**What makes an organization more diverse and what are the common issues**

Diversity is a key factor that influences performance, productivity, and sustainability of an organization. In today’s globalized and competitive world, Organizations need to embrace diversity to gain a competitive edge, attract and retain talent , and foster a positive work environment. However, diversity is not without it’s challenges, as it requires effective leadership, management and communication skills to overcome the potential conflicts and misunderstandings that may arise from different perspectives, backgrounds, cultures, and identities . In this essay I will explore the importance of diversity in an organization and some of the challenges.

Our culture influences the way we see the world. A variety of viewpoints along with the wide-ranging personal and professional experience of an international team can offer new perspectives that inspire colleagues to see the workplace and the world differently. Diversity of thought has been shown to breed creativity and drive innovation, helping to solve problems and meet customer needs in new and exciting ways. For example, cosmetic giant L’Oréal attributes much of it’s impression success in emerging markets to it’s multicultural product development teams. Multiple voices, perspectives, and personalities bouncing off one another can give rise to out-of-the-box thinking. By offering a platform for the open exchange of ideas, business can reap the biggest benefits of diversity in the workplace. A recent study from Forbes echoed this notion concluding that “ the best way to ensure the development of new ideas is through a diverse and inclusive workplace ”.

A multicultural workforce can give an organization an important edge when expanding into new markets. Often, a product or service needs to be adopted to succeed overseas. Understanding local laws, regulations, and customs as well as the competitive landscape, can help a business to thrive . Moreover, local connections , native language skills, and cultural understanding can boost international business development exponentially. And being more competitive ultimately means more profitable. Diversity Inc. annually recognizes the top 50 most diverse companies and measures their success against the broader market. Recent research from McKinsey also underscores the fact that diversity is good for a business’s bottom line. In fact, ethnically diverse Companies were shown to be 35% more likely to have financial returns above the national industry median.

Cross-cultural understanding, along with local market knowledge, lends itself the production of more effective marketing strategy and materials. For example, high quality and culturally sensitive translations of websites , brochures, and other assets are essential . But these can be overlooked without the input of a native speaker. Even brand taglines can get badly lost in translation. A frequently cited example is from KFC in China, whose chicken was marketed as so tasty , you’ll “ eat your fingers off!” ( a poor translation of their brand tagline, “Finger lickin’ good.” Market -specific knowledge and insight is invaluable when it comes to for imagery and design, too. What might work well on a billboard for a British company could fail or offend elsewhere. A memorable McDonald’s print ad in Finland may have been considered clever locally , but it was seen as confusing and even grotesque by foreign audiences. The danger of making a serious marketing blunder, which can cause irreparable damage to a brand or business abroad, can be mitigated by employing a diverse workforce with a local market savvy.

According to a Glassdoor survey, two thirds of job hunters indicated that diversity was important to them when evaluating companies and job offers. In a competitive global job market, demonstrating that your business is invested in fostering a multicultural and inclusive environment can make you stand out to the right candidates. Making diversity an important part of the recruiting process will broaden your talent pool of prospective employees. Not only does hiring from a more diverse to a pool makes your business attractive to ambitious, globally minded candidates , it also helps you to keep them on board . Diversity, including diversity of gender, religion, and ethnicity, has been shown to improve retention and reduce the costs associated with employee turnover. In a diverse workplace, employees are more likely to remain loyal when they feel respected and valued for their unique contribution. This in turn , fosters mutual respect among colleagues who also value the diverse Culture, perspectives, and experiences of their team members. An inclusive atmosphere of cross-cultural cooperation is an excellent way to bond colleagues and teams across the business.

By drawing from a culturally diverse talent pool companies benefit from hiring professionals worth a broad range of skills that are often not accessible when hiring locally. Globally oriented companies can add to their service range by leveraging the skills and experience their international employees bring to the table. A broader skill base and a more potentially diverse offering of products and services can help your business to have the competitive advantage of adaptability. In today’s volatile and uncertain global business environment, nimble and adaptable organizations are the ones that thrive. Adaptability means foster and more effective planning, development, and execution. A company with cultural and cognitive diversity can be quicker to spot a gap in the market. It will also have the global insight and experience to help a new or adapted product to meet changing customer behavior and succeed.

The range of experience, expertise and working methods that a diverse workplace offers can boost problem-solving capability and lead to greater productivity. In fact, studies have shown organizations with a culture of diversity and inclusion are both happier and more productive. Where working in homogeneous teams can seem easier it can cause a business to settle for the status quo . Diversity , on the other hand, can breed healthy completion, stretching a team in a positive way to achieve their best. This atmosphere of healthy completion can lead to the optimization of company processes for greater efficiency. As a recent article in the *Harvard Business Review* argues, the challenges of working in a diverse team are one of the reasons why diverse teams perform better: “ working on diverse teams produces better outcomes precisely because it’s harder.”

However the presence of diverse brain power alone is not enough. It’s also critical to create an open and inclusive workplace environment, so all team members feel empowered to contribute. This can particularly be challenging for colleagues from polite or deferential cultures. For instance , professionals from Asian countries such as Vietnam or Japan may feel less comfortable speaking up or sharing ideas, particularly if they are new to the team or in more junior roles. Conversely, assertive colleagues from the U.S or western Europe, or those from Scandinavian countries who emphasize flat organizational hierarchy may be more inclined to speak up meetings or negotiations when others do not.

While local expertise is an invaluable asset, it is also important to foster integration among teams to avoid colleagues from different countries working in isolation and limiting knowledge transfer. This can be a challenge to overcome, particularly if they are underlying prejudices between cultures, making them less inclined to work together. Negative cultural stereotypes can be seriously detrimental to company morale and affect productivity. For instance, the centuries-long antipathy between the British and French, or the polish and Germans can sometimes creep into the workplace. Although not all stereotypes are necessarily negative -like notion that Americans are confident or Asians are intelligent all are simplifications that can prove limiting or divisive in the workplace. While outright prejudice or stereotyping is a serous concern, ingrained and unconscious cultural biases can be more difficult challenge of workplace diversity to overcome.

Despite the clear benefits, hiring talent from overseas can present a HR challenge. Not least among this is the complicated process of navigating employment laws and visa requirements for international workers. Requirements and regulations are different in each county and between countries, and can change frequently. Beyond visas, further accommodations for the recruiting and retaining a culturally diverse workforce should be taken into account. For instance, providing a quiet space for prayer can make a workplace more of beliefs, as can taking into account different cultural or religious holidays of course, these considerations and accommodations can sometimes be added business cost as well as logistical challenge.

Diversity is a valuable asset for organization as it can enhance its creativity, innovation, problem -solving, customer satisfaction, and social responsibility. However diversity also requires careful attention and management, as it can create conflict communication, barriers, stereotypes, biases, and discrimination among employees. Therefore organizations need to implement policies and practices that promote diversity, inclusion, and equity, such as hiring, training, mentoring and rewarding diverse employees, creating a culture of respect and collaboration, and addressing any issues or complaints that may arise from diversity. By doing so organizations can leverage the benefits of diversity and overcome the challenges that it posses.

**References**

1. 13 benefits and challenges of cultural diversity in the workplace https://www.hult.edu/blog/benefits-challenges-cultural-diversity-workplace/
2. Diversity in the workplace: Benefits, challenges, and required…https://edis.ifas.ufl.edu/publication/HR022
3. What is diversity, equity, and Inclusion (D&I)?/McKinsey.https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-diversity-equity-and-inclusion