather unsatisfactory. In Czech Republic there is still a relatively high rate of horizontal and vertical segregation at the labour market and it is mostly men who are appointed to leading managerial positions. There are also big differences in remuneration: in 2010 the average difference in remuneration of women and men was 25.5% (Czech Statistical Office, Focus on Women and Man, 2012).

It is evident that the creation of valid norms and regulations may not be enough to use diversity management effectively. For management it is necessary to support and develop such an organizational structure that will be socially inclusive and tolerant towards various cultural values and traditions.

According to the hypothesis H2 we assumed that managers who had completed diversity training treat their employees more justly regardless their gender, age, ethnicity and disability than managers without diversity training. There seems to be a correlation between diversity training and equal treatment. Diversity training plays a significant role in strengthening equality, inclusion and equal treatment in the workplace (McGuire, Bagher, 2010). On the basis of the implemented studies (Yap, Holmes, Hannan, Cukier, 2010; De Meuse, Hostager, O'Neill, 2007) and with reference to the results of our studies we can state that diversity training has a positive influence on the equal treatment with the diversified workforce with managers who completed diversity training.

According to H3 we assumed that managers who completed diversity training would be more active in practical implementation of diversity in the workplace than the managers without any training. This hypothesis was confirmed in all 4 monitored fields. There is a correlation between diversity training and an active approach to the practical implementation of diversity. One of the key preconditions for effective diversity management is that managers should have necessary skills, knowledge and competence. Managers having relevant competence are able to work with diversified workforce more successfully and are able to apply the procedures of diversity management more actively.

The findings of the research provide considerable insight on how the concept of diversity management is adapted in Czech corporate settings. The study has important theoretical and practical implications for understanding and implementing diversity management in organizations in the given context. At the same time we suppose that this research study opens several potential areas for future related research.

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