The Impact of Diversity Management Strategies on Organizational Citizenship Behavior: A Critical Review

Hariharan Ramaswamy

Assistant Professor

Department of Commerce & Business Management

The M.S. University of Baroda

Abstract

The paper has critically reviewed the available literature to evaluate the impact of diversity management strategies on organisational citizenship behaviour. The selection of the papers for the review purposes have been based on the keywords and aim of the research for qualitative critical review. The findings suggest that the diversity management strategies impact the OCB when aligned with organisational core values. The findings have also emphasised the inclusion of various factors in strategic formulation.

Keywords: *Diversity management, citizenship behaviour, strategic diversity framework, leadership commitment and sector-specific strategies.*

1 Introduction

1.1 Background and Context

The evolving global business environment demands a more dynamic and comprehensive approach to organisational sustainability, combining innovation with a productive workforce to generate profit. Further globalisation and liberalisation have somehow transformed the criteria of organisational sustainability, as an enabler, with organisations' access to human capital as a resource from across the globe and social strata. This wide access to human resources has shaped the work structure and social dynamics in a manner which has established workplace diversity as a critical factor of organisational sustainability.

However**, Robin et al(2017)** stated that diversity, in the organisation's context, encompasses surface levels – like age, gender and ethnicity and deep levels – like value, personality and work preferences diversity. The author further stated that effective diversity management strategies require recognising these differences and fostering an inclusive work environment to optimise the contribution. Hence when diversity is managed strategically it enhances

employee engagement and promotes a voluntary contribution behaviour that contributes to the organisational effectiveness and has been termed as organisational citizenship behaviour (OCB) **(Kotlyar &Karakowsky, 2012).**

Joireman et al., (2006) have defined OCB as a construct of organisational behaviour (OB), which investigates the impact of individual, group or structure's knowledge or behaviour on the organisational effectiveness. Further, when such behaviours are voluntary and non-obligatory their collective form is known as organisational collective behaviour. Hence the employees exhibiting OCB-like altruism and various kinds of civic virtue, drive collective performance for the organisation.

1.2 Research Problem

Dwi Prawani et al., (2019) in their paper, *An Empirical Investigation of Organizational Citizenship Behavior (OCB*, stated that the OCB significantly impacts organisational growth and this collective approach of employees provides the requisite competitive edge to the organisation. Further, the researchers have emphasised that unmanaged diversity leads to conflict and performance gaps. Hence there has been a requisite for proactive diversity management which should align the individual and organisational objectives.

Davidson, (2008) stated that companies today are required to leverage diversity to achieve a collective OCB to foster innovation, collaboration and long-term resilience. Further, the Deloitte report on *Global human capital trends*, (2020) mentioned that inclusive organisations are more likely to be innovative leaders in the market.

However, the research on diversity management and its impact on the OCB has various dimensions reflected over the years. These dimensions included strategies of diversity management and mediating variables like inclusion, sector-specific studies,andthe impact of leadership **(Davidson, 2008; Dwi Prawani Sri Rejeki et al., 2019; Joireman et al., 2006; Kotler et al., 2016; Kotlyar & Karakowsky, 2012; Robbins et al., 2019).**

Hence their paper in the coming section will critically review 15 scholarly articles published between 2000 -to 2020 to understand the impact of various constructs of strategic diversity management and OCB.

1.3 Aims of the Review

The research aims to critically analyse the impact of diversity management strategies on organisational citizenship behaviour.

2 Literature Review

2.1 Conceptual Framework

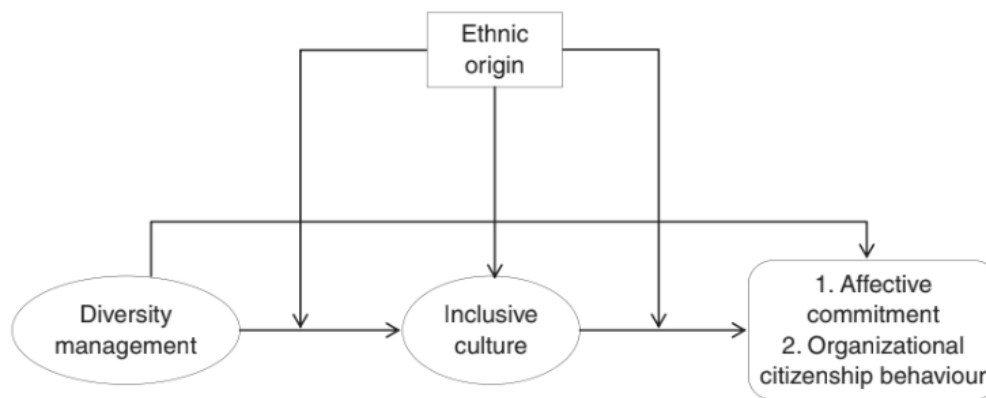The research has mainly considered diversity management strategies and OCB model linkage for the review paper.

Figure 1: Workplace diversity & OBC (Source: Ashikali, T., & Groeneveld, S. 2015)

The paper has mainly considered the work of **(Panicker et al., 2018)** from the paper *named Inclusive Workplace and Organizational Citizenship Behavior* for Integration.

Table 1: Conceptual Framework for Diversity Management & OCB ((Panicker et al., 2018)

Diversity Management Strategies (DMS)	Key Components of Organizational Citizenship Behavior (OCB)	Relationship/Linkage
Recruitment and Selection Strategies	Conscientiousness, Altruism	Ensures diverse representation, promoting a sense of belonging and increased voluntary helping behaviours.
Training and Development	Courtesy, Conscientiousness	Enhances awareness of cultural diversity, fostering proactive conflict prevention and exceeding job expectations.
Inclusive Leadership and Organizational Culture	Civic Virtue, Sportsmanship	Encourages participation in governance and positive workplace attitudes despite challenges.
Work-Life Balance Initiatives	Sportsmanship, Altruism	Supports diverse needs, increasing satisfaction and cooperative behaviours.
Fairness and Equity Policies	Altruism, Conscientiousness	Strengthens perceptions of justice and trust, enhancing willingness to help and perform beyond expectations.

2.2 Review of papers

Cole & Salimath, (2012) in their paper, Diversity Identity Management: An Organisational Perspective stated that organisations face pressure to promote diversity. However, the management of diversity is the main identifier for the organisational legitimacy & outcome. However, papers have not specifically, mentioned management diversity as a strategic tool for organisational legitimacy.

Youssef et al., (2020) in their study on the Impact of *diversity management on the OCB: the mediating role of human resources,* has established a mediating relation between three variables namely diversity management (DM), HRM and OCB in the service sector of Kuwait through the empirical studies. The findings have provided empirical evidence that the DM practices mainly lead to an inclusive and equitable workplace. Further, these equitable workplace enhances HRM effectiveness contributing to the corporation and management which leads to enhanced OCB. The research has established a synergy requisite between DM strategies and HRM practices to cultivate a positive organisational climate which leads to enhanced employee behaviour in terms of OCB. However, the paper has mentioned in its future scope for further research on the strategic perspective of diversity management.

Noor et al., (2013), in their conceptual research on *diversity management practices and OCB behaviour*, have stated that diversity management practices include inclusive human resource practices which should consider all kinds of diversity from management perspectives. The paper has defined inclusive practices as equitable opportunities and working environments in terms of training, career advancement and supportive organisational culture. The model has also integrated social exchange theory and posits that when the employees perceive fairness and support from the organisation they reciprocate through voluntary behaviour in terms of OCB which benefits the organisation in terms of performance. The paper has also highlighted the mediating factors for strategic development for diversity management. These mediating factors include leadership style, attitude and organisational factors as the main mediating factors for diversity management, in the context of its impact on OCB.

Considering the main constraints of the previous paper with a lack of strategical perspective, in the paper by **Gupta (2014)**titled *Challenges and Strategies of Managing Diversity,* the researcher mentioned the major strategies for managing the diversity in workplace to maintain the positive OCB. These strategies Included training and education about diversity, inclusion and cultural sensitivity. The paper has mentioned inclusive recruitment practices, leadership commitment and mentorship programs as major strategic tools for the same.

Fauzi et al., (2014), in their study on *Effect of diversity management practices on the organisational citizenship behaviour (OCB): Mediating role of diversity receptiveness* has explored the impact of diversity management on OCB through the employee's openness to diversity.The paper has used a conceptual model to establish that the diversity management strategy which revolves around inclusive recruitment, unbiased promotion, and diversity training enhances the acceptance towards diversity in the organisation. Further, the result has emphasised that the enhanced receptiveness for diversity leads to an increase in the OCB. The employees tend to reflect more discretionary behaviour by helping their co-workers and promoting organisational values over a period of time. Further, the study has demonstrated that fostering an open accepting environment is the main mediating variable for diversity management to analyse its impact on the OCB.

Mor Barak et al. (2016), in their paper, conducted a comprehensive meta-analysis to examine the impact of diversity management practices on an organisation and its citizenship behaviour based on 30 qualified studies. The study has established that the impact of diversity management on the organisational behaviour outcome depends upon two kinds of diversity namely surface-level diversity (gender, race) and deep-level diversity (education and tenure).

The researcher has argued that surface-level diversity and its management strategies do not directly impact organisational behaviour. However, the deep level of diversity and its effective management have a positive outcome on organisational behaviour. The findings have mainly underscored that effective diversity management has positively influenced organisational behaviour outcomes like efficient performance and organisational citizenship behaviour. Hence paper has underscored deep-level diversity management as a strategic tool to improve

organisational citizenship behaviour. However, the paper has not explicitly elaborated on the strategy for diversity management and has placed the same as the scope of future studies.

In their article, **Roberson et al. (2017) examined that** poorly designed diversity at work leads to a perception of unfairness among employees. The researcher has further argued that when diversity programs are implemented, there is a lack of a clear understanding of the organisational behaviour or leadership vision. This kind of initiative inadvertently favours certain groups, which leads to cluster grouping and a feeling of exclusion and resentment among others. Further, these kinds of perceived equity diminish trust in the organisation and decrease any motivation to be involved in any kind of discretionary behaviour, like OCB, for organisational benefit.

Bizri, (2018) in their paper on *diversity management and OCB: The connection Evidence from the banking sector,* have used SEM modelling with data from banking sector employees to establish a direct relationship between the constructs namely diversity management and OCB. The findings have suggested that effective and strategic diversity management enhances the commitment and work engagement of the employees, which in turn impacts the OCB.

Patnaik & Shukla, (2020), in their paper, has examined the diversity management influence the organisational performance with OCB as being the mediating factor. The findings have demonstrated that effective diversity management significantly impacts the employee's perception of inclusion and equitable treatment. Further, these enhanced perceptions lead to a higher level of commitment and engagement which paves to a higher level of OCB in the employees. Further employees go beyond their formal duties and make voluntary positive contributions and knowledge sharing which in turn positively impact the organisational performance.

Ely & Thomas, (2001), in their research, provided a comprehensive framework to understand the concept of workforce diversity. This research has paved path for the future research to understand the strategic management of diversity in the workforce to promote organisational resilience. The researcher has provided the framework to understand diversity from three perspectives namely, Integration & Learning, access & legitimacy, and discrimination & fairness. They further emphasised that the diversity initiatives align with the Integration and

learning perspective to enhance the workforce effectiveness and OCB. However, in contrast the approach driven by the other two approaches namely, access & legitimacy, and discrimination & fairness, risks the stereotypes with the creation of the perception of tokenism. The researcher has further argued that to get a better outcome from workforce diversity management, its strategies should be integrated with the core business process which will lead to an organic OCB development.

Plaut et al., (2011), had also supported the findings of **Ely & Thomas (2001)** in their paper named *What about Me? Perception of exclusion and white reaction to multiculturism*. The paper has argued that diversity initiatives when not strategized lead to multiculturism. The researchers found that in this multiculturism environment, the majority of groups for clusters of similar kinds of culture and exclusion within an organisation get prominent. Further, these lead to an increase in the perception of exclusion and a decrease in organisational trust which leads to a reduction in discretionary effort for OCB. The study has suggested that the diversity strategies should be framed with the concept of inclusivity emphasising common values and shared goals to mitigate any kind of negative impact on the same.

Kim, (2017) in their paper has further stated that diversity management can provide a competitive environment if linked strategically with organisational performance. The paper has referred to the previous research on the positive diversity climate and characterised the same by fairness, inclusivity and genuine commitment. These factors of integration lead to higher employee commitment and lower turnover. However, the study has also emphasised that diversity initiatives are required to be aligned with authentic organisational values which leads to an increase in the OCB over time. Further, the researcher has recommended strategically managing the workforce diversity to retain and enhance OCB. However, recommendations lacked sector-specific strategies to manage the OCB.

In terms of drafting strategies, **Malik et al., (2018)** stated in their research proposed the HRM strategies framework which includes globalisation, diversity, deviance and tailored HR practices as main constructs for inclusive recruitment. The paper has mentioned leadership engagement and proactive policy design as sub-constructs for effective strategies designed for diversity management. The research has also considered the cultural factor and stated that the

Asian population is more incongruent being in the developing phase of economic, social, cultural and political advancement. Hence the customisation of strategies should be more based on cultural perspective both on Macro and micro level and less on sector specification. The paper has tried to bridge one of the major gaps in terms of strategic framework. However, the lack of empirical data limited the outcome and created a research gap for further studies. Hence strategic diversity management is a requisite for organisations to constrain the deterioration of developed OCB to retain and improve the quality. The research has been valuable for connecting the OCB directly with diversity management strategies from the cultural context.

As the studies have emphasised the cultural aspect of both diversity management strategies and OCB hence next two papers have been selected to understand the cultural perspective of the diversity management strategies for OCB.

Moon, (2016) in their paper on, *the effect of diversity and transformational leadership climate on OCB in the US Federal Government,* has the main aim to understand the diversity management of public sector employees for OCB. The research has analysed the impact of bio-demographics (Like gender/race) and job-related diversity like functional background and tenure, impact OCB at the organisational level, The research has considered transformational leadership climate (TFL) as a moderator to these relationships. The results have shown that gender and functional diversity are negatively associated with the OCB.

However, when the results were moderated by the TFL, relationships were weekend. However job-related diversity has shown a mixed result, hence the article has shown the TFL as a string mediating variable for diversity management and encouragement and OCB.

Hence analysing all 15 papers has provided a basic overview of the impact of the diversity management stage on OCB and also reflected the major research gap for future research which has been discussed in the next paragraph.

2.3 **Research Gap**

On analysing the above papers it has been construed that the previous research has established a positive relationship between workforce diversity management and OCB. However, each organisation has their unique Organisational behaviour and a unique OCB. Hence there is a requirement for sector-specific strategies to manage diversity to enhance OCB(**Shen et al., 2017**).

The research also has mainly focused on establishing the positive correlation between the variables, however, the long-term impact of the same has remained a major gap in the research field (**Authors et al., 2019**).

Lastly, most of the research has considered some of the mediating variables like inclusion, and organisational practices to establish the relationship between diversity management and the OCB. However, there has been a research gap in finding sector-specific direct impact or workforce diversity management on the OCB (**Durán-Brizuela et al., 2016**)

.**3. Discussion**

   3.1 Critical Analysis of the findings

The extensive literature review of the selected papers highlights a significant progression in understanding diversity management and its influence on OCB within the organisation. However, there has been a critical gap still prevalent in developing a comprehensive strategic framework to establish a direct relationship between diversity management and OCB.

The critical analysis of the paper establishes that the management of diversity requires a strategic approach to transform its results as OCB. Further, there have been various mediating variables which impact the relationship between diversity management and OCB, However, their direct relationship is mainly established when strategic approach is considered.

Further, each company in today's competitive environment strives to create a knowledge-based environment, which is mainly based on human resources and relational capital in the form of strategy and management. However, every organisation has a different resource management approach and the same applies to human resources, further when human resources are managed strategically it also leads to effective and specific diversity management which in turn supports a profitable workplace environment.

Hence the strategically managed diversity aligned the goal towards organisational objectives and led to voluntary contribution and knowledge base upliftment on an organisational level. These aspects lead to value-adding actions by the employee which in turn leads to OCB. However, the analysis of the paper establishes the fact that diversity, as a standalone variable, does not have a direct impact on OCB and organisational performance. Further, the research has also established two aspects of diversity management namely efficient diversity management with HRM practices and Strategical diversity management. In the case of effective diversity management various mediating variables are the controlling factors to establish the relationship between diversity management and OCB. However, strategic diversity management practices like effective leadership in, an organisational environment have a direct impact on OCB. Hence it could be construed that when an organisation develops an OCB, its efficient management with HR practices makes sure that it uplifts in a positive direction in alignment with organisational performance.

However, when the organisation is in the process of developing the OCB or in the process of developing to environment of OCB based on Industrial requisites strategic management of diversity is the main tool for the same. However effective HRM and strategic practices make sure the developed OCB and developing knowledge-based culture based on OCB should align with the organisational goal in the long term.

3.2 Theoretical and Practical Implications

From the theoretical and practical implication perspective, the reviewed literature paves the foundation for the research to integrate the diversity strategy with the core business process. As mentioned by **Ely & Thomas (2001),** the integration and learning perspective provide a robust strategic framework, for the same. As the researcher has mentioned the organisation should move beyond a compliance-driven approach and focus on cultural integration for the enhancement of OCB,

3.3. Limitations of Existing Research

Despite its substantial contribution the reviewed literature had its practical limitations. Firstly, the research has not been sector-specific with the main emphasis on correlation analysis to establish the relationship. Secondly, there has been a lack of longitudinal studies as the major foundation to establish the relationship between workforce diversity and OCB. Finally, there is a requirement for a comprehensive model which integrates various mediating factors like perception, trust and inclusion to understand the strategical framework for diversity management for OCB enhancement.

4. Conclusion

4.1 Key takeaways

The critical review has established a strong positive relationship between the organisational values and discretionary effort. However, the management of workforce diversity is the main key to enhanced OCB. Hence lack of strategies leads to poorly designed diversity initiatives which exacerbate perceptions of unfairness reducing OCB. The most sustainable outcome requires strategic integration of diversity into core business functions combined with leadership commitment.

4.2 Future Research Directions

Future research is required to carry sector-specific struggles for workforce diversity with the main aim of aligning the organisational core value as a foundation for OCB development. Additionally, there is a requirement for development of the comprehensive models to incorporate both positive and negative mediating variables to establish a more concrete understanding of how diversity works for OCD enhancement.

References

Alshaabani, A., & Rudnák, I. (2020). Impact of Diversity Management Practices on Organizational Climate – an Egyptian Study. *Journal of Management*, *36*(1). https://doi.org/10.38104/vadyba.2020.01

Bizri, R. (2018). Diversity management and OCB: the connection evidence from the Lebanese banking sector. *Equality, Diversity and Inclusion: An International Journal*, *37*(3), 233–253. https://doi.org/10.1108/edi-03-2017-0059

Cole, B. M., & Salimath, M. S. (2012). Diversity Identity Management: An Organizational Perspective. *Journal of Business Ethics*, *116*(1), 151–161. https://doi.org/10.1007/s10551-012-1466-4

Davidson, M. N. (2008). Leveraging Difference for Organizational Excellence: Managing Diversity Differently. *SSRN Electronic Journal*, *2*(5). https://doi.org/10.2139/ssrn.1281825

Durán-Brizuela, R., Brenes-Leiva, G., Solís-Salazar, M., & Torres-Carballo, F. (2016). Effects of Power Distance Diversity within Workgroups on Work Role Performance and Organizational Citizenship Behavior. *Revista Tecnología En Marcha*, *29*(2), 63. https://doi.org/10.18845/tm.v29i2.2691

Dwi Prawani Sri Rejeki, Sri Wiranti Setiyanti, & Susanto, A. B. (2019). An Empirical Investigation of Organizational Citizenship Behavior (OCB): The Way to Improve Performance in Higher Education Institutions. *International Journal of Scientific and Technology Research*, *8*(9), 1680–1682. https://repository.unej.ac.id/handle/123456789/98942

Ely, R. J., & Thomas, D. A. (2001). Cultural Diversity at Work: The Effects of Diversity Perspectives on Work Group Processes and Outcomes. *Administrative Science Quarterly*, *46*(2), 229–273. https://journals.sagepub.com/doi/10.2307/2667087

Fauzi, A., Shaiful Annuar Khalid, & Rashid, A. (2014). Clarifying the Effects of Human Resource Diversity Management Practices on Organizational Citizenship Behavior: The Mediating Role of Diversity Receptiveness. *The Journal of Arts & Humanities*, *3*(5), 25–38. https://doi.org/10.18533/journal.v3i5.455

Gupta, S. (2014). *Challenges and Strategies of Managing Diversity*. TIJ's Research Journal of Economics & Business Studies - RJEBS. https://www.semanticscholar.org/paper/Challenges-and-Strategies-of-Managing-Diversity-Gupta/0759dffd5969763bd282bd6c1a8bad5248e481fc

Joireman, J., Daniels, D., George-Falvy, J., & Kamdar, D. (2006). Organizational Citizenship Behaviors as a Function of Empathy, Consideration of Future Consequences, and Employee Time Horizon: An Initial Exploration Using an In-Basket Simulation of OCBs1. *Journal of Applied Social Psychology*, *36*(9), 2266–2292. https://doi.org/10.1111/j.0021-9029.2006.00103.x

Khan, K. T., & Jabeen, S. (2019). Investigating the Impact of Workplace Diversity on Organizational Citizenship Behavior: The Mediating Role of Inclusion. *Journal of Management and Research*, *6*(2), 18–50. https://doi.org/10.29145/jmr/62/060202

Kim, H.-S. (2017). The Impact of Diversity Climate for Women on Female Employees' Intentions to Stay: A Cross-Cultural Study on South Korea and Norway. *American Journal of Industrial and Business Management*, *07*(01), 1–14. https://doi.org/10.4236/ajibm.2017.71001

Kotler, P. T., Bowen, J. R., Makens, J., & Seyhmus Baloglu. (2016). *Marketing for Hospitality and Tourism* (6th ed., Vol. 2). Pearson. https://books.google.co.in/books/about/Marketing_for_Hospitality_and_Tourism.html?id=wpvTzwEACAAJ&redir_esc=y

Kotlyar, I., & Karakowsky, L. (2012). The Influence of Team Demographic Composition on Individual Helping Behavior. *Psychology*, *03*(12), 1010–1017. https://doi.org/10.4236/psych.2012.312152

Malik, P., Lenka, U., & Sahoo, D. K. (2018). Proposing micro-macro HRM strategies to overcome challenges of workforce diversity and deviance in ASEAN. *Journal of Management Development*, *37*(1), 6–26. https://doi.org/10.1108/jmd-11-2016-0264

Moon, K.-K. (2016). The Effects of Diversity and Transformational Leadership Climate on Organizational Citizenship Behavior in the U.S. Federal Government: An Organizational-Level Longitudinal Study. *Public Performance & Management Review*, *40*(2), 361–381. https://doi.org/10.1080/15309576.2016.1216002

Mor Barak, M. E., Lizano, E. L., Kim, A., Duan, L., Rhee, M.-K., Hsiao, H.-Y., & Brimhall, K. C. (2016). The Promise of Diversity Management for Climate of Inclusion: A State-of-the-Art Review and Meta-Analysis. *Human Service Organizations: Management, Leadership & Governance*, *40*(4), 305–333. https://www.tandfonline.com/doi/abs/10.1080/23303131.2016.1138915

Noor, A. N. M., Khalid, Dr S. A., & Rashid, Dr N. R. N. A. (2013a). Human Resource Diversity Management Practices and Organizational Citizenship Behavior: A Conceptual Model. *International Journal of Academic Research in Business and Social Sciences*, *3*(8). https://doi.org/10.6007/ijarbss/v3-i8/144

Noor, A. N. M., Khalid, Dr S. A., & Rashid, Dr N. R. N. A. (2013b). Human Resource Diversity Management Practices and Organizational Citizenship Behavior: A Conceptual Model. *International Journal of Academic Research in Business and Social Sciences*, *3*(8). https://doi.org/10.6007/ijarbss/v3-i8/144

Panicker, A., Agrawal, R. K., & Khandelwal, U. (2018). Inclusive workplace and organizational citizenship behaviour. *Equality, Diversity and Inclusion: An International Journal*, *37*(6), 530–550. https://doi.org/10.1108/edi-03-2017-0054

Patnaik, B., & Shukla, M. K. (2020). Diversity and Equality Management System and Perceived Organisational Performance: A Mediating Role of Organisational Citizenship Behaviour. *Business Perspectives and Research*, *9*(2), 227853372096351. https://doi.org/10.1177/2278533720963515

Plaut, V. C., Garnett, F. G., Buffardi, L. E., & Sanchez-Burks, J. (2011). "What about me?" Perceptions of exclusion and Whites' reactions to multiculturalism. *Journal of Personality and Social Psychology*, *101*(2), 337–353. https://doi.org/10.1037/a0022832

Robbins, S. P., Judge, T. A., & Vohra, N. (2019). *Organizational Behaviour by Pearson 18e* (16th ed, Vol. 2). Pearson Education India. https://iimsucat.iimb.ac.in/cgi-bin/koha/opac-detail.pl?biblionumber=462787&shelfbrowse_itemnumber=1264520

Roberson, Q., Ryan, A. M., & Ragins, B. R. (2017). The Evolution and Future of Diversity at Work. *Journal of Applied Psychology*, *102*(3), 483–499. https://doi.org/10.1037/apl0000161

Shen, J., D'Netto, B., & Tang, J. (2017). Effects of human resource diversity management on organizational citizen behaviour in the Chinese context. *The International Journal of Human Resource Management*, *21*(12), 2156–2172. https://doi.org/10.1080/09585192.2010.509622

Youssef, D., Abidi, O., Zaim, H., Keceli, Y., & Dzenopoljac, V. (2020). Impact of diversity management on citizenship behaviour: the mediating role of human resources management. *International Journal of Learning and Intellectual Capital*, *17*(4), 384. https://doi.org/10.1504/ijlic.2020.113154