



HUMAN RESOURCE DIVERSITY AND PERFORMANCE WITHIN THE FRAME OF ORGANIZATIONS, TEAMS AND INDIVIDUALS

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Abstract. The following paper provides a survey based on studies of relationships between Human Resource diversity and performance at different organisational levels. The importance of diversity in companies and society is becoming more and more important, therefore there is a need to identify circumstances and types of diversity, projects and teams, in which diversity can make an impact on company's and working group success. The first part of the article is focused on the concept of diversity and Diversity Management in HR practices from the scientific and practical view. The second part is dedicated to the topic of performance and presents certain possibilities and indicators for performance measurement. The main report about the link between different types of diversity and performance at the organisational level, team level and the level of individuals will be produced in the third part. The findings from the studies show that diversity brings benefits and increases the performance in specific cases and under the certain circumstances. Moreover there is evidence that the positive effect of diversities is influenced or even caused by the presence of other factors.

Keywords: globalization, human resources, diversity, diverse teams, performance, indicators.

JEL Classification: J15, J16, M12, M14.

Introduction

Globalization involves changes in society that lead to closer relationships between political, socio-cultural, and economic events on an international scale (Turek 2004; Urbšienė 2011). Modern social and economic trends shows that demographic composition of the workforce is rapidly changing – population is aging, more women is working in companies, members of different racial and ethnic minorities are moving from country to country and changing the structure of European labour market (Bedrnová, Nový *et al.* 2007). As a result we can see that managing people with diverse characteristics is becoming a new challenge for employers in Europe (Singh, Point 2004).

As was mentioned above, the workforce is becoming increasingly diverse. Many organizations, particularly multinationals, realize that diversity is not an inevitable side

effect of social changes, but a factor and reality, which can bring new perspectives and enhance the development of new products and services (Bedrnová, Nový *et al.* 2007; Rašticová, Senichev 2011).

The world's increasing globalization requires more interaction among people from diverse cultures, beliefs, and backgrounds than ever before. People no longer live and work in an insular marketplace; they are now part of a worldwide economy with competition coming from nearly every continent. For this reason, profit and non – profit organizations need diversity to become more creative and open to change. Maximizing and capitalizing on workplace diversity has become an important issue for management today (Green, López, Wysocki, Kepner 2012). Job requirements are also dramatically changing under the influence of multicultural teams, flattening of organisational structure and under the employment insecurity and job instability,

which is very high in the time of crisis of European economic system. The challenges mentioned above are closely related to the Human Resource Management, which leads people to provide the highest possible performance. This is good for employees and the company as well.

It is necessary to mention that companies quite often use teams and teamwork to manage a variety of everyday and strategic issues. The reason is simple: firms need faster and more effective solutions and innovation and teams offer this. Their work is better than work provided by individuals. But there is an inquiry if the team work is well organized and if there is a serious training in managing groups, in effective leadership and working with people from different backgrounds etc.

In diverse workplace managers are dealing with individuals of different age, gender, nations, cultures, individuals who graduated from different universities and have different mental and physical skills, etc. all of these is just one of the results of the globalization process (Rašticová, Senichev 2011a). This problematic brings us to the area of Diversity Management, which will be the topic of the next parts of the article.

Diversity Management is not only related to the Human Resource Management, but it is an important part of the company's operations, long – term planning, strategic management, and it is as well one of the factors of survival in turbulent and uncertain future. Although it should be also noted that applying Diversity Management Concepts at various levels of society may contribute to faster and more efficient forming of „creative class“ which is related to economic growth, as interpreted for example by Florida (2003, 2004).

The increasing number of scientific research shows the importance of Diversity in the global scale and particularly in the Czech Republic:

- Gender and age diversity in organizations and teams (Gardenswartz, Rowe 1998; Catalyst 2007);
- Information and functional diversity in teams (e.g. professional background and professional experiences) (Jehn *et al.* 1999);
- Diverse teams (Watson, Johnson, Kumar, Critelli 1998; Rašticová 2012);
- Diversity and Performance (Pitts 2009);
- Job satisfaction and performance (Nakonečný 2005);
- Diversity and team members satisfaction (Schippers, Den Hartog, Koopman, Wienk 2003).

Moreover Diversity Management concept is very important not only for companies but also for development of civil society (Eger *et al.* 2012).

1. Diversity

Diversity is one of the frequent topics for discourse in modern society, not least among those involved in political decision-making (Rafnsdóttir 2011). Diversity, a term originally used

by biologists, is the basic property of systems expressing the diversity of their elements. It is often understood as the degree of stability of a system because, in a crisis, a uniform system usually breaks down whereas, in a diversified system, it is only its individual parts that are crisis – stricken with the system as a whole remaining functional (Secretariat of the Convention on Biological Diversity, 2010, in Rašticová, Senichev 2011a). Generally practitioners and researchers organize diversity into four dimensions (e.g. Gardenswartz, Rowe 1998):

- **organisational dimension:** title, position; job description, working environment; department, unit, group; length of employment, place of work, status and position in an organisation;
- **outer dimension:** language, habits, geographic position, education, income, professional experience, parenthood, leisure activities, appearance, marital status, etc.;
- **inner dimension:** sex, nationality, ethnicity, social class, sexual orientation, age, disablement, religion, values, etc.;
- **personal dimension:** uniqueness of an individual's personality (*ibidem*).

Social diversity (such as age, gender, culture etc.) at the workplace and tolerance to ambiguity are currently important concepts for human resource managers in the Czech Republic (Rašticová, Senichev 2011a). In the area of companies the workplace diversity involves the diversity of and differences between the members of a team in terms of their nationality, ethnicity, sex, gender, education, etc. (Greenberg 2004).

It is important to say, that nowadays is a hot topic to identify what kind of diversity has an impact (and to what extent diversity influence for example productivity) because there is so much diversities. One problem associated with attempting to make predictions about the effects of social category diversity on workgroup performance is that social category diversity may represent informational diversity, value diversity, both, or neither (Jehn *et al.* 1999).

Since social category diversity is not necessarily associated with either informational or value diversity, it poses prediction problems for researchers and signaling problems for group members. What does being the only woman in an otherwise all-male group mean about the unique perspectives that an individual brings to the group? If the task of the group is to define a strategic direction for the organization, and all group members have backgrounds in finance, it is not likely that the gender of one member will make a significant difference in the information that an individual brings to the group (*ibidem*).

But If the group must select product features for a new model of automobile, however, the experience of being a woman may bring a different orientation to the discussion, even if that woman is an engineer, just like everyone else in the group (Jehn *et al.* 1999).

Diversity management and human resources management

Armstrong (2007, in Eger *et al.* 2012) uses the concept called “the policy of Diversity Management” in HR analysis, which is based on the following criteria:

- respect cultural and individual differences in the workplace;
- state clearly that the organization appreciates various qualities that people project into their work;
- highlight the need to eliminate any prejudice in such areas as selection, promotion, work performance assessment, remuneration and opportunities for further education;
- pay attention rather to individual differences than to group differences.

Very similar opinion supports IBM in their diversity programs across the globe, e.g IBM Czech Republic (Glover 2012).

Keil defines Diversity Management as *active, conscious creation of a strategic, value-oriented communication and control future-oriented process consisting in the acceptance and use of certain differences and similarities as potential driving force of an organisation. In an organisation, this process creates an additional value* (Keil *et al.* 2007: 7).

Several important global and societal influences highlight the importance and the need of Diversity Management in companies:

- the increasing globalization and heterogeneity of markets (Kislingerová *et al.* 2008);
- changes of labour market and technology development (Cimbálníková *et al.* 2012);
- demographic change in the world of work: the increasing number of women in the labour market, the increasing number of minorities, aging workforce etc. (Bedrnová, Nový *et al.* 2007);
- more intensive use of teamwork in companies: identification of key performance factors, management of diverse teams (Rašticová 2012), employee job satisfaction (Koubek 2007) etc.

Diversity management should be imbedded in a certain moral and legal climate. Ethics and the right to movement against discrimination are not just part of the surrounding environment; the identity of a company itself must reflect the traditions of human rights protection (Putnová, Seknička 2007).

Diversity is also a big topic in managing teams and work groups within the frame of organizations and projects, in this case it is possible to define it as a management of diverse teams (Rašticová 2012). However, Diversity Management is not just related to companies and teams, but it has a strong relationship with the management of processes, the informational flows in company and so forth.

Brodský & Teturová (2008) point out that commercial company and public service managers are looking for ways

to cope with the constantly increasing diversity of labour, which may be rather difficult in many cases. Therefore, diversity management has become an inseparable part of human resource management policies (*ibidem*).

The management of the diverse workforce is therefore a crucial topic for a successful business case (Management Consultancy Tschare (MCT) 2010). In all businesses and organisations it is possible to find a “natural” diversity of people and of their behaviour. But Diversity Management deals and manages diversity in a structured process in order to gain advantages at the market place (*ibidem*). The evidence suggests that the most important benefits arising from the implementation of diversity policies arise from strengthening organisational and human capital. Along with knowledge capital, these are the principal intangible assets used by companies in a wide range of sectors to establish competitive advantage and to create value (CSES 2003). Diversity Management is a popular concept in the field of big companies, but the practice is more complicated in comparison to popular definitions presented.

Nevertheless there are the examples that can be shown in evidence of successfully applying the above ideas in companies in the Czech Republic (Kolářová 2010, in Rašticová, Senichev 2011):

A “Diversitas” group is active at the Česká spořitelna bank, which promotes equal opportunities not only for men and women. The first positive outcome of the “Diversitas” programme was that female managers started to meet more often after working hours strengthening their solidarity. There is also a formal Diversitas network organising breakfast discussions with interesting guests. In the Allianz insurance company, regular education programmes take place to develop management and work-life balance skills. In addition to courses in leadership, they also offer such topics as stress control, time management or a workshop on work-life balance much appreciated by the female managers and experts attending it. Coaching and mentoring for selected female top managers are among other activities offered. The Skanska building company runs an international mentoring diversity project intended for women in building professions (*ibidem*).

2. Performance

Diversity and the influence of diversity on performance is not a buzzword, but a reality and challenge of our days. The goal of managing human resources in companies is to bring certain benefits, increase the team and organization performance, team cohesiveness, to maintain a job satisfaction and to decline fluctuation and absenteeism etc. Managing of diversity has the same goal: to show the evidence and to create a business case. Therefore, the following section will be devoted to the topic of performance.

Performance could be defined as an ability to achieve certain results comparable with certain criteria or with the results of other units. The performance is also seen as the ability to achieve certain results for a certain time period. The performance can be defined from different angles and personal views, and therefore this word will have different meanings for the company's owner, for employees, for the competitor and for other managers (Kislingerová 2009).

Organisational performance and diversity

Organisations can evaluate their performance by using various approaches and methods, such as Balanced Scorecard, the assessment of the vitality of business by Pollak (2004) and others. Financial performance indicators play an important part in the evaluation of the organisational performance. Different sub-indicators are usually grouped into groups, focused on evaluation of a particular area of business activity (profitability, liquidity, debt, etc.). It is important to also mention methods of enterprise evaluation by one indicator, such as Altman Z – Score, Argenti A – Score, indexes IN etc. (Synek 2008).

It is not easy to prove the positive effect of diversity on business performance at the organization level, because the process of performance evaluation includes different internal and external factors as well. Moreover, diversity should be defined as one of the managerial tools or approaches that can improve performance. In the area of linking diversity and performance it is much better to talk about benefits of diversity instead of direct impact of diversity on performance, for example MCT (2010) introduces a few cases of positive effect on companies (mostly from U.S.):

- Vought Aircraft Company – Increased output from 70% to 101% after several minority replacements, a minority supervisor and some team building.
- Ortho Pharmaceuticals – Calculated \$500,000 savings from managing diversity due to lower turnover among minorities.
- Avon Corporation – Turned formerly unprofitable inner-city market into among the most productive U.S. markets by giving Black and Hispanic managers substantial authority over those markets.
- Hoechst Celanese – Changed the polyester textile division from an 18-year money loser to posting a substantial profit after recruiting an African American director and a diverse business team.
- Suquet Insurance Agency – Received Equitable agency award for overall effectiveness and profitability with more than a dozen different nationalities represented in its sales force.
- Toyota Dealership (miami): Integrated cultural awareness through respect, targeted advertising,

bilingual salespeople, and special events to break down barriers. Increased sales by 400% over six years.

- Inland Steel: Moved people who brought different perspectives (women, age, Hispanics, blacks) into key positions at Ryerson Coil Processing. Ryerson became profitable for the first time in its history.

There are also examples of European companies with diversity management programs (see MCT 2010; Rašticová, Senichev 2011; Křištofová, Eger 2012). Nevertheless there is not so much evidence to prove that work in diverse environment was the only one reason of improvement. Just a few studies referred to the direct impact on performance (CSES 2003) research provided by academics into the links between diversity and business performance is limited in its extent, and the work that has been carried out has been undertaken for example in the USA (CSES 2003).

A small number of studies have been undertaken that seek to demonstrate links between diversity and overall firm-level performance. Work for the US government, for example, identified two studies that showed a link between share prices, returns on investment, (and other financial measures) and publicly quoted companies that had evidence of commitment to promotion of women and minorities (US Federal Trade Commission 1995; “Breaking through the glass ceiling“ in CSES 2003). Another, and widely cited, study identified a negative link between stock price performance and the imposition of financial penalties for discriminatory behavior in the workplace (Wright, Ferris *et al.* (1995) “Competitiveness through management of diversity: effects on stock price valuation” in CSES (2003).

The problem with this study, however, is that its major finding may have little to do with diversity directly and much more to do with the investor assessment of the competence of managers to control risks (*ibidem*). The influence of diversity is probably mediate and indirect to performance. Moreover CSES (2003) pointed out that even for short and medium-term improvements in cash flow, it is likely that diversity management policies are only one of a number of factors that have contributed to improvements of performance. All of these benefits are, in themselves, difficult to quantify, although there are some company – specific measures of the ‘quality’ of human capital. These measures tend to rely on objective criteria, such as academic or vocational qualifications, and the extent of ‘fit’ with company and job – specific requirements. But, simple causal links between these benefits and investments in diversity policies are difficult to establish in any simple or credible way (*ibidem*). Nevertheless it is necessary to mention that companies that implement workforce diversity policies identify important benefits that strengthen long-term competitiveness and, in certain instances, also produce short and medium-term improvements in performance.

Companies in CSES survey (2003) said that the most important benefits arising from active diversity policies arise from the strengthening of organisational and human capital. Specifically:

- Strengthening cultural values within the organisation (74% of respondents);
- Enhancing corporate reputation (69%);
- Helping to attract and retain highly talented people (62%); and
- Improving innovation and creativity amongst employees (57%).

According to the CSES survey (2003) there are some differences between companies of different types. Manufacturing companies perceive greater benefits than service sector companies in terms of improved motivation and efficiency of staff, lower absenteeism rates and avoiding litigation costs. All of these are short and medium term opportunities to improve cash flow. Service companies, on the other hand, perceive greater benefits in terms of organisational and human capital, particularly

improved innovation and creativity amongst employees and helping to attract and retain highly talented people (ibidem). There are also differences between companies of different sizes. Larger companies, for perceive greater benefits than smaller companies in terms of improved motivation and efficiency of staff, enhanced service levels and customer satisfaction and helping to overcome labour shortages. Again these are short and medium term opportunities to improve cash flow. Smaller companies, on the other hand, place particular emphasis on improved innovation and creativity amongst employees (CSES 2003). The following table (see Table 1) is presenting a short list of selected studies focused on benefits of using Diversity Management in companies.

In the end of this part, it is necessary to ask, whether the positive effects of diversity on performance is not caused by or if it is not conditional effects of other factors such as employee job satisfaction, the type of teams, the presence of Diversity Management concept in companies or lack of diversity policies in the firm etc.

Table 1. Benefits of applying Diversity Management concept in organizations (Source: author)

Authors	Benefits of Using Diversity Management
Management Consultancy Tschare (2010)	Better connection to the workplace and respecting diversity can increase the productivity of employees.
Brodský, Teturová (2008)	Diversity Management promotes wider workplace diversity as one of the tools for increasing efficiency of each employee. Diversity Management brings employers' competitive advantages as the potential of each individual can be utilized more effectively.
Kislingerová <i>et al.</i> (2008)	Diversity increases the creative potential of the work groups and teams and facilitates the creative problem solving process.
Machovcová (2007)	Better response to risk caused by higher level of diversity – problems in IBM in the 1990s were partly caused by an inappropriate evaluation and analysis of the changes in the Internet Industry of like-minded top managerial team.s.
Catalyst (2007)	Workplace diversity may also serve as sort of a buffer in critical situations.
Singh, Point (2004)	Drivers for Diversity Management as better performance, enhancing corporate reputation and meeting stakeholder needs.
CSES (2003) – economic benefits	<ol style="list-style-type: none"> 1. Creating economic benefits by strengthening long – term „value drivers“ i.e. the tangible and intangible assets that allow companies to be competitive, to generate stable cash flow, and to satisfy their stakeholders. 2. Generating short and medium term opportunities to improve cash flows e.g. by reducing costs, resolving labour shortages, exploring new markets, improving performance in existing markets (these are also known as „return – on – investment“(ROI) benefits).
CSES (2003) – general and HR benefits	<ol style="list-style-type: none"> 1. Access to ‘talent’ – attracting and retaining the highest possible quality of employees. 2. Global management capacity – a specific long – term problem facing many larger companies is the need to manage global business networks. Diversity policies can help achieve this by ensuring access to a wider pool of talent, and by making companies attractive to people from different cultural backgrounds. 3. Innovation and creativity – a number of companies pursue diversity policies because they believe that greater heterogeneity within key workgroups and amongst important managerial groups will lead to greater creativity and, in turn, more innovation. In this case, investments in human capital are being used to strengthen the capacity of companies to build knowledge capital: another important types of intangible asset.
Esty <i>et al.</i> (1995)	Diversity in the workplace can reduce lawsuits and increase marketing opportunities, recruitment, creativity, and business image.

2.2. Team performance and diversity

In the research of top management teams, working with business performance indicators has a significant place. The business performance indicators are often based on the financial performance terminology, which is measured as return on investments (ROI), return on equity (ROE), return on assets (ROA) etc. (Watson, Johnson, Kumar, Critelli 1998). The development of diversity analysis brings relatively new topics on the base of classic performance indicators – Hubbard's DROI (Diversity return on investments) (Hubbard 2004). The reason for using these financial performance indicators is the fact that activities and decisions of top management teams affect the whole system of operation within the company. Within the frame of studying organisational groups, work groups and teams the performance indicators are often referred to as group performance, which is measured in the following terms: quality / quantity of work done, judged by the leader of a group (Watson, Johnson, Kumar, Critelli 1998). The following table is presenting a short list of selected performance indicators focused on HR processes, internal processes and teamwork (Parmenter 2008) (Table 2).

In the following part the discussion will be focused on the link between different types of diversity and workgroups performance. On the group level, individual attributes get aggregated. The underlying assumption is the higher the amount of individuals' demographic diversity the more diverse a team is (Gröschke 2011). At group level of analysis focused on diversity and team performance, it is possible to determine, with a higher degree of probability the influence of diversity and other factors on the team performance. More recently, Pelled *et al.* (1999, in Webber, Donahue) distinguished among diversity attributes as they relate to the performance of work groups. Specifically, Pelled *et al.* (ibidem) conceptualized work group diversity in terms of *highly job – related* and *less job – related* attributes, in which *job relatedness* is the degree to which the attribute captures experiences, skills, or perspectives pertinent to cognitive work tasks. Job – relatedness is theoretically important because it describes whether a type of diversity will increase

the task-related knowledge, skills, and abilities (KSAs) that facilitate more effective team performance (Simons *et al.* 1999 in Webber, Donahue 2001). Authors argued that diversity attributes such as functional, educational, or industry background capture experiences and perspectives relevant to the tasks performed by most work groups. As such, this type of diversity is proposed by the author to have a stronger impact on the task – relevant group processes and performance. In contrast Pelled *et al.* (1999, in Webber, Donahue 2001) considered diversity attributes such as age, gender, and race as less germane to the group's task. Although these attributes may reflect a broad set of experiences, they are expected to be less related to the work being performed.

Pelled's classification has received some initial empirical support. In a recent study, Simons *et al.* (1999 in Webber, Donahue 2001) found that more job – related diversity (education – level, company tenure, and perceived environmental uncertainty) interacted with debate to influence top management team (TMT) performance. Less job – related diversity (age diversity), however, did not. They interpreted these findings as demonstrating that debate is more likely to impact team outcomes "...when it draws on different experiences and perspectives that are relevant to a task rather than on less relevant viewpoint differences" (ibidem). The results of the meta – analysis demonstrate that the different types of diversity do not have differential impacts on work group cohesion and performance. Further, results also show no relationship between both types of diversity and either group cohesion or performance. Specifically, the authors did not find any evidence to support the idea that either type of diversity examined had much of an influence on group cohesion or performance (Webber, Donahue 2001). Nevertheless Webber and Donahue (2001) suggested to interpret these conclusions with caution. The impact of diversity in workgroups is a growing area of research; therefore it is yet to be thoroughly understood (Webber, Donahue 2001). At the same time there is a research evidence that this is an evidence that supports using diversity as a factor of increasing performance. Franková (2011) reports about the research in the area of demographic diversity, which showed

Table 2. Performance indicators focused on HR processes, internal processes and teamwork (Parmenter 2008)

Frequency of measurement	Name of an indicator
Weekly	error rate of placing an order, number of delayed projects (the list of internal projects and list of projects for clients), percentage of accepted proposals, number of late reports etc.
Monthly	customer acquisition; number of contacts and the frequency of communication with the customer during the project and post-project phase (only large projects), termination of employment due to performance, percentage of workers with flexible work schedules, timely and effective solutions of employees' complaints, types of employee turnover etc.
Quarterly (four times per year)	percentage of female managers, turnover of female employees, turnover of minority employees; turnover of employees sorted by age etc.

that if the teams were narrowly focused on the task, then the mid-level demographic diversity increased creativity and innovation of those teams. On the contrary, very high or very low level of demographic diversity is associated with low levels of creativity and innovation (Gonzalez, Roma *et al.* 2002, according to West, Sacramento 2008, quoted by Franková 2011). This finding is supported by the results of an extensive survey conducted by the researchers Grund and Westergaard-Nielsen (2008), which studied data from Danish companies and the analysis showed the significant relationship between average age of employees and business performance of organizations.

2.3. Diversity and job satisfaction

The researches show, that diversity within the frame of teams has a connection with employee job satisfaction. Due to Milliken and Martins (1996) diversity negatively affects job satisfaction. Also satisfaction and commitment seemed highest when teams (a) were highly outcome interdependent, (b) had low levels of diversity, and (c) were together for some time (high on group longevity) (Schipper, Den Hartog, Koopman, Wienk 2003).

2.4. Types of teams and diversity

Diversity and performance and the relationship towards the types of teams: one of the findings is that the type of teams could be a moderator of the relationship between diversity and performance (Watson, Johnson, Kumar, Critelli 1998). A partial confirmation of these findings is, that diversity increased the performance of teams focused on solving creative and innovative problems (Milliken, Martins 1996). Diversity has been also proposed to be more valuable for more complex, knowledge – intensive task than for simple, more routine tasks (van Knippenberg, Schippers 2007 in Gröschke 2011).

2.5. Employee perception of team performance

Pitts (2009) made a research using data from the 2006 Federal Human Capital Survey (FHCS) in the USA. The results show that people of color are less likely than whites to have positive perceptions of work group performance, a relationship that is statistically significant at the 0.001 level. The results change slightly, but importantly, when the variable for diversity management is introduced into the model. People of color remain less likely than whites to report positive work group performance, but the coefficient becomes smaller by more than half. This indicates that, for the first model, at least some of the dissatisfaction reported by nonwhites is likely attributable to ineffective diversity management. Once those management practices are controlled, the dissatisfaction is reduced, highlighting the relevance of diversity management in the company.

3. Diversity and performance of individuals

Diversity at the individual level could be described as „relational demography „examining how individual differences in term of homogeneity and heterogeneity affect performance in teams and organizations (Gröshke 2011). It is important to say, that effects of individual – based diversity characteristics are quite disillusioning. For example the review provided by Joshi and Rog (2007, in Gröshke 2011) highlights, that half of the studies do not prove any significant effect between demographical diversity and outcome, whereas nearly 20% show a positive, 24% a negative and 5% a curvilinear relation. According to Gröshke (2011) objective measurable individual diversity characteristics do not seem to be crucial for the management of diversity. This assumption should be tested in future analysis.

Conclusions

The article was focused on analysing the relationships between Human Resource diversity and performance at different organisational levels: organization, team and employee. The first part of the article was focused on the concept of diversity and Diversity Management in HR practises from the scientific and practical point of view. The second part was dedicated to the topic of performance and certain possibilities and indicators for performance measurement were presented. The main part of the article was dedicated to analysis of links between different types of diversity and performance. Research findings showed that at the level of organizations it is not easy to discuss the direct impact of Diversity Management on performance. The influence of diversity is probably mediate and indirect to performance. Also is important to point out, that quantification of costs and benefits, in order to produce a traditional analysis of cost – effectiveness, is difficult. Many of the benefits are ether highly “context – specific” or difficult to measure (CSES 2003).

Nevertheless there are studies that proved the positive effect on companies. It is important to say that positive influence is possible to prove in mid-term and long-term period because of the fact, that organisational changes require time for implementation process to make diversity work. The third fact is that motivation to prove business case of diversity could fail in a situation when you cannot measure it or the business accountancy is not reflecting the relationship between studied factors.

At the group level, research findings showed that it is not easy to prove the positive impact on group performance as it was expected. Surprisingly results also brought a little evidence of relationship between specific types of diversity and either group cohesion or performance.

Further the interesting tendency showed up: middle level of diversity is often related to more efficient work

of groups or organizations in comparison with lower or higher levels of diversity. The findings from the studies show that diversity brings benefits and increase the performance in specific cases and under the certain circumstances. Moreover there is evidence, that the positive effect of diversities is influenced or even caused by the presence of other factors, probably satisfaction or type of teams or caused by other unknown factors. To conclude, these thoughts are presented in the following findings: diversity increases the performance of groups focused on solving creative and innovative problems. Diversity has been also proposed to be more valuable for more complex, knowledge-intensive task than for simple, more routine tasks. At the individual level of employee the objective measurable individual diversity characteristics showed, that it is not crucial for the management to implement diversity. Diversity at the individual level did not prove to increase productivity. This topic will be studied more deeply in future research.

The conclusions mentioned above are just one of the first analysis in the Czech Republic. There is a need of deeper analysis of diversity measurement at different levels; also the studies should be conducted in the area of complementation of hard and soft performance indicators with different types of diversity. It is important to mention that diversity probably has an indirect influence on financial business performance. As the research results show, it is possible to indicate that diversity could be more effective in product and innovation processes in the company. For the future research it will be good to focus on objective and subjective performance criteria to get more complex picture and to get the insight into the problematic of performance in more or less diverse workforce, which is related to managerial implications of scientific knowledge. It is important to stress that Diversity and performance should be associated with factors such as recruitment and training of staff development (skills, abilities, sharing knowledge) system evaluation, promotion, rewards and motivation, team work and job satisfaction of employees, which are essentially the basic components of Human Resource Management.

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