

## Chapter 21

# Leveraging Workforce Diversity through Volunteerism

**Ashwini Joshua-Gojer**  
*University of North Texas, USA*

**Jeff M. Allen**  
*University of North Texas, USA*

### ABSTRACT

*This chapter discusses the subject of workforce diversity as it directly relates to volunteerism, using the Peace Corps as an example. The aim of the chapter is to illustrate how nonprofit institutions can draw upon the value of workforce diversity in order to obtain competitive advantages. The Peace Corps' three-fold mission includes helping the people of interested countries in meeting their need for trained men and women, helping promote a better understanding of Americans on the part of the people served, and helping promote a better understanding of other peoples on the part of Americans (Peace Corps, 2011a). This chapter specifically discusses how the Peace Corps incorporate diversity in their volunteer program. "The agency has always reflected the diversity of America and is actively recruiting the next generation of Peace Corps Volunteers" (Peace Corps, 2011b).*

### INTRODUCTION

The concept of workforce diversity is no longer an alien concept. According to the National Center for Public Policy and Higher Education (2005) the United States (U.S.) workforce is becoming more diverse. A globalized workforce has given rise to the understanding that diversity is all encompassing and has proved to be beneficial (Kossek, Lobel, & Brown, 2006). There are many arguments that

support diversity, suggesting that society is better when we work together. Workplace diversity is increasingly viewed as an essential success factor to be competitive in today's marketplace. In an opinion poll, 81% of respondents said that it is somewhat or very important "to have employees of different races, cultures and backgrounds in the workplace or businesses" (Barrington & Troske, 2001). Diversity is touted as being 'good business' by corporate leaders (Crockett, 2003). Even though research supports the value that workforce diversity adds to organizations, nonprofits seems

DOI: 10.4018/978-1-4666-1812-1.ch021

to lack diversity (Tempel & Smith, 2007; Allison, 2001). In the nonprofit sector, many organizations are involved in working and serving traditionally under-represented and marginalized groups. In these circumstances, the need for responsive and diverse workers takes on greater significance. Diversity not only assumes that all individuals are unique, but that difference is indeed value-added (Rodriguez, 1997).

## **DEFINING WORKFORCE DIVERSITY**

One of the major stumbling blocks in discussions surrounding diversity is its very definition. There are different diversity definitions available in management literature (Weisinger, 2005). According to a survey by the Society for Human Resource Management (SHRM), only 30 percent of human resources professionals say that their company even has an official definition of diversity (SHRM, 2008). A study done by the U.S. Department of Commerce and Vice President Al Gore's National Partnership for Reinventing Government (NPR) Diversity Task Force determined that diversity needed to be defined broadly and that it should encompass a wide range of initiatives that meet the changing needs of customers and workers (US Department of Commerce, 1999). In the context of nonprofits that includes the individuals served by the nonprofit as well as the volunteers and employees who work there. The study suggested that leaders and employees should take active roles in implementing diversity processes and in order for them to succeed they needed to be fully aligned with core organizational goals and objectives. The findings in the report illustrated that the benefits of diversity are for everyone. It also emphasized that diversity, more than a moral imperative, is a global necessity. For the purpose of this chapter, we use the following definition of diversity: Diversity includes all characteristics and experiences that define each of us as individuals (US Department of Commerce, 1999).

## **THE HISTORY OF WORKFORCE DIVERSITY IN THE USA**

Prior to World War I and up until the late 1970s, the human resources field found its roots in scientific management practices, bureaucratization, employment protective legislation, and unionization (Langbert & Friedman, 2002). Frederick W. Taylor (1911), who is regarded as the father of scientific management, promoted the practice of setting performance standards based on individual piece-rate incentives and cooperation of employees and employer through the economically motivated mutuality of interest. Additionally, Taylor emphasized the need to match employee abilities with the specific demands of the jobs through his 'first-class' man standard which required for his system's success (Wren & Bedeian, 2009).

In the 1960s and 1970s, the U.S. took its first steps toward promoting diversity in the workplace. During this period, several important pieces of federal legislation were passed in the U.S. in order to promote equity among workers. In 1961, President John F. Kennedy established the President's Committee on Equal Employment Opportunity. The goal of this committee was to end discrimination in employment by the government and its contractors. Workplaces were faced with a new business mandate of complying with the increasing legislations and regulations that required organizations to focus on achieving demographic variation in order to comply with federal Equal Employment Opportunity requirements. The first of its kind in the early 1960s, the Civil Rights Act of 1964 prohibited discrimination in any federal program or activity. In 1965, President Johnson went one step further, with Executive Order 11246 to promote equal employment opportunity through a positive, continuing program in each department and agency (US Department of Labor, 1965). The Order prohibits federal contractors and federally assisted construction contractors and subcontractors that do more than \$10,000 in government business in one year from

discriminating in employment decisions on the basis of race, color, religion, sex or national origin. Contractors are also required to ‘take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin’ (US Department of Labor, 2002). This was a critical juncture, because it went beyond prohibiting the consideration of race, creed, color, or national origin to acting on the principle that fairness required more than a commitment to impartial treatment.

Title VII of the Civil Rights Act of 1964 was a landmark legislation that made it illegal for employers with more than 15 employees to discriminate in hiring, termination, promotion, compensation, job training, or any other term, condition, or privilege of employment based on race, color, religion, sex, or national origin. Since then, Title VII has been supplemented with legislation prohibiting pregnancy, age, and disability discrimination. Sexual harassment is also prohibited by Title VII. The Equal Employment Opportunity Commission (EEOC) is charged with enforcing Title VII. Affirmative action programs require employers to set goals to increase the utilization of underrepresented groups to achieve equality based on their labor force availability. The Department of Labor’s Office of Federal Contract Compliance Programs (OFCCP) is charged with enforcement of the Executive Order. Because the legislation focused on ‘protected class’ employees (i.e., discrimination was illegal based on race, ethnicity, sex, or religion, initially; protection for other groups, such as people with disabilities followed later), individuals who did not belong to the ‘protected class’ often resented their exclusion and believed that affirmative action led to the hiring of unqualified candidates and to preferential treatment for the targeted groups. As an outcome of these early efforts and the resulting effects experienced by those who felt excluded, today the term “diversity,” which was introduced in the late 1970s, is sometimes used interchangeably with

affirmative action and EEO and still carries some negative connotations (SHRM, 2008).

In 1967 the Age Discrimination in Employment Act (ADEA) was passed. It protects individuals who are 40 years of age or older from employment discrimination based on age (EEOC, 2008). While it seemed that the American industry was booming, the American executive was aging due to complications from the Great Depression and previous wars. Specifically, many highly talented workers were removed from the working ranks due to these proceedings. During this same period in the U.S., the percentage of total employment in the goods-producing sector began to decline while shares of employment in the services sector experienced steady growth (Bhide, 2008; Urquhart, 1984). A historical analysis of the employment shift to services revealed that this growth was not due to an exodus of workers as assumed earlier, but was ascribed to an expansion of the workforce through the addition of people from backgrounds other than white and English speaking (Urquhart, 1984).

During the 1960s, the U.S. experienced an exceptional boom that was occasionally interrupted by a short-term recession. As the early generation of Baby Boomers began to reach adulthood, their aspirations and values were markedly different from their parents’ generation (Oyler & Pryor, 2009). Many Baby Boomers valued education, and the number of granted undergraduate and graduate degrees doubled from 1957 to 1967 (Gitlin, 1987). Moreover, the Baby Boomer generation experienced many new directions in civil rights with the United States Supreme Court Decision in a court case in 1954 to end racial segregation in schools, the racial integration crisis at Little Rock Central High School in Arkansas in the Fall of 1957, the United States Civil Rights Act of 1964 that banned segregation in public places and discrimination in employment, and the rise of Dr Martin Luther King, Jr., who was a civil rights activist (Oyler & Pryor, 2009).

The technological revolution and the increase in the number of increases in the service industry required American companies and labor unions to re-think and modify traditional business practices that were already in place. Simultaneously, these changes brought about changes in the workplace that were rare earlier, ranging from different generations working together, dual-income households, and individuals from different ethnicities working together. All these changes played a role in the impact they had on the effective functioning of the organization. Organizations had to take these workforce changes into consideration when they re-engineered their HR practices. Some of these organizational changes included developing recruiting and selection practices that targeted minorities and formulating organizational benefits that were tailored to diverse populations (Drucker, 1960).

Before World War I and up until the late 1970s, in the period referred to as the Bureaucratic period, Peter Drucker, along with other organizational researchers, discovered that industrialization and corresponding advances in technology required a new managerial mindset. The workforce had expanded to include not just unskilled labor, but also knowledge workers. Human resources progressed from being seen as an overhead expenditure to a valuable and strategic asset of the organization. Furthermore, the drastic changes in demographics, including age, gender, and ethnic/racial diversity pushed forth the perspective that all employees should have access to equal opportunities. Oyler and Pryor (2009) maintain that Drucker's early prescriptive advice remains intriguing because he touted specific HR practices for employees from diverse backgrounds. In terms of research, there was a dearth of ethnic/racial and gender diversity research until the passage of Title VII of the Civil Rights Act in 1964 in the U.S. However, the passage of the federal Civil Rights Act led to significant changes in the composition of the

workforce and provided the foundation for future management research in gender and ethnic issues (Cox & Nkomo, 1990).

In the late 1970s, the Supreme Court in *Regents of the University of California v. Bakke* held in a closely divided decision that race could be one of the factors considered in choosing a diverse student body in university admissions decisions (Anderson, 2005; SHRM, 2008). The Court also ruled that the use of quotas in affirmative action programs was not permissible; thus the University of California, by maintaining a 16% minority quota, discriminated against Allan Bakke. This was a landmark judgment in terms of affirmative action. Firstly, it led to a visible association of diversity with affirmative action and secondly, to viewing diversity as equivalent with efforts to have a numerically representative workforce with respect to race, gender, ethnicity, and other demographic dimensions. These perceptions resulted in the Civil Rights milestones being seen as the origin of diversity and efforts to achieve representation being referred to as managing diversity (SHRM, 2008).

Peter Drucker's emphasis on valuing diversity in organizations is related to the living values challenge (Oyler & Pryor, 2009). Living values look at the extent to which the organization values economic, ethical, legal, and strategic dimensions (Wright & Snell, 2005). Oyler and Pryor (2009) mention that even though this challenge has not been typically discussed under the rubric of HRM and usually falls under social issues management, it is a viable component of the HR profession. In two of his later books, *Managing in Turbulent Times* and *Managing in the Next Society*, he extensively explored major demographic themes and predicted that the relatively homogenous American workforce would evolve to include more women, ethnic minorities, and older workers (Drucker, 1980, 2002). What was unique about Drucker's conjecture was not his

arguments about the consequences of population structure and growth, but his ideas about their potential impact. Drucker encouraged businesses to take advantage of the opportunities of future demographic patterns. He addressed the importance of understanding and valuing age, ethnic/racial, and gender diversity (Drucker, 1980, 2002).

Drucker emphasized three changes and their ultimate impacts. Firstly, he stated that increased life expectancies coupled with low birth rates in the U.S. would continue to increase the proportion of older people in the workplace (Drucker, 1980, 2002). He maintained that “because the supply of young people will shrink, creating new employment patterns, to attract and hold the growing number of older people (especially older educated people) will become increasingly important” (Drucker, 2002, p. 237). Secondly, he illustrated that the American population structure is constantly changing to include more ethnic diversity (Drucker, 1980, 2002). “There is no way to prevent mass migration from Mexico over an open 2,000-mile border into the United States . . . . Whether they are officially ‘legal,’ ‘illegal,’ or ‘quasi-legal’ is immaterial. Socially and culturally, a mass migration of Mexicans to the United States will exacerbate racial and ethnic tensions . . . . Economically, the mass migration from Mexico . . . should be beneficial and should in fact endow American manufacturing with competitive strength such as it has not known for some time.” (Drucker, 1980, p. 92-93). Thirdly, he espoused that the U.S. working population is regularly evolving to include more women (Drucker, 1980). Drucker wrote: “The labor force has become heterogeneous; and its fragmentation will continue. Such splintering will continue in respect to age and sex distribution . . . . Perhaps the majority of both older and younger women will expect different benefits. What appears as a ‘benefit’ or as an ‘opportunity’ to the traditional male employee often has little appeal to the working woman” (Drucker, 1980, p. 81). Thus, Peter Drucker showed a lot of foresight in his predic-

tions of the future of the U.S. workforce and the impact it would have. However, he was not the only one predicting the change that was to come.

In 1987, the Hudson Institute released the landmark study *Workforce 2000*, which predicted that rapid technological change, globalization, the demand for skills and education, an aging workforce and greater ethnic diversification in the labor market would forever change the employment landscape (SHRM, 2008). This new data introduced a model that focused more on how to assimilate large numbers of women and minorities into existing, homogenous corporate cultures rather than how to comply with legal mandates. The assimilation approach sought to increase conformity to the dominant (homogeneous) culture’s ways of thinking and behaving. Minority employees resented and even challenged the notion that they were not recognized nor appreciated for their individual differences (SHRM, 2008). The slogan ‘We are a melting pot’ that emerged in the early 1980s was touted to reject individual differences rather than appreciating them.

The approach to strategically conform minorities into the majority’s mold was backfiring. The corporate world had already begun to experience difficulty in achieving its affirmative action goals. While recruiting underrepresented groups posed a significant challenge, retaining women and minorities was an even greater problem (SHRM, 2008). Turnover data was revealing that as many underrepresented groups as were being recruited were also exiting. This was dubbed the ‘revolving door syndrome’ (SHRM, 2008). Steps had to be taken to understand the reasons behind the high attrition rate. This led to more research being done on the problem and ways in which to correct the situation. While legal procedures had set the ball rolling with regards to workforce diversity, actual behaviors at work were what needed to be changed.

The Civil Rights Act of 1964 and other legal proceedings did not change attitudes, behaviors and subtle discrimination. While organizational human resource efforts improved, the behavior of

individual employees within organizations often did not. In addition, employers found that only hiring a diverse workforce did not bring some of the expected benefits. Evidence suggested that management would have to take a more sustained and committed approach in order to realize the benefits of diversity. This remedial approach gave way, during the 1980s, with the recognition that diversity should not only be legislated or mandated, but also valued as a business attribute. Diversity training came to be implemented in many organizations. Training at the time focused on employee attitudes, as businesses and government agencies tried to raise awareness of and increase employee sensitivity to diversity issues.

The concept of workplace diversity continues to evolve. In the present century, the workforce has evolved rapidly to reflect multiple dimensions of diversity that include age, ethnicity, gender, disability, national origin, and sexual orientation (Thomas, 2005; Bell, 2007; Carr-Ruffino, 2007; Harvey & Allard, 2008; Shore, et al., 2009). While a significant number of organizations continue to focus their diversity efforts on compliance and representation, an increasing number of leading organizations are focusing on the business case for diversity and on building inclusive cultures in the workplace (SHRM, 2008). Human resources together with a diversity orientation that brings about the appropriate individual and organizational outcomes have the potential to create a sustained competitive advantage for the organization. As global demographics change, understanding and valuing diversity has become a reality for modifying workplace policies and procedures (Bell, 2007; Carr-Ruffino, 2007; Harvey & Allard, 2008). The case for workplace diversity as a business necessity is gaining recognition by organizational leaders. At a symposium sponsored by The Conference Board regarding diversity in the workplace, for example, 400 executives agreed that “diversity programs help to ensure the creation, management, valuing and leveraging of a diverse workforce that will lead to organizational effectiveness and

sustained competitiveness” (SHRM, 2008, p. 9). Diversity management in the United States is misconstrued many times to mean a lot of different things. A few years ago, only some companies recognized diversity as a priority, and even among those pioneers in the field, it had little impact beyond increasing representation among women and minorities (SHRM, 2008). It is important to remember that diversity is more than just another word for affirmative action, or quotas, or a win-lose proposition, a means of blaming or changing work ethic. Managing diversity is considered a necessity by forward-thinking companies that want to empower employees, expand market share, and sustain the enterprise.

The future of workforce diversity lies not just in ‘managing’ diversity, but also in understanding the complexity and multidimensionality of the issue (Tatli, 2006). It requires both organizations and employees to be proactive; building on and sustaining the momentum of best practices and proven theory. Not all organizations approach the issue of diversity in the same manner, as we discussed earlier. Research has shown that private, public, and non-profit organizations face similar challenges when faced with the issue of diversity (Gajewski, 2005; Grunin, 2011). There needs to be a system in place to support best practices so that private, public, and nonprofit organizations can reap the benefits of having a diverse workforce.

## **WORKFORCE DIVERSITY IN NONPROFITS**

While major American nonprofit organizations have greatly assisted minority communities in the U.S., and have increased their racial and ethnic composition, their boards, executives, staff and roughly 90 percent of foundation leadership remain largely white (O’Neill, 2002; Tempel & Smith, 2007). One study found that only 14.3% of nonprofit managers were minorities, and of the managers with some graduate education, 12.5%

were people of color (Rogers & Smith, 1994). Weisinger (2005) states that although race and ethnicity are not the only dimensions of representational diversity, “[i]n diverse societies, race, and race-like ethnicity create the most stark divides” (McPherson, Smith-Lovin, & Cook, 2001, p. 429).

There exists a wealth of research and resources related to cultural diversity in philanthropy (Kasper, Ramos, & Walker, 2004; Weisinger, 2005). The development of diversity literature in nonprofit organizations is fairly recent. Much of the research has focused on board composition and governance issues (Weisinger, 2005). Very few studies have focused on diversity among staff and volunteers, nor on issues of diversity that move beyond representational demographics and composition. Because the systematic study of diversity in the nonprofit domain is at a nascent stage (Weisinger & Salipante, 2005), it is useful to analyze how diversity is dealt with in one nonprofit, viz., the Peace Corps.

## **HISTORY OF THE PEACE CORPS**

The Peace Corps are celebrating their 50<sup>th</sup> anniversary in 2011. The agency commemorates 50 years of promoting peace and friendship around the world. To understand diversity in the Peace Corps, it is important to know a little bit about the history of the Peace Corps. Peace Corps is an independent U.S. government agency that provides volunteers for countries requesting assistance around the world. The Peace Corps traces its roots and mission to 1960, when then-Sen. John F. Kennedy challenged 10,000 students at the University of Michigan in Ann Arbor to serve their country in the cause of peace by living and working in developing countries (Peace Corps, 2011c). That inspirational challenge gave birth to a federal government agency devoted to world peace and friendship. It was a bold new experiment in public service. The reaction to the call was both swift and enthusiastic, and since 1961,

more than 45 years, more than 200,000 Americans have responded to this enduring challenge. Ever since that early morning day on 14<sup>th</sup> October, 1960, the Peace Corps has demonstrated how the power of an idea can capture the imagination of an entire nation.

Throughout its history, the Peace Corps has adapted and responded to the issues of the times. At present the Peace Corps has approximately 8,655 volunteers in 71 posts serving in 77 countries (Peace Corps, 2011d). In an ever-changing world, Peace Corps Volunteers are involved in a variety of services ranging from fighting HIV/AIDS in Africa and the Caribbean to providing technical training and support to groups and organizations that want to make better use of information and communications technology. The kinds of service Peace Corps volunteers provide are very varied. The volunteers work with local governments, communities, schools and entrepreneurs to address changing and complex needs in education, health, HIV/AIDS, business and Information Communication Technology (ICT), environment, agriculture, and youth development (Peace Corps, 2011e). Peace Corps volunteers are constantly meeting new challenges with innovation, creativity, determination, and compassion (Peace Corps, 2011d). Peace Corps Volunteers have helped people build better lives for themselves. Their work in villages, towns, and cities around the globe represents a legacy of service that has become a significant part of America’s history and positive image abroad.

## **DIVERSITY IN THE PEACE CORPS**

The Peace Corps’ statement on diversity is “An organization that represents America should be representative of America” (MPCA, 2011a). The Peace Corps Fact sheet states that the agency reflects the diversity of America with volunteers ranging in age from 18 to 86 (seven percent of the volunteers are over 50 years of age), and repre-

## ***Leveraging Workforce Diversity through Volunteerism***

senting all 50 states of America. The demographic differences do not end there—60 percent of the volunteers are women, 93 percent are single, 19 percent are minorities, and 90 percent have at least an undergraduate degree (Peace Corps, 2011e).

A casual glance through the Peace Corps website will strengthen one's belief that the organization is truly diverse. Under the recruiting tab, there is an announcement listed about an information session with a diversity panel in Chicago. The text reads, "Come and participate in an active discussion with a group of diverse Returned Peace Corps Volunteers at Hosteling International. Hear their stories and learn why they chose Peace Corps, what kind of work they accomplished and the relationships they formed through this life changing experience" (Peace Corps, 2011f). Another article under the 'Press and Multimedia' tab, lists a diversity write up published in Texas in 2005. The article itself references Gaddi H. Vasquez, the first Hispanic Director of the Peace Corps (Peace Corps, 2011g). The Peace Corps' attempt at touting the diversity within the Corps is also reflected in their stories from the field listed on the website. The stories documented are varied, ranging from those of married couples serving together, to older Americans, to Empty Nesters as well as Asian and Pacific Islander Americans (Peace Corps, 2011h). The tab on 'Who volunteers' contains photographs and stories of volunteers past and present who reflect the diversity of America (Peace Corps, 2011b). Last, but not least, the Peace Corps is making an effort to propose a wider view of diversity by sharing on their website the stories of their volunteers with disabilities (Peace Corps, 2011i). Besides the Peace Corps itself encouraging diversity, Returned Peace Corps Volunteers (RPCVs) have formed nonprofit groups to help encourage diversity, share stories from the field, and recruit future Peace Corps volunteers.

In 1993, the Peace Corps Gay, Lesbian, or Bisexual Employees (GLOBE) group was formed at Peace Corps headquarters (Peace Corps GLOBE, 2009). It is part of a network of GLOBE chapters

in many different government agencies under the umbrella of Federal GLOBE: Gay, Lesbian, or Bisexual Employees of the Federal government. The purpose of Peace Corps GLOBE has been to work toward improving the volunteer and employee work environment by fostering a better understanding on the part of the general Peace Corps community about issues of importance to Gay, Lesbian, Bisexual, Transgender (G/L/B/T) employees and volunteers. The Peace Corps GLOBE website lists the following goals of the group:

- Work to improve Agency operations, personnel management practices, employee effectiveness, and service to the Volunteers by facilitating the exchange of information about G/L/B/T diversity issues.
- Encourage the celebration of diversity through inclusive, appreciative programming, projects, and purpose.
- Work toward establishment and maintenance of equal civil rights for G/L/B/T employees within the federal workforce.

In order to achieve these goals, Peace Corps GLOBE has sought to raise awareness of Peace Corps' nondiscrimination policy that is inclusive of sexual orientation diversity issues through resource development and distribution, forums, public speakers, and other educational activities (Peace Corps GLOBE, 2009). The Peace Corps, due to the cross-cultural nature of its goals, has gained a reputation as an agency that celebrates diversity. However, Peace Corps GLOBE claims that deficiencies currently exist, especially in relation to G/L/B/T issues. Peace Corps GLOBE intends to work closely with Peace Corps staff to ensure that these issues are appropriately addressed. They intend to work with the Office of Communications to insure that G/L/B/T inclusive language is incorporated into all forms of outreach and communication with the public, including documents such as the Peace Corps

catalog and application form, as well as on the Peace Corps web site. They also intend to reach potential G/L/B/T Peace Corps Volunteers during the application process, so that they can make an informed decision when considering volunteer service with the Peace Corps.

Another group formed by RPCVs is the Minority Peace Corps Association (MPCA). The MPCA was birthed when RPCVs of color met informally to discuss their Peace Corps experiences. What sprang from discussions about the life-changing Peace Corps experience is now a national nonprofit organization (MPCA, 2004). The MPCA aims to (MPCA, 2011b):

- Promote community service,
- Provide support and assistance to returned and serving Peace Corps volunteers and applicants of color,
- Enhance the awareness and participation of Americans of color in international experience, international careers, and international affairs.

Through partnership, special events and outreach activities MPCA strives to strengthen Americans' understanding about the world and its peoples.

As we have seen, the Peace Corps exemplifies diversity both in the field and in their leadership. Other nonprofits can take inspiration from the example that the agency has laid, especially since it is one of the world's most successful and respected development organizations (Peace Corps, 2011j).

## **WORKFORCE DIVERSITY AND HRD IN NONPROFITS**

The changing economic and organizational environments are pressuring organizations to address issues of diversity in new ways. The past few decades have seen a shift that nonprofits have

needed to address and adapt to in order to merely survive. The following section highlights trends that point to diversity as a strategic HR resource for nonprofit organizations and long-term diversity plans organizations can undertake.

### **The Case for Diversity**

The nonprofit sector, like the rest of the nation, has been affected by the first great economic crisis of the new century (Nonprofit Finance Fund, 2011). The national and global trends have already changed and continue to change the environment for nonprofits. A study by Guidestar (2010), an agency analyzing nonprofit financial trends, reveals that there is an increased demand for services in the face of limited supply of services. It is important for nonprofits in this environment to be attuned to rapid and continual shifts in the environment; continually evaluating and interpreting how organizations can best adapt; and experimenting with new responses and approaches (Gowdy, Hildebrand, La Piana, & Mendes Campos, 2009). Even before the recession, Halpern (2006) had suggested that working across generations is but one of the challenges presented by changing demographics. Research indicates that the workforce is one of the nonprofit sector's most valuable resources. Light (2002) found nonprofit employees to be highly motivated, hard working, and deeply committed, but he also discovered that nonprofit employees experience high levels of stress and burn out, and report that their organizations do not provide enough training and staff to succeed. In cases such as these, where the workforce is comprised mainly of volunteers, it becomes imperative that these issues are addressed. Younger generations comprise an increasing percentage of the workforce, and they bring with them new values and expectations around work, activism and the use of technology. This dynamic may challenge the ability of nonprofit organizations to attract and

provide a place for this new generation to find meaningful participation (Gowdy, Hildebrand, La Piana, & Mendes Campos, 2009).

Census figures show that by 2042, the United States will be a minority-majority society, and ongoing and shifting immigration patterns are changing the face of countless communities around the country, with profound implications for nonprofits (Frey, 2011). Additionally, the millennial generation, or Generation Y (comprising those born between 1981 and 1999) is proving more diverse than any preceding generation, with many more young people of color, first- and second-generation immigrants and mixed-race individuals. This diversity highlights how the intersection of generational and other demographic shifts will continue to impact the nonprofit workforce (Gowdy, Hildebrand, La Piana, & Mendes Campos, 2009). To succeed, nonprofits must rethink how they serve as well as how they manage. The business case for diversity in nonprofits is important.

Research on organizations working toward inclusiveness reveals several important factors regarding the process. The single and most important factor affecting the success and endurance of diversity initiatives is leadership (Sidberry, 2002). The commitment towards diversity initiatives must be long-term and should integrate inclusiveness holistically into the organization. A comprehensive approach aimed at changing organizational culture and practices should examine external elements, such as how an organization relates to underserved populations, and internal elements, including the recruitment, retention, and treatment of diverse members. While most nonprofits that involve volunteers excel at the external elements, it is the internal elements that need a boost. Halpern (2006) also insists that special attention must be given to recruitment and retention of diverse staff. Those organizations that are most inclusive tend to have very high leadership commitment to hiring diverse staff and reach out to diverse individuals in the hiring process. This is noticed in

the Peace Corps recruitment effort, as they reach out to a diverse population to recruit volunteers. The most critical retention factor is making sure that volunteers know that the leadership is committed to inclusiveness. Research indicates that barriers to creating an inclusive workplace include insufficient time or financial resources, conflicting priorities, failed integration with organizational mission, and a flawed understanding of oppression and diversity (Halpern, 2006).

## **BUILDING DIVERSITY IN YOUR ORGANIZATION**

A national study produced in partnership by Common Good Careers and Level Playing Field Institute (Schwartz, Weinberg, Hagenbuch, & Scott, 2011) reports that there are five strategies for organizations to shift from just valuing diversity to building and sustaining diversity. They include:

- Open conversations about race that include executive leadership,
- Effective communications about diversity commitments that include measured results,
- Building partnerships and networks that facilitate effective recruiting,
- A hiring process free from subtle bias, and
- Taking the time to develop, mentor and promote a diverse staff.

Successful nonprofits will:

- Acknowledge and discuss generational differences, diversity, inclusion and cultural competency—and clarify their relevance to organizational effectiveness and the ability to effect social change
- Develop new structures and ways of managing both staff and volunteers to meet generational needs; and adapt to changing workplace values and expectations

- Go beyond generational and representational diversity and focus on developing organizational strategy and leveraging diverse ideas, approaches and talents in support of the mission
- Will institutionalize a mentoring system that will help in overcoming stereotypes and invisibility.

The barriers and challenges to more diverse nonprofit organizations are many and varied. But by understanding and addressing them, and learning from the likes of the Peace Corps, organizations can begin to change, and in doing so can strengthen leadership in this sector. Nonprofits are at risk of losing touch with the populations they are organized to serve if diversity initiatives are not leveraged. Embracing a diverse and talented workforce is an objective nonprofits owe their stakeholders, customers, and employees.

## REFERENCES

- Allison, M. T. (2001). *Diversity issues and challenges facing youth-related nonprofit agencies: A report prepared for the center for nonprofit leadership and management*. Tempe, AZ: Arizona State University. Retrieved September 8, 2005, from [http://www.asu.edu/copp/nonprofit/res/div\\_issue\\_fr.pdf](http://www.asu.edu/copp/nonprofit/res/div_issue_fr.pdf).
- Anderson, T. H. (2005). *The pursuit of fairness: A history of affirmative action*. New York, NY: Oxford University Press.
- Barrington, L., & Troske, K. (2001). *Workforce diversity and productivity: An analysis of employer-employee matched data*. Working Paper Series EPWP#01–02. New York, NY: Conference Board Economics Program.
- Bell, M. P. (2007). *Diversity in organizations*. Mason, OH: Cengage.
- Bhide, A. (2008). *The venturesome economy*. Princeton, NJ: Princeton University Press.
- Carr-Ruffino, N. (2007). *Managing diversity: People skills for a multicultural workplace* (7th ed.). Boston, MA: Pearson Custom Publishing.
- Cox, T. Jr., & Nkomo, S. M. (1990). Invisible men and women: A status report on race as a variable in organizational behavior research. *Journal of Organizational Behavior*, 11(6), 419–431. doi:10.1002/job.4030110604
- Crockett, R. O. (2003). *Why diversity is good business*. Retrieved June 17, 2011, from [http://www.businessweek.com/bwdaily/dnflash/jan2003/nf20030117\\_6373.htm](http://www.businessweek.com/bwdaily/dnflash/jan2003/nf20030117_6373.htm).
- Drucker, P. F. (1960). Build tomorrow's workforce today. *Nation's Business*, 48(8), 76–79.
- Drucker, P. F. (1980). *Managing in turbulent times*. New York, NY: Harper & Row.
- Drucker, P. F. (2002). *Managing in the next society*. New York, NY: Truman Talley.
- EEOC. (2008). *Facts about age discrimination*. Retrieved June 17, 2011, from <http://www.eeoc.gov/facts/age.html>.
- Frey, W. H. (2011). *America's diverse future: initial glimpses at the U.S. child population from the 2010 census*. Retrieved June 17, 2011, from [http://www.brookings.edu/~media/Files/rc/papers/2011/0406\\_census\\_diversity\\_frey/0406\\_census\\_diversity\\_frey.pdf](http://www.brookings.edu/~media/Files/rc/papers/2011/0406_census_diversity_frey/0406_census_diversity_frey.pdf).
- Gajewski, M. (2005). Strategic diversity to increase human capital in public and nonprofit organizations. *Nonprofit Management Good Practice Guide*. Retrieved from <http://www.np-goodpractice.org/Management/GVSU/>.
- Gitlin, T. (1987). *The sixties: Years of hope, days of rage*. New York, NY: Bantam Books.

Gowdy, H., Hildebrand, A., La Piana, D., & Mendes Campos, M. (2009). *How five trends will reshape the social sector*. Irvine, CA: The James Irvine Foundation.

Grunin, S. (2011). *Becoming more competitive: How diversity and inclusion can transform your organization*. Paper presented at the Presentation on the Diversity & Inclusion White Paper Activity at the May 12, 2011 ACT-IAC Human Capital SIG Meeting. Retrieved June 17, 2011, from <http://www.actgov.org/knowledgebank/documentsandpresentations/Documents/Shared%20Interest%20Groups/Human%20Capital%20SIG/How%20Diversity%20and%20Inclusion%20Can%20Transform%20Your%20Organization%20-%20Susan%20Grunin-HC%20SIG%2005-11-11.pdf>.

Guidestar. (2010). *The nonprofit research collaborative: November 2010 fundraising survey*. Retrieved June 17, 2010 from <http://www2.guidestar.org/ViewCmsFile.aspx?ContentID=3117>.

Halpern, P. (2006). *Workforce issues in the nonprofit sector: Generational leadership change and diversity*. Kansas, MO: American Humanics.

Harvey, C. P., & Allard, M. J. (2008). *Understanding and managing diversity: Readings, cases, and exercises* (4th ed.). Upper Saddle River, NJ: Prentice-Hall.

Kasper, G., Ramos, H. A. J., & Walker, C. J. (2004). Making the case for diversity in philanthropy. *Foundation News & Commentary*, 45(6). Retrieved June 17, 2011, from <http://www.foundationnews.org/CME/article.cfm?ID=3054>.

Kossek, E., Lobel, S., & Brown, J. (2006). Human resource strategies to manage work force diversity: Examining “the business case”. In Konrad, A. M., Prasad, P., & Pringle, J. K. (Eds.), *Handbook of Workplace Diversity* (pp. 53–74). Thousand Oaks, CA: Sage.

Langbert, M., & Friedman, H. (2002). Continuous improvement in the history of human resource management. *Management Decision*, 40(7/8), 782–787. doi:10.1108/00251740210437734

Light, P. (2002). The content of their character: The state of the nonprofit workforce. *The Nonprofit Quarterly*, 9(3), 6–16.

McPherson, J., Smith-Lovin, L., & Cook, J. (2001). Birds of a feather: Homophily in social networks. *Annual Review of Sociology*, 27, 415–444. doi:10.1146/annurev.soc.27.1.415

MPCA. (2004). *Peace corps hotline*. Retrieved June 17, 2011, from <http://multimedia.peacecorps.gov/multimedia/pdf/returned/hotline/hotline030104.pdf>.

MPCA. (2011a). *Peace Corps' statement on diversity*. Retrieved June 17, 2011, from <http://www.minoritypca.org/Peace.Corps.Diversity.pdf>.

MPCA. (2011b). *MPCA*. Retrieved June 17, 2011, from <http://www.minoritypca.org/index1001a.html>.

National Center for Public Policy and Higher Education. (2005). *Policy alert*. Retrieved June 17, 2011 from [http://www.highereducation.org/reports/pa\\_decline/pa\\_decline.pdf](http://www.highereducation.org/reports/pa_decline/pa_decline.pdf).

Nonprofit Finance Fund. (2011). *2011 state of the sector survey*. Retrieved June 17, 2011 from [http://nonprofitfinancefund.org/files/docs/2011/2011survey\\_brochure.pdf](http://nonprofitfinancefund.org/files/docs/2011/2011survey_brochure.pdf).

O'Neill, M. (2002). *Nonprofit nation: A new look at the third America*. San Francisco, CA: Jossey-Bass.

Oyler, J. D., & Pryor, M. G. (2009). Workplace diversity in the United States: The perspective of Peter Drucker. *Journal of Management History*, 15(4), 420–451. doi:10.1108/17511340910987338

- Peace Corps. (2011a). *Mission*. Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=about.mission>.
- Peace Corps. (2011b). *Who volunteers?* Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=learn.whovol>.
- Peace Corps. (2011c). *History*. Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=about.history>.
- Peace Corps. (2011d). *Peace Corps today*. Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=about.pctoday>.
- Peace Corps. (2011e). *Peace Corps fact sheet*. Retrieved June 17, 2011, from [http://multimedia.peacecorps.gov/multimedia/pdf/about/pc\\_facts.pdf](http://multimedia.peacecorps.gov/multimedia/pdf/about/pc_facts.pdf).
- Peace Corps. (2011f). *Information session with diversity panel*. Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=meet.regrec.event&eventid=97507>.
- Peace Corps. (2011g). *Press and multimedia: Press Corps director touts diversity*. Retrieved June 17, 2011, from [http://www.peacecorps.gov/index.cfm?shell=resources.media.medstories.view&news\\_id=1104](http://www.peacecorps.gov/index.cfm?shell=resources.media.medstories.view&news_id=1104).
- Peace Corps. (2011h). *Stories from the field*. Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=resources.media.stories>.
- Peace Corps. (2011i). *Press and media: Diversity in the Peace Corps*. Retrieved June 17, 2011, from [http://www.peacecorps.gov/index.cfm?shell=resources.media.medstories.view&news\\_id=1503](http://www.peacecorps.gov/index.cfm?shell=resources.media.medstories.view&news_id=1503).
- Peace Corps. (2011j). *Agency jobs*. Retrieved June 17, 2011, from <http://www.peacecorps.gov/index.cfm?shell=jobs>.
- Peace Corps, G. L. O. B. E. (2009). *Lesbian, gay, bisexual & transgender US Peace Corps alumni*. Retrieved June 17, 2011, from [http://www.lgbrpcv.org/articles/11\\_00globe.htm](http://www.lgbrpcv.org/articles/11_00globe.htm).
- Rodriguez, S. (1997). Diversity and volunteerism: Deriving advantage from difference. *The Journal of Volunteer Administration*, 15(3), 18–20.
- Rogers, P., & Smith, J. P. (1994). *Nonprofit management and leadership: The status of people of color*. New York, NY: Nonprofit Academic Centers Council.
- Schwartz, R., Weinberg, J., Hagenbuch, D., & Scott, A. (2011). *The voice of nonprofit talent: Perceptions of diversity in the workplace*. Retrieved June 17, 2011, from <http://www.cgcareers.org/diversityreport.pdf>.
- Shore, L. M., Chung-Herrera, B. G., Dean, M. A., Ehrhart, K. H., Jung, D. I., Randel, A. E., & Singh, R. (2009). Diversity in organizations: Where are we now and where are we going? *Human Resource Management Review*, 19(2), 117–133. doi:10.1016/j.hrmr.2008.10.004
- SHRM. (2008). *2007 state of workplace diversity management: A survey report by the society for human resource management*. Alexandria, VA: SHRM.
- Sidberry, T. B. (2002). Building diversity in organizations. *The Nonprofit Quarterly*, 8(2), 28–33.
- Tatli, A. (2006). Handbook of workplace diversity. *Equal Opportunities International*, 25(2), 160 – 162.
- Taylor, F. W. (1911). *The principles of scientific management*. New York, NY: Harper & Brothers.
- Tempel, E. R., & Smith, L. (2007). *Nonprofits have a spotty record on diversity: Nonprofit times*. Retrieved June 17, 2011, from <http://www.humanics.org/atf/cf/%7BE02C99B2-B9B8-4887-9A15-C9E973FD5616%7D/Smith-Tempel%20Article.pdf>.

Thomas, K. M. (2005). *Diversity dynamics in the workplace*. Belmont, CA: Thomson Wadsworth.

Urquhart, M. (1984). The employment shift from services: Where did it come from? *Monthly Labor Review*, 107(4), 15–22.

US Department of Commerce. (1999). *Best practices in achieving workforce diversity benchmarking study / U.S. Department of Commerce and Vice President Al Gore's national partnership for reinventing government*. Online doc. PRVP 42.2:R 27/2003012037. Retrieved June 17, 2011, from <http://purl.access.gpo.gov/GPO/LPS30263>.

US Department of Labor. (1965). *Executive order 11264, as amended*. Retrieved June 17, 2011, from <http://www.dol.gov/ofccp/regs/statutes/eo11246.htm>.

US Department of Labor. (2002). *Facts on executive order 11264 – Affirmative action*. Retrieved June 17, 2011, from <http://www.dol.gov/ofccp/regs/compliance/aa.htm>.

Weisinger, J. (2005). *Understanding the meaning of diversity in a nonprofit organization*. White Paper. Retrieved June 17, 2011 from <http://www.naccouncil.org/pdf/ARNOVA%202005%20Paper%20Judy%20Weisinger.pdf>.

Weisinger, J., & Salipante, P. (2005). A grounded theory for building ethnically bridging social capital in voluntary organizations. *Nonprofit and Voluntary Sector Quarterly*, 34(1), 29–55. doi:10.1177/0899764004270069

Wren, D. A., & Bedeian, A. G. (2009). *The evolution of management thought*. Hoboken, NJ: John Wiley & Sons.

Wright, P. M., & Snell, S. A. (2005). Partner or guardian? HR's challenge in balancing value and values. *Human Resource Management*, 44(2), 177–182. doi:10.1002/hrm.20061

## KEY TERMS AND DEFINITIONS

**Baby Boomers:** People born at the end of World War II and the late 1960s.

**Melting Pot:** A place where immigrants of different cultures or races form an integrated society.

**Nonprofit:** An organization, corporation or association that conducts business for the benefit of the general public without shareholders and without a profit motive.

**Peace Corps:** A federal government organization that trains and sends American volunteers abroad to work with people of developing countries on projects for technological, agricultural, and educational improvement.

**Revolving Door Syndrome:** Turnovers in organizations, specifically amongst underrepresented groups, where as many groups as were being recruited were also exiting.

**Volunteer:** A person who voluntarily offers himself or herself for a service or undertaking.

**Workforce Diversity:** Similarities and differences including all characteristics and experiences of employees including age, cultural background, physical abilities and disabilities, race, religion, sex, and sexual orientation.