

# Diversity, Equity, and Inclusion: History, Climate, Benefits, Challenges, and Creative Strategies

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## Abstract

Diversity, equity, and inclusion (DEI) has become a popular topic in corporate culture over the past three decades. The number of companies attempting to diversify their workforce has increased; however, progress in equity and inclusion has been slow. This study argues that workforce diversity is necessary but insufficient, as equity and inclusion are also important for effective DEI. This study aims to discuss the historical background of DEI in the United States and its benefits and challenges and identify creative and innovative strategies for effective DEI. The implications and directions for future research are also discussed.

## Keywords

Diversity, Equity, Inclusion, DEI, Human Resource

## 1. Introduction

As the United States (US) population becomes more diverse, the workforce has also become increasingly diverse in terms of gender, race, religion, age, sexual orientation, and so on. Hence, the need to attract, develop, motivate, and retain a diverse workforce has increased. Therefore, effective workforce diversity management or diversity, equity, and inclusion (DEI) is vital for building a competent workforce.

While overall perceptions of workforce diversity were bad (−31%), those of workforce inclusion were markedly worse (−61%) (Larson, 2017). These figures indicate that even more diverse companies face challenges related to equity and

inclusion. This study, therefore, argues that having diverse talent is not enough, and more work must be done toward promoting equitable and inclusive workplace experiences that impact the extent to which employees remain and thrive. This study contends that diversifying the workforce is necessary but not sufficient, in that companies need to acknowledge differences in people, combat discrimination, recognize the value of each employee, and promote inclusiveness (Herring, 2009; Ryan & Wessel, 2015). DEI programs require embracing and valuing cultural differences in an organization's strategic advantages. Hence, it plays a significant role in creating a workplace that is diverse and inclusive (Noe, Hollenbeck, Gerhart, & Wright, 2018).

Recognizing and valuing the contributions of each worker, regardless of their background, is critical for creating an inclusive, thriving, and healthy work culture. Workers must feel welcome, valued, included, treated equally, and acknowledged. Embracing workforce diversity in all forms and promoting an inclusive environment are necessary. In the past, the US was perceived as a "melting pot" of people from various countries, cultures, traditions, and backgrounds. It was assumed that when people immigrated to the US, they would assimilate into its culture. However, this assumption has proven to be complex because integration is difficult to implement (Tessema et al., 2017). This may require companies to deliberate how to diversify their workforce and make them feel included, valued, and embraced. Hence, DEI is not just about mirroring workers' demographics but also about the emotional connection that workers feel to each other and the company.

DEI programs play a considerable role in creating a work environment that attracts and retains talent and fosters a sense of belonging, respect, and understanding among employees. The power of DEI programs lies in a company's ability to challenge the status quo and encourage members to think outside the box. Employees who feel valued and included are more likely to be motivated, engaged, and productive (Beraki et al., 2022). Effective DEI programs provide several benefits, such as improving the ability to attract, motivate, and retain qualified and experienced workers, enhancing decision-making, providing a larger pool of ideas and experiences, promoting creativity and innovation, fostering better morale, and communicating varying perspectives (Griffin & Phillips, 2023; Kreitz, 2008). In other words, when a company has a diverse, valued, and inclusive workforce, it is more likely to have different ideas and perspectives, which, in turn, lead to critical discussions and foster creativity and inclusion. Companies having effective DEI programs tend to be more effective than those that do not (Forbes, 2011; McKinsey & Co., 2022; Meisinger, 2005; Parsi, 2017; Beraki et al., 2022). However, DEI's benefits do not come without challenges; although there are advantages to DEI efforts, there are additional costs associated with it. However, when successfully implemented, the benefits of DEI exceed its challenges, as discussed.

Several studies have been conducted on different aspects of workforce diversity. However, only a handful have discussed workforce DEI. Therefore, this

study intends to fill this research gap by discussing the history, benefits, and challenges of DEI in the US and identifying creative and innovative strategies for effective DEI.

This paper comprises five sections. Section one introduces the study. Section two reviews the literature on DEI. Section three discusses the research methodology. Section four discusses creative and innovative strategies for effective DEI. Section five provides the study's conclusions, implications, limitations, and future research directions.

## 2. Literature Review

DEI is a relevant, timely, and critical HR issue. Although it is an increasingly important HR aspect, it is also a complex workplace feature. DEI refers to an organizational framework that promotes fair treatment and full workforce participation (Verhulst & DeCenzo, 2022). DEI combines three related concepts that have helped many organizations support diverse groups of individuals of different ethnicities, races, genders, religions, and sexual orientations. DEI also refers to three values that many organizations endeavor to adhere to in order to help meet the needs of the organizational workforce from all walks of life (McKinsey & Co., 2022). While diversity is concerned with the presence of variety within the company's workforce (e.g., ethnicity, religion, gender, disability, national origin, age, sexual orientation, and culture), equity is concerned with the concepts of fairness and justice within the same (e.g., fair and impartial HR programs and practices and equal possible outcomes for every worker). In addition, inclusion concerns creating a company culture that creates an experience in which all workers feel represented and experience a sense of belonging. DEI is a policy or practice planned to make workers of different backgrounds feel welcome and ensure that they receive the required support to complete their work to the fullest of their abilities (Soda, 2023; Urwin, 2023). A DEI strategy refers to a comprehensive plan employed by companies to create and foster a workplace that embraces it.

Workforce diversity has various narrow and broad definitions. For instance, workforce diversity denotes the background of the organizational workforce in terms of race, gender, age, ethnicity, and sexual orientation (Robbins, Coulter, & Decenzo, 2020). It is also defined as any perceived difference among workers, such as race, age, religion, profession, functional specialty, geographic origin, lifestyle, and sexual orientation (Mondy & Martocchio, 2020), the differences between workers on any personal attributes that influence how people view one another (Gonzales & Denisi, 2009), or the interaction of different cultures, backgrounds, and generations in the same organization (Richard & Johnson, 2001). According to Griffin and Phillips (2023), these definitions encompass the primary and secondary dimensions of workforce diversity. While primary dimensions of diversity may refer to issues that influence early socialization (e.g., race, age, gender, ethnicity, physical and mental abilities, and sexual orienta-

tion), secondary dimensions may refer to significant issues that can be adapted or changed (e.g., educational background, income, marital status, work experience, and religious beliefs) (Griffin & Phillips, 2023). The concept of workforce diversity has been extended to include issues such as thinking style, personality type, and other factors that affect how people view the world (Ryan & Wessel, 2015). Some of the characteristics of workforce diversity are highly/less observable, highly/less job-related, task-related/relationship-oriented, and surface-/deep-level dimensions (Christian, Porter & Moffitt, 2006).

From the above discussion, it can be argued that workforce diversity refers to the ingredients, perspectives, and combinations of individuals. Workforce inclusion refers to the extent to which workers feel that they belong, are accepted, valued, and different. Hence, while diversity refers to simply having representation, inclusion refers to being invited to a table.

### 2.1. Benefits and Challenges of DEI

Effective DEI programs offer companies several advantages, such as generating different viewpoints, which lead to different solutions to their problems (Griffin & Phillips, 2023; Pieterse, Van Knippenberg, & Van Dierendonck, 2013), helping in attracting, retaining, and motivating talents (Mayfield & Mayfield, 2010), providing companies with greater knowledge of the preferences and demands of customers (Weiss, 2015), providing more effective and efficient service to customers having different backgrounds (Kreitz, 2008; Ryan & Wessel, 2015), increasing the number of generated ideas (Griffin & Phillips, 2023), encouraging an environment that promotes creativity and innovation (Avery, Wang, Volpone, & Zhou, 2013), meeting business strategic needs and the needs of customers more effectively (Judge & Kammeyer-Mueller, 2022), allowing employees to feel desirable and have a sense of belonging (Kreitz, 2008), and improving company reputation and performance (Tessema et al., 2017; Weiss, 2015). In short, companies have DEI programs not only for legal, ethical, and moral purposes but also for business/economic reasons. Many studies have reported that companies with effective DEI programs perform better than those without such programs (Forbes, 2011; Leonard, 2006; Meisinger, 2005; Parsi, 2017; Beraki et al., 2022). For instance, McKinsey and Co.'s (2022) study shows that companies in the top quartile for gender diversity in executive teams were 25 percent more likely to be profitable than companies in the fourth quartile. Inclusive teams can make better decisions up to 87 percent of the time (Larson, 2017). Eighty percent of the executives reported that DEI increased profitability (Forbes, 2011). Companies with ethnic and gender diversities tend to outperform those that do not by 35 percent and 15 percent, respectively (McKinsey and Co., 2022). Approximately one-third of companies that have embraced DEI have financially pulled ahead of their competition. More diverse companies can be more innovative and react more quickly to changing market trends (Dolan et al., 2020).

Although DEI programs have several benefits, there are also some challenges such as communication-related challenges (e.g., language, perceptual, cultural,

and barriers), resistance to change-related challenges (the refusal of some employees to accept the cultural and social makeup of the workplace that has been changing), and implementation-related challenges (obstacles in putting DEI into effect) (Kearney, Gebert, & Voelpel, 2009). Bateman and Snell (2007) highlighted the following five challenges faced by companies in implementing DEI programs: lower cohesiveness, unexamined assumptions, communication problems, mistrust and tension, and stereotyping. For instance, Glassdoor (2020) reveals that while 41 percent of the respondents do not believe that a diverse executive team exists, 48 percent of them do not know of their company's initiatives to increase DEI. In addition, approximately 57 percent of them believed that their company should take more initiative to increase DEI. These facts indicate that the progress in DEI has been slow.

## 2.2. Historical Background of DEI

Approximately 100 years ago, the US began its journey toward diversity and inclusion. Until the 1920s, diversity and inclusion in the workplace were not mandated. The mainstream workforce was established for white men and did not place value on minority and gender inclusion. This left women, people of color, immigrants, and other disenfranchised groups without equal protection.

The Women's Bureau was one of the original diversity and inclusion accomplishments of the US and still exists today within the Department of Labor. It was established on June 5, 1920, a few months before the ratification of the 19th Amendment, which granted American women the right to vote. Women entered the workforce in large numbers and demanded protection to ensure not only their welfare as employees but also opportunities for advancement. One of the Women's Bureau's first and most notable successes in diversity and inclusion successes was helping enact the Fair Labor Standards Act (FLSA) of 1938, where the Bureau documented wage inequality between Black and white women; they also allowed women to sit for the Civil Service exam (US House of Representatives, 2020). The US government took another step in implementing diversity and inclusion through the desegregation of the armed forces, also known as Executive Order 9981, on July 26, 1948. During WWII, the US Army was the country's largest minority employer (US House of Representatives, 2020).

Over one million Black men and thousands of Black women served in the US military during WWII. When the war ended, Black veterans were faced with the reality that their Galvanized Iron benefits—the benefits created to help US military veterans—would not be honored nationwide. The fight for diversity and inclusion within the armed forces pre-dates the war. In response to complaints that Black people in the military were being discriminated against, President Roosevelt issued Executive Order 8802 in 1941, which mandated that Black people could be accepted into job training programs, outlawed discrimination by defense contractors, and formed the Fair Employment Practices Commission. After a failed attempt to persuade Congress to enact a law mandating diversity and inclusion within the Armed Services, President Truman issued Executive

Order 981 in 1948, which required equal treatment and opportunity for all individuals in the armed forces without regard to color, race, national origin, or religion (US House of Representatives, 2020). President Kennedy initiated Affirmative Action 1961 through Executive Order 10925, requiring government contractors to ensure that applicants were equally employed without considering race, national origin, color, or creed. In 2014, President Obama expanded the executive order to prohibit discrimination based on sexual orientation and gender identity.

In 1963, the US Congress issued the Equal Pay Act, which amended the FLSA of 1938. This Act protected against sex-based wage discrimination. Perhaps the most momentous diversity and inclusion enactment in American history is the Civil Rights Act of 1964. It is a landmark Act that prohibits discrimination based on sex, race, color, religion, and national origin. This essentially ended the Jim Crow laws that had marginalized millions of Americans based on color, religion, and national origin since the Supreme Court upheld *Plessy v. Ferguson* in 1896. In 1967, the Age Discrimination in Employment Act was issued to prohibit discrimination against Americans aged 40 and older. In 1978, the Pregnancy Discrimination Act was introduced to prohibit discrimination against pregnant women. In 1990, the American Disabilities Act prohibited discrimination against qualified individuals with disabilities. The Civil Rights Act of 1991 was issued to compensate individuals who were discriminated against based on their backgrounds. In 1994, the Uniform Services Employment and Reemployment Rights Act was enacted to protect individuals who returned from military service. In 2008, the Genetic Information Non-Discrimination Act was issued to protect individuals with genetic problems. In 2009, the Lilly Ledbetter Fair-Pay Act was issued to let victims of discrimination claim the wages they had lost. In June 2020, the US Supreme Court (*Bostock v. Clayton Co.*) ruled to protect members of the LGBTQ community.

Diversity and inclusion in the private sector can attribute much of the progress to federal legislation and policies over the last 100 years, particularly since the 1970s. The 1960s produced several landmark laws and policies that reshaped the workforce and set the stage for implementing diversity and inclusion in the 1970s. During this time, many Fortune 500 companies emphasized diversity in their hiring to attract larger pools of talent (Williams, 2020). For the first time, employers were drastically remodeling their employment and hiring efforts to attract not only a new generation with different value sets than earlier generations but also minorities and women for roles and positions they previously reserved for white men. The diversity and inclusion movement began to see the benefits of the 1960s. For example, Vanderbilt University had its first Black football player in 1969, its first Black graduate from Nursing School in 1970, its first Black graduate from the School of Medicine in 1970, its first Black coach at the Southeastern Conference of College Football, and its first Black person to earn a degree from the School of Management (Vanderbilt University, 2023). The trend of “firsts” continued throughout the 1970s and into the 1980s.

In the 1980s, the shift from industrial labor to skilled and technological labor encouraged increased diversity and inclusion. The Industrial Era supplied consistent employment for low-skilled labor and opportunities for inexperienced people. However, in the 1980s, technological jobs consumed the labor market, and, for the first time, skill became more important than the employees' race, gender, or creed. This creates more opportunities for minorities, women, and other protected groups throughout the workforce.

In the 1990s-2000s, companies discovered a correlation between having a workforce that reflects their consumer base; consumer brands began to realize the value of workforce diversity that mirrored their customer base. This diversity has a business impact (Williams, 2020). Consequently, more effort and resources are placed into hiring, training, and retaining a diverse workforce, as it not only relates to the consumer base but also fosters creativity and innovation, as a workforce composed of individuals from diverse backgrounds is more dynamic. In the 2010s, diversity and inclusion evolved from creating and sustaining diverse workforces that mirrored consumer bases to creating diversity leadership. The Millennial generation that grew up knowing only diversity and inclusion entered the workforce with expectations of workforce diversity at the highest levels of corporate America (Williams, 2020). This expectation of the newest members of the workforce encouraged many Fortune 500 companies to develop employee resource groups (ERGs), which are voluntary, employee-led groups whose objective is to foster a diverse and inclusive workplace.

Although we have made progress with DEI in the workplace, there is still a long way to go. Many companies in the past few years have made public statements on their commitment to DEI but have failed to live up to it. Most failures start at the top level with upper management, who are not truly buying into the change and integrating it into their mission statements, core values, and company culture. In the past few years, we have seen companies issue statements in support when they think it will positively affect profits; however, there is no accountability ensuring that they follow through. We have also seen that companies only make statements on DEI support when faced with social backlash, especially in the current era of social media.

However, it is not just in the workplace that we are seeing the upper management not standing behind diversity and inclusion training; we have also seen people in positions of power within the government making statements against DEI training. For example, US Senator Jeremy Trebas (Montana) sponsored a bill called the Montana Individual Freedom Act. This bill "would prohibit DEI training as a condition of state employment if the training is aimed at having the employee believe that a group of people are responsible for and must feel guilt, anguish, or other forms of psychological distress, for historical injustices" (Hanson, 2023). Trebas believes that "diversity training is getting too political" and that "we need to work on definitions, then talk about what is appropriate to train and to whom we should be training on these topics" (Hanson, 2023). By prohi-

biting and limiting diversity training, we are moving away from making meaningful changes within the workplace and our communities. If we cannot get our leaders to set the tone to help us move forward positively, we cannot create productive environments for people to be the best versions of themselves. When people feel accepted and can be the best versions of themselves, they will flourish, and we will see that spread to other people around them and in our communities and workplaces.

Some companies think their DEI training works only because they invest more money in DEI. These companies are missing an important piece, that is, talking and listening to employees about what they need from their employers. For example, in 2022, while 84 percent of the CHROs reported that their organization's investment in DEI is increasing equality in their workplace, only 31 percent of the surveyed employees reported that their organization is committed to improving equality or racial justice in their workplace (Brecheisen, 2023).

The above findings imply a disconnect between the real perception of the CHROs and employees. While employers state that they are making changes in their DEI, employees do not see meaningful progress (Brecheisen 2023). Many employees do not feel respected, included, or valued (Brecheisen, 2023). Leaders may think that they are making changes based on the amount of money they spend, but, in reality, there is no observable effect. This is a confirmation for companies that something is wrong with them. This is something that companies should address immediately, attempt to build a safe work environment, and make meaningful changes within the company. There is no one way to fix DEI issues within companies in our current state; most companies are making generic statements of support and commitment to make changes within DEI but have failed to consider the actual issues lying within their companies and figure out how to make real change.

While much progress is to be made across different organizations, some companies are standing behind their DEI statements and continually working on improving DEI within their companies. Companies such as TD Bank, Progressive, and TIAA are the top three rank holders among DEI practitioners (e.g., the presence of ERGs, the publication of diversity data, and the percentage of women in board and executive roles) (Peachman, 2023). These companies attempt to maintain fair and inclusive workplaces. They have been working to ensure that their employees feel valued, recognized, included, and listened to, and it is not a monthly or quarterly sit-down, primarily because of their corporate culture, which values DEI. Companies that rank high in their DEI listen to their employees and put them first. They hear what they are being told, and they act upon it. The employees are the sun, and the company revolves around them. This is counterintuitive to traditional management, but those tactics no longer work in the modern job market. Employees want to enjoy their working environment and give their best every day. To do so, they want a voice in the company and to be respected and treated like an adult, not a child.



### 3. Research Methodology

In conducting this study, we primarily used secondary resources; thus, this study can be considered a literature review. We reviewed articles and books related to DEI with the help of Google Scholar and Internet resources.

### 4. Creative and Innovative Strategies for DEI

Every person, business situation, and culture is unique; thus, no one size fits every situation, and no simple procedures exist for effective DEI. The following strategies can help companies create and foster workplaces that embrace DEI or improve its effectiveness. Although achieving DEI goals is difficult, the following creative and innovative strategies can help companies in their efforts toward realizing such goals.

- **The support and commitment of upper managers to DEI**

When upper managers believe in the positive contributions of DEI, they are more likely to support and commit to DEI efforts by allocating sufficient time and funding resources, creating value, and maintaining their faith (Dessler, 2020). As Tessema et al. (2017) argue, leaders and managers must commit to active, personal, and visible involvement in DEI, supporting it at all leadership levels. The support and commitment of senior managers to DEI play a critical role in successful DEI efforts. When a CEO issues an inclusive statement, it is more likely to have a significant impact on DEI. Creating a lasting inclusive culture and advancing inclusive behavior is vital. Upper managers' support and belief, on the one hand, can help staff managers who support DEI initiatives. On the other hand, their support helps motivate HR and line managers to consider DEI in all HR-related decisions such as recruitment, hiring, training and development, promotion, placement, and pay and benefits. Commitment to DEI begins with the development of a clear strategy to hire, promote, and retain diverse groups of the population. Companies can diversify their workforce by attracting a diverse pipeline of applicants using different recruitment methods and by collaborating with schools, colleges, and universities. Recruiting minority groups to the board of directors and interacting with representatives of minority groups and networks can help in the efforts made for workforce diversity. In addition, diversifying chief diversity officers is necessary. Champions in DEI programs are also needed. DEI champions are organizational members who take action to ensure that DEI goals are achieved by making it an everyday reality (Pieterse et al., 2013). They must challenge traditional ways of doing things.

- **Developing SMART DEI objective**

Companies with specific, measurable, achievable, realistic, and time-bound DEI goals are more likely to make good progress toward DEI. Having such goals can push organizations to recognize how far they have progressed and what needs to be done. Any organization on the path to achieving DEI goals can hit roadblocks, but it is how companies learn and adapt to these situations that ultimately determine success.

- **Creating a welcoming work environment**

Creating an environment that makes diverse groups of the workforce feel respected and welcomed is critical to achieving DEI goals. Companies must develop HR policies that help create a conducive work environment for DEI. Such workplaces can help employees feel included, valued, respected, and embraced. For example, creating ERGs can help minorities and women get colleagues to confide in a place where they feel respected, important, and comfortable and experience a sense of belonging. Effective ERGs can help minority employees connect better with each other and provide social support, mutually beneficial information, coaching, and mentoring (Joshi, Liao, & Jackson, 2006; Herring, 2009; Meinert, 2018). Encouraging workers to participate in ERGs is also necessary, and their power should be embraced. Offering training, coaching, and mentoring to underrepresented ERG groups can help them feel valued, welcomed, and included. Embracing DEI in all forms and promoting an inclusive environment are necessary.

- **Developing, communicating, implementing, and assessing DEI strategies**

When a company develops, communicates, implements, and assesses its DEI strategy, it is more likely to have effective DEI programs. The presence of a clear and implementable DEI strategy can help progress toward DEI efforts. Prior to developing a DEI strategy, companies must review their existing situation using employee attitude surveys and focus groups, which also help them determine areas for improvement. As underlined by Schneider's (1987) Attraction-Selection-Attrition hypothesis, companies are likely to recruit, hire, and retain similar types of workers. This natural tendency to eliminate DEI suggests that companies need to proactively develop DEI policies to ensure company heterogeneity. The process of implementing strong DEI practices requires buy-in from all stakeholders in the organization. Companies are more likely to take the initiative to facilitate DEI when there is a clear and implementable strategy. This helps companies incorporate HR policies and practices that reinforce DEI (Kirton & Greene, 2016; Rock, 2017), which, in turn, can make the workforce feel included and accommodate their needs and preferences.

- **Integrating DEI training that supports DEI strategies**

DEI training can help make workers and managers more aware of the value of differences in the workforce and the problems linked to stereotypes. This can help managers understand that DEI provides a competitive advantage when managed effectively. This can help prepare managers to recognize and embrace differences among their employees and foster mutual respect and understanding. Moreover, it can make workers aware of unconscious bias, develop open-mindedness and cultural awareness, sensitize workers to value differences, and take action to mitigate them (Mondy & Martocchio, 2020). Companies need to integrate training that supports DEI strategies to fully incorporate workers into their company's culture and increase workers' sensitivity to differences in the workforce. More effort and resources need to be placed into DEI training.

- **Creating ways for workers to voice their concerns**

Companies must allow their workers to voice their concerns about the company's DEI without fear of retaliation, and managers need to make efforts to respond to such concerns. Moreover, encouraging workers to share their stories can help companies. Hence, companies must prioritize open communication. When workers have unique voices, they are more likely to feel included and valued. Listening is the most basic skill to start with, which can direct the course of DEI and rejuvenate the companies. Companies must encourage ongoing discussions regarding concerns, successes, and suggestions. This will help managers understand their expectations as well as be able to help their employees embrace the new policies. In the beginning, many will remain skeptical and continue on their old paths because of the fear of being reprimanded. If the company remains true to its new path, employees will eventually embrace it. The overall goal is to create a positive, comfortable, and safe work environment in which everyone feels that they belong. Everyone is respected for their contributions and is treated equally.

## **5. Conclusions and Implications of the Study and Directions for Future Research**

### **5.1. Conclusions and Implications of the Study**

This study concludes that since the 1990s, US companies have become more diverse, primarily because of factors such as legislation, immigration, and a low birthrate, which has led to high women participation in the labor force, and business cases, encouraging companies to purposely diversify their workforce to gain competitive advantage. However, there has been limited progress in equity and inclusion. While US companies have paid proper attention to workforce diversity, they failed to give similar attention to equity and inclusion. This study emphasizes that equity and inclusion are more complex than workforce diversity.

This study theorized that no ubiquitous approach to DEI exists. Instead, it intends to bring important issues to the attention of managers and leaders and adapt the suggested management strategies (the support and commitment of upper managers to DEI, developing SMART DEI objective, creating a welcoming work environment, developing, communicating, implementing, and assessing DEI strategy, integrating training that supports DEI strategies, and creating ways for workers to voice their concerns) to their unique work settings. The proposed strategies can be used by companies to identify the areas that their actions should focus on to create a genuine DEI program. DEI has proven essential for employees and their companies to thrive. To implement DEI strategies, companies must understand what they are trying to achieve and why. There is no simple answer for every company, but the bottom line is to take care of their employees. Simply put, "profits are driven by customer loyalty, customer loyalty is driven by employee job satisfaction, and employee job satisfaction is driven by putting employees first" (Burkus, 2017: p. 33).

Companies must approach DEI as a business imperative. To this end, they need to create a culture that fosters mutual respect and understanding and prepare their managers to recognize and embrace differences among their employees. They need to value differences in the workforce not only because of government laws, or it is ethically and morally the right thing to do, but also because it helps in building an effective workforce. This study contends that the “melting-pots” assumption needs to be replaced by the recognition and celebration of differences. When companies celebrate differences in their workforce, they are more likely to be successful than their competitors.

This study underscored that having an authentic workforce DEI program is difficult. However, the proposed creative and innovative strategies can play a significant role in companies’ efforts to have an effective DEI program. This study also concludes that although genuine DEI goals require a lot of hard work, given their benefits, companies should not ignore or discount the contributions of DEI.

## 5.2. Limitations of the Study and Directions for Future Research

This study adds to the literature on DEI by extending prior research. This study is valuable because, unlike most prior studies, it discusses the historical background of DEI in the US, its benefits and challenges, and strategies for enhancing the effectiveness of the DEI program. One of the major limitations of this study is that it is focused on the case of the US; thus, the results of this study may not be generalizable. Therefore, similar studies should be conducted in other global regions. In future studies, scholars can investigate the perceptions of employees regarding their respective company’s DEI programs using the “social listening” approach, because the subsequent findings can improve our understanding of the extent to which US companies have gone in their efforts to have an authentic DEI program. Furthermore, conducting a case study of a company’s DEI can help enhance our understanding of the benefits and challenges of having an authentic DEI.

## Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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