

8.5: Diverse and Inclusive Workforce

Learning Objectives

- Predict the benefit of a more diverse and inclusive workforce

Understanding and responding to changing societal expectations is necessary when running a retail organization. When HR management sets out to build their workforce it is important to practice good corporate social responsibility. “Corporate social responsibility is the responsibility of an organization for the impacts of its decisions and activities on society through transparent and ethical behavior.”^[1] Now more than ever, today’s society takes notice when a company’s hiring practices include the hiring of diverse employees.

In order to build a diverse workforce for a retail organization it is imperative that HR management writes an initial job posting that does not use language which is discriminatory or offensive. This will limit your potential candidate pool and possibly scare off candidates from diverse backgrounds. “Remove subconscious biases from the hiring process. Write a job spec making sure it doesn’t only appeal to one group of people, such as men. Think about the words you use. “Dominant” and “competitive” are seen as positive traits for men, but as negative attributes for women.”^[2] This carries over into the interviewing and assessment process as well. Retail businesses have an obligation to offer all individual employees a work atmosphere where everyone can contribute and succeed. Therefore, hiring regardless of gender, disability, race or religious background is beneficial for retail companies.

Benefits of an Inclusive and Diverse Workforce

Retail companies are obligated to follow the laws governing labor and management relations. One such act is the Civil Rights Act of 1967. Title VII of this act prohibits employers from discriminatory actions when building and developing their workforce. The passing of this act eventually led to the implementation of another act called the Equal Employment Opportunity Act (EEOA) passed by Congress which will be addressed further in this module. Retail stores are obligated to follow the laws against bias as set forth by statute in order to avoid costly claims and lawsuits filed against them.

Corporate citizenship is a term used to describe how a company exercises its overall obligations and corporate social responsibility. For retail stores to build a positive corporate citizenship they need to go past just complying with laws and regulations, they should also be aware of what society anticipates from them. “Diversity and inclusion is all about creating shared values by working together for a common mission... the members of tomorrow’s workforce are ready to be more purpose-driven than their predecessors, and it is for the companies to harness their positive and creative energy into executable actions”^[3]

Beyond the benefit of hiring a diverse workforce just because it is morally and ethically the right thing to do, there are other benefits as well. Employees with disabilities have higher retention rates.^[4] This means that they are more likely to continue their employment with a company even after having had a significant amount of time to build work experience. Having higher retention rates leads to having reduced turnover rates.

Being socially responsible and building positive corporate citizenship drives profitability for a retail organization. Comprising a diverse and inclusive retail workforce promotes a sense of belonging which will draw in customers of all backgrounds. Diversity within a retail company also promotes innovation. Employees feeling that they are valued regardless of their differences will initiate increased productivity and employee engagement. This sentiment drives progress and growth for a retail store.

Practice Questions

<https://assessments.lumenlearning.co...essments/9226>

1. Ishak, S., & Mohamad Naimi Mohamad Nor. (2017). Corporate social responsibility. *SHS Web of Conferences*, 34 ↵
2. Webb, M. (2017). How To Alter Your Hiring Practices To Increase Diversity. *Forbes*, Web. Retrieved from <https://www.forbes.com/sites/maynardwebb/2017/10/29/how-to-alter-your-hiring-practices-to-increase-diversity>. ↵
3. Parikh, N. (2018). Diversity And Inclusion Matters To The Workforce Of The Future. *Forbes*, Web. Retrieved from <https://www.forbes.com/sites/forbeshumanresourcescouncil/2018/05/09/diversity-and-inclusion-matters-to-the-workforce-of-the-future>. ↵
4. United States Department of Labor. (n.d.). Changing Attitudes, Web. Retrieved from <https://www.dol.gov/odep/topics/ChangingAttitudes.htm> ↵

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