

## Chapter 84

# Global Diversity and Organizational Culture's Impact on Adaptation, Performance, and Innovation

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### ABSTRACT

*Diversity and change are key concepts facing our world. As we enter into the 21<sup>st</sup> century, organizational leaders recognize the importance of diverse perspectives and adaptation to changes as competitive advantages. Doris E. Cross is an educator and researcher on diversity issues influence on organizational cultures. This chapter identifies factors, such as changing demographics, tumultuous economies, and workforce dynamics, effects on individual perceptions of organizational cultures and performances. Cross considers embracing diversity as a competitive advantage that adds significance to companies' market values globally. To effectively manage market changes, organizational leaders are encouraged to examine the inclusion of diverse perspectives to capture both employees and consumers' loyalty. She contends diverse perceptions in organizational cultures encourage new ideas and innovative approaches to meeting the needs of diverse customers. Changes within organizations are most effective when its adaptation, change, and performance are intricately linked with its advancement.*

### INTRODUCTION

In the 21<sup>st</sup> century, America faces a tumultuous environment that challenges its economic stability. Demographic shifts and workforce changes have impacted businesses performance requirements and this nation's ability to compete globally. Currently, a worldwide market has evolved with representation from diverse groups that include race, ethnicity, gender, national origin, age, ability and sexual preference. This global market of distinct consumers creates opportunities for businesses to increase performance levels by tapping into the priceless contributions of its constituents.

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Creativity is a highly prized commodity in an expanding global economy. Diversity among global workforces and consumers serves as a pivotal force for leaders to develop strong world-wide partnerships and teams for economic survival and prosperity. Business and education leaders strive to understand and embrace differences to develop a highly competitive and skilled workforce. In a global community, economic survival motivates the increase reliance on the entrepreneurial spirits of diverse populations. Individuals from different cultures, backgrounds, genders, and personal preferences stimulate innovation and creativity through their differences (Driskill & Brenton, 2005). Bok (2006) and the National Commission on Adult Literacy (NCAL, 2008) contend that in today's global economy, universities in Europe, Asia, and America focus on first-rate research to advance education as a prerequisite for prosperity. These perspectives focus on individuals' education, skills development, and performance approaches to develop a highly skilled and diversified workforce.

## **GLOBAL PERSPECTIVES ON RACE AND ETHNICITY**

Globally, definitions of race and ethnicity are based on varying factors such as heredity, genetics, and socio-economic statuses. In the United States and other nations, the issue of race and ethnicity heightens the interest of demographic realities. The two concepts remain vague, wide-ranging, and misused by many. In the literature, the concept of race is ascribed to a person's group based on their biological and physical appearances. These characteristics are considered inherent, heritable, persistent, or predictive in nature. Yet, this notion is considered unverifiable based on scientific conjectures on pure phenotype origins and social and cultural traits. Biological blending among groups with different prototypes makes it difficult to substantiate this premise. In some countries, social and cultural traits are often used to classify race among groups with identical phenotypes (Chang & Dodd, 2001; Perez & Hirschman, 2009). For example, Brazil's racial classifications based on skin shades vary from South Africa's black-white-colored paradigms (Deng, 1996, 1997; Stam, 1997). Koreans and Japanese who are classified in the same racial category are considered two different "races" primarily by Japanese's notion of blood affinities (Dikster, 1997; Min, 1992). Racial classifications are often influenced by a group's socio-economic status. Brazilians social-economic statuses affect racial identifications or assignments. Also, research scholars state that in the Mexican society it is difficult to distinguish between Indians and Mestizos phenotypes. However, both groups are identified by their social and cultural traits (Hanchard, 1994; Reichmann, 1999; Twine, 1998). Nutini (1997) confirms that Indians "become" Mestizos by the acquisition of social and cultural traits irrelevant to phenotypes.

On the other hand, ethnicity is a culturally derived term that embodies the values, institutions and patterns of behavior of a group (Chang & Dodd, 2001; Perez & Hirschman, 2010). Ethnicity is considered a composite whole of the group that represents its holistic experiences, world views, and aspirations. Research studies indicate that ethnicity defines people's membership in a group, its centrality to the human experience and identity; and a sense of oneness that incorporates languages, religion, and demarcations (Bottazzi, Bacalenti, Braham, & Gindro, 2002).

According to Unander (2000), genetic differences among groups with different phenotype attributes are minor and minimally account for differences in human behavior. Overall, these findings are summarized as: Racial differences are more in the mind than genes; racial and ethnic categories are neither fixed across or within a society but fluid and changing depending on social and political contexts; and ethnic and racial differences do not inherently lead to conflict but a struggle for a balance in power (Unander, 2000).

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