Diversity Discourse and Discomfort Avoidance in Management Education: Rhyme, Rhetoric or Readiness?

Executive Summary:

Racial demographics in the United States are rapidly changing. Members of the minority population are projected to be the majority by 2043. Yet, few students in management programs are aware of the implications of the change or how to prepare for them. In management education programs the concept of diversity is probably covered in most OB or HR courses. However, the modern diversity conversation has focused primarily on inclusion and representation, and less on issues of inequality and access. Unfortunately, the prevailing approach to "managing" diversity has not resulted in wide-spread progress for people of color into positions of leadership and decision making. Most senior executive teams have little racial diversity and the diversity in board rooms is even more dismal. One reason for a lack of discussion around inequality and access is discomfort avoidance. Research has shown that people find it difficult to discuss inequality when discussing diversity (1). As such, it is important to understand the phenomenon of psychological discomfort in order to address the implications of changing racial demography in the U.S. How can management education address issues related to discomfort avoidance and equip students be "diversity ready" for a business landscape that is decidedly changing? What can management educators do to foster a better understanding of racial inequality and its implications for remaining competitive in a business environment? How can we begin reflection and discussion to create broader meaning and unify to serve a diverse community and customer base?

Relevant Literature:

Minorities represent 35% of the total U.S. population and people of color are expected to the majority of the population in the U.S. by 2043 (7). Although this is a major external change, many college students are not aware of the change, nor are most college professors incorporating in-depth discussion of the implications of increasing racial diversity on business competitiveness. Given the significance of the change, management educators have an opportunity to help students contemplate what changing racial demographics may mean for managers, careers, industry competitiveness and global leadership.

In recent years the conversation about diversity has been increasingly focused on diversity in terms of gender, LBGT and veteran status. While these are important components of diversity, the changing racial diversity in progress in the U.S requires managers to recalibrate to remain competitively relevant. The racial diversity frameworks of the past focusing on cultural awareness, tolerating differences, and

including "minority voices" need to be reframed in our curriculums to acknowledge inequality, underrepresentation and lack of access; all of which will have sobering consequences for traditional approaches to business in the future. Failure to address underrepresentation and ready our students has serious long term business implications. Key issues include recruitment and retention, skill and labor shortages, access to education, economic empowerment and global competitiveness. Research literature shows people want to avoid the discomfort of discussing inequality in conversations about diversity. A sociological study on diversity discourse found that even articulate and politically engaged respondents found it difficult to talk about inequality in the context of a conversation focused on diversity (1). We see the difficulty in discussing inequality in industry as well. In an interview, Facebook Global Director of Diversity said, "Because (that) discomfort always comes in if you are worried that maybe everyone's not really valued or equal so that's why you have to neutralize differences." (4).

A study on antecedents to individuals' comfort in interracial/interethnic interactions found that a shared purpose, a welcoming climate and structured interactions among all group members had a significant impact on interracial comfort (2). The results indicate that group practices can contribute to student attitude and skill development by creating solidarity and comfort in their interactions with diverse others. Another study found that empathetic concern, competitive psychological climate and threated experienced by the outperformed were antecedents to sensitivity about being the target of threatening upward comparisons within a workplace setting. The implications were that a sensitivity to being compared to others can lead to appeasement and avoidance behaviors (5).

In business, discomfort avoidance can prevent individual and collective reflection. Ironically, such reflection is precisely what is needed to address issues of racial inequality and underrepresentation. As change agents, management educators are uniquely positioned to facilitate a better understanding of discomfort with issues of inequality in organizations, to understand multiple systems of reality and to help students acknowledge and overcome fear of change. Failure to do so may leave management students ill prepared for the future.

Critical Issue: Diversity Rhyme and Rhetoric

Diversity is no doubt a management buzz word. Many companies espouse diversity as a core value in their organizations, if for no other reason than to be politically correct. Yet not all organizations move beyond the espoused virtue of appreciating diversity to a place where tangible change is evident in the organization. Some companies mandate diversity training and exhort accepting others regardless of race, gender, sexual orientation or religion, yet fail to address issues of access and inequality in a changing demographic landscape. Many corporate diversity programs are void of the substantive

critique necessary to ask the difficult questions related to discomfort avoidance and inequality. Issues of inequality need to be examined within management education in order to move the conversation forward at a critical juncture in management history. Diversity discourse has reached a critical point of how we prepare *all* students to live, work and compete in a more racially diverse society.

Many of the conversations around diversity and inclusion sound good in theory. The conversations promote the virtues of a "representative voice", yet fail to capture the collective genius of a diverse talent pool. How can the curriculum in management education restructure to provide" comfortable spaces" to reflect, narrate and when necessary, address avoidance?. Management education has the challenge of helping students see racial differences as opportunities and not threats, the duty of addressing inequality and access, and the hope of educational and political systems that reflect empowerment, creativity and the human spirit. We must begin to move the diversity conversation beyond including different perspectives and focus on giving access and opportunity to those that are underrepresented and underserved; those that will represent the American population in bigger ways than ever before. And it is critical that management education prepares students to be critical thinkers in the movement toward a more diverse society.

Critical Issue: Readiness

Paramount in the diversity discussion is the issue of preparation. Our nation must be ready to embrace and capitalize on the demographic shifts underway, and grapple with the idea that people of all colors find it difficult to talk about inequality and diversity. How can we recognize differences, and help people to work through their discomfort with inequality? How can we provide access to the American idea to those who are going to become the majority? If we can provide access to that ideal, the new "majority" can get a sense of what the nation needs and be better prepared to advance it. It begins with an appreciation of the diversity in our classrooms and our world, and leveraging it to create a unified approach as we serve our communities, prepare our workforce and strengthen our competitive position.

New Drivers for Management Education

In order to increase management education relevancy related to shifting demographics and new notions of competitiveness, let's examine the impact that increased racial diversity will have on the business landscape. Naturally, a more diverse society means more diversity in consumer markets and spending power. For example, in communities of color, a 70% increase in total purchasing power is expected between 2000 and 2045, taking it from $2 trillion in 2015 to $4 trillion by 2045. This means businesses who hope to sell products and services to consumers in the U.S. must be strategic about reaching

a $4 trillion diverse market. This means new products, expanded markets and new approaches to promotion and advertising.

In addition to consumer markets growing, minority businesses are also expected to burgeon. The minority business enterprise (MBE) produces $400 billion in economic impact annually and produces 2.2 million jobs (6). Moreover, MBE's are expected to grow 70% between 2000 and 2045, which is an increase of 3.3 million firms. To be clear, this will represent the highest level of new job growth in the U.S. (7). How do we rethink our management curriculum to account for the growth projections? What types of diversity practices do firms need to adopt?

Research has found that the presence of regulation is not a strong driver for adopting diversity practices in business, and regulatory scrutiny does not lead to adoption of diversity programs. Moreover, lack of racial or ethnic diversity does not motivate firms to create diversity programs. This could, in part, explain the continued presence of homogeneity in top management.   What does motivate firms to adopt robust diversity practices is a propensity of the firm to make commitments to new social norms (3). Dobbins study found that external pressures are more likely to lead to establishing diversity programs. In other words firms have to feel the pressure from consumers and industry competitors to adopt diversity programs, and that firms that adopted diversity programs did so in response to a new societal norm, rather their need to diversify their workforce. Current racial demographic projections are indeed a large scale change and a major driver of external competitive pressure. The need to diversify the workforce and the supply chain has been present for many decades, however the new society norm that is being created by changing racial demographics will require companies to adapt. Management education has a role to play in influencing culture and facilitating the reflection and discussion necessary for future business leaders to effectively, progressively and authentically adapt.

Small Group Exercise

The researcher would like to facilitate a small group discussion to address the issues and implications addressed in the proposal. The small group discussion will focus on how to better understand the lack of awareness about changing demographics among all management students (regardless of color), the need for management education to move the diversity conversation beyond inclusion and "managing" diversity to addressing issues of inequality, access and readiness, and how management education can help organizations prepare for the future.

Small Group Questions:

*How will the racial demography changes over the next 2-3 decades impact management students?

*What are the implications for business and for management education?

*What is driving a lack of awareness among students of the current demographic shifts underway?

*How can we challenge our students to reflect on the changes that are in progress and address the discomfort of discussing inequality?

*How do management educators bridge the technical skill shortage and war on global talent by addressing issues of economic inequality and access to education the U.S.?

* What do we need to do to prepare our students for the world of the future?

References

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