Reconciling Competing Discourses of Diversity? The UK Non-Profit Sector Between Social Justice and the Business Case

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Abstract. The tension between the business case and social justice approaches forms a crucial point of debate in the diversity and equality field. However, their presentation as essentially oppositional is brought into question when the ‘business’ of the organization itself concerns social justice. This article draws on research in UK voluntary (non-profit) organizations to reveal the ambiguities and variations found in local constructions of equality and diversity. Managers and diversity specialists reconciled moral and business rationales through re-inscribing utilitarian arguments within an organizational commitment to social justice; however, significant dilemmas associated with doing diversity remained. The article argues for a shift in the research agenda away from competing ‘cases’ and towards investigating how the challenges that diversity presents can be worked through in day-to-day organizational practice. Keywords. diversity; equality; managing diversity; non-profit organizations; social justice

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A number of commentators have pointed to diversity’s radical roots—for Johns (2004) these lie in ethnic politics in the USA, whilst Tomei (2003) connects it with social movements of the 1970s and 1980s that involved (amongst others) women, indigenous and tribal peoples, lesbians and gay men. Within these movements ‘diversity’ represented a multiplicity of differences within and beyond the axes of gender and race, linked to a political project of empowerment (Dietz, 2003). However ‘diversity’ is now largely associated with a managerially driven agenda, according to which the main driver for inclusive and non-discriminatory organizational policy and practice is the ‘business case’ (Dickens, 1999; Litvin, 2006; Noon, 2007). Business case arguments claim that a workforce that is representative of a wide range of socio-demographic categories is advantageous as a means to obtain business advantage. The tension between an approach based on utilitarian arguments (the business case) and an approach based on social justice and human rights forms a crucial point of debate in the diversity and equality field. Although much criticism has been levelled at the business case some researchers claim that business arguments can coexist with social justice arguments to produce a case for diversity that is capable of achieving greater social equality (Barmes and Ashtiany, 2003; Maxwell, 2004).

The idea that these two approaches are essentially oppositional is particularly questionable when the ‘business’ of the organization itself concerns achieving social justice. Many voluntary (non-profit) organizations trace their origins to these same social movements, and the centrality of ideas of social justice to such organizations’ self-understanding suggests that equality and diversity issues are of fundamental importance. But voluntary organizations are also increasingly engaged in public service provision, demanding that they demonstrate cost-effective and professional management. The potentially conflicting expectations associated with these different aspects of their mission mirror the distinction drawn between the social justice case and the business case for diversity. The voluntary sector represents therefore a particularly interesting site in which to explore the tensions between moral and utilitarian arguments, but one which has rarely been the subject of research in the diversity field. This article contributes to the debate concerning the possibilities of co-existence between business and social justice arguments through an exploration of how managers and diversity specialists from within the UK voluntary sector engage with the ambiguities, tensions and contradictions found within competing and overlapping discourses of diversity. It begins by briefly reviewing current debates concerning equality, diversity and the business case before considering how social justice, diversity and equality are interconnected in accounts of the voluntary sector.

Equality, Diversity and the Business Case

The ‘conceptual and linguistic shift’ (Woodward and Winter, 2006: 45) from ‘equality’ to ‘diversity’ is explained as a renewal of old strategies to
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combat discrimination and promote equality (Blackmore, 2006; Kamp and Hagedorn Rasmussen, 2004; Woodward and Winter, 2006). It is claimed that equal opportunities policies have failed to achieve the goal of greater organizational inclusion of minorities (Ahmed, 2007) because of insufficient involvement and commitment on the part of organizational managers. Arguments for inclusive and non-discriminatory employment practice based on the rationale of ‘equal opportunity’ have proved insufficiently convincing; ‘managing diversity’ provides a powerful set of arguments with which to mobilize management interest in the needs of members of minority groups (Kandola and Fullerton, 1994). Managing diversity is framed as a strategic response to challenges arising from demographic change and is differentiated from equal opportunities on the basis that the proper subject of organizational interventions is the individual, not the group, and that diversity encompasses a whole range of differences beyond those associated with disadvantage or covered by anti-discrimination legislation. These arguments are used to claim that diversity is a concept with wider appeal than traditional equal opportunities, since it encompasses differences that apply to everybody, not just to those who can place themselves within a minority or disadvantaged category.

In practice, however, it is differences associated with discrimination that form the focus of accounts of diversity policy and practice, because of the claim that the diversity approach is more capable of achieving the aims of greater equality and inclusion. Two competing versions of how these differences are approached have been discerned (Liff, 1999). The ‘dissolving differences’ approach recognizes that ‘the organization needs to adapt to diverse employees, but in a way that treats these purely as individual differences’ (Liff, 1999: 71). In contrast ‘valuing diversity’ recognizes social group membership and supports the idea that the organization should find ways of accommodating the needs of group members. Recognizing and valuing differences forms a basic principle of the ‘business case’ for diversity, expressed in terms such as the following:

Managing diversity strategies recognise that difference is not a threat to organizations but a potential source of competitive advantage and innovation. (Work Foundation, 2006: 6)

A variety of arguments are used to support such claims. Widening opportunities enables organizations to draw on the ‘widest pool of talent’ and attract and retain the ‘best’ employees irrespective of their age, ethnicity etc., while recruiting a workforce that mirrors the demographic make-up of potential customers enhances the organization’s ability to attract customers and respond to their differing needs. Organizational members from (for example) minority ethnic backgrounds can make a special contribution based on their knowledge of their particular cultures. And it is further claimed that diversity contributes to organizational renewal and innovation; challenging established practice by offering alternative perspectives that reflect the diversity of its employees (Due Billing and Sundin, 2006; Kamp and Hagedorn Rasmussen, 2004).
Critiques of such accounts focus primarily on their ideological position. Managing diversity is politically charged (Noon, 2007) because its arguments are located within a functionalist paradigm that privileges and universalizes managerial interests (Sinclair, 2006). This is evident in the primacy of business case arguments, which are, according to Litvin (2006: 85–86) based in a ‘normalized Mega-Discourse that enshrines the achievement of organizational economic goals as the ultimate guiding principle and explanatory device for people in organizations’. Yet, as Kamp and Hagedorn Rasmussen (2004: 532) point out, managing diversity evolved as ‘a story of how to obtain both equality and business success; it depicts a win–win situation where these two perspectives are united’. According to this story when management support is enlisted through the business case, more active and effective steps are taken to address issues of organizational inequality. However, for Noon (2007) this argument is ‘fatally flawed’ because it is based on contingent thinking—by providing cases where discrimination is clearly economically irrational or disadvantageous, business case arguments open up the possibility that in other cases discrimination could be justified economically. A strategy based on exploiting the business benefits of diversity is vulnerable to short term economic challenges (Barmes and Ashtiany, 2003), entailing the risk that ‘good for business’ arguments could be used against the intention to promote equality and inclusiveness.

According to these critiques questions of unequal power are sidelined or removed from the agenda (Litvin, 2006; Noon, 2007; Sinclair, 2000; Woodward and Winter, 2006). Anti-discrimination concerns are diluted by embedding a category such as race amongst markers which do not share its marginalizing and exclusionary associations, in line with the ‘dissolving difference’ approach. But ‘valuing difference’ is also problematic, because differences are valued, not in themselves, but in relation to the achievement of organizational goals. Thus Zanoni and Janssens (2003) revealed how, rather than engage with multiplicity, human resource managers limited the categories to which diversity was applied to those that they deemed relevant in helping or hindering the organization achieve its goals.

According to this critique the business case for diversity offers no challenge to existing power relations and the established order. Yet many critical voices argue also that the coherence, pervasiveness and stability of diversity discourses are over-emphasized (Kamp and Hagedorn Rasmussen, 2004; Kersten, 2000; Wrench, 2005; Zanoni and Janssens 2007). Although diversity rhetoric advocates it as ‘other than’ equal opportunities, in practice the concepts are increasingly found together as ‘equality and diversity’. The idea that diversity approaches ‘build on’, rather than oppose equality, supports claims that diversity can provide additional arguments to justify equality initiatives (Dickens, 1999) and facilitates advocacy on behalf of a broader range of employees than are encompassed by traditional equal opportunities (Liff, 1999).
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Alternatives to the Business Case

Empirical studies reveal that the way that diversity is interpreted and enacted is highly context specific and that the weight given to business case arguments varies across, and within, organizations (Janssens and Zanoni, 2005; Kamp and Hagedorn Rasmussen, 2004). These different arguments for diversity reinforce the view that it is something that needs to be justified and advocated in order to ‘get through’ various points of resistance (Ahmed, 2007). Business case arguments are deployed because it is assumed ‘managers’ find it hard to oppose arguments for diversity based on an economic rationale. The alternative to the business case is to argue that equality and social justice are desirable ends in themselves; such arguments having a moral, rather than a utilitarian foundation. The validity of these moral arguments is not necessarily denied, nor are they excluded from organizational agendas. Kamp and Hagedorn Rasmussen (2004) explain how, at the strategic level of a Danish municipal authority, the case for their diversity programme was strengthened by the inclusion of ‘moral’ arguments, drawing on a ‘social justice’ discourse and incorporating the idea of the organization as a socially responsible institution. Maxwell (2004: 199) argues that her study of diversity management at BBC Scotland shows it is possible to ‘combine business and moral aspects of managing diversity in practical diversity initiatives’. Barmes and Ashtiany (2003) found that economic arguments were given as the primary driver for diversity in UK investment banks, with ‘moral’ justifications regarded as serendipitous side benefits. Ahmed (2007) reports the claims of diversity practitioners in Australian universities that they switched between representing diversity based in a business model and diversity based in a social justice model according to their assumptions about what would most appeal to particular audiences.

It is also argued that economic and non-economic rationales can be mutually reinforcing—Barmes and Ashtiany (2003: 284) claim that ‘paradoxically the business benefits of diversity may in fact depend on non-economic justifications being given space’, arguing that concern for less instrumental values offers a better basis for enrolling organization-wide support. Furthermore, it is claimed that business arguments can be productive of agency and positive identity in those who are the targets of equality and diversity policies. The ethnic minority trainees in Maxwell’s (2004) study explained their presence and participation, not as passive beneficiaries of the organization’s diversity policies but as actively enhancing the quality of its output. This is in line with Zanoni and Janssens’ (2007) research showing how minority employees drew on managerially inspired discourses of diversity in so far as they helped them to build positive identities.

The question remains though, whether moral justifications are included merely to support the business case and widen its appeal. The placement of social justice and business models of diversity within ‘contradictory logics’ (Ahmed, 2007) reflects the position taken by Noon (2007) and
Sinclair (2006) that advocacy of the business case necessarily undermines the legitimacy of social justice arguments. For Noon (2007: 781) equal opportunity ‘is a human right based in moral legitimacy (social justice) rather than economic circumstances’ so that a universal principle of equality cannot logically be supported by a contingent argument based on provisional economic advantage. An organization’s commitment to social justice and equality is demonstrated therefore by how far diversity initiatives are pursued without any obvious economic benefit accruing from them, or even if they might jeopardize the organization’s business interests. This formulation assumes a fundamental incompatibility between business interests and social justice; however not all organizational ends are expressible in financial and economic terms. The idea of a case for diversity constructed without any acknowledgment of issues of inequality or exclusion seems particularly inappropriate for organizations whose mission itself encompasses human rights and social justice.

The Voluntary Sector—Social Justice, Equality and Diversity

Voluntary organizations occupy a space separate from the market, state or family (McDonald and Warburton, 2003) from which they collectively contribute ‘to the vitality and health of democratic societies’ (Smith, 2005: 463) through campaigning, advocacy and service provision. The report of a recent study commissioned by the Carnegie UK Trust into the links between civil society associations and social justice revealed that ‘only a very few organizations felt unable to offer any kind of definition of the meaning of social justice’ indicating that ‘the concept was a very familiar one and people had thought hard about its meaning’ (Craig, 2009: 17). These findings echo those of Blake et al. (2006) who found that ‘pursuing equality’ was one of seven ‘values’ most frequently cited as of defining importance to people working in voluntary organizations, along with ‘making voices heard’ and ‘empowering people’. According to the Carnegie UK Trust survey the two concepts most commonly used in explicating the understanding of social justice were ‘fairness’ and ‘equality’ (Craig, 2009). Within radical social movements asserting and celebrating group difference were claimed to be more emancipatory than assuming that equal social status for all ‘requires treating everyone according to the same principles, rules and standards’ (Young, 1990: 158). The idea of a participative and inclusive notion of equality that legitimates special treatment for members of marginalized groups is reflected in Craig’s finding that respondents did not regard equality as ‘sameness’ and that ideas of social justice involved ‘a nexus of ideas about respect for diversity and difference’ (Craig, 2009: 23). These findings support the view that ‘social justice’ is central to voluntary organizations’ self-understanding. This understanding incorporates the idea of ‘respecting diversity’ alongside equality and fairness so that ‘diversity’ is attached, not to a utilitarian business case, but to a social justice mission.
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Although diversity and equality are discussed largely in relation to representation and participation amongst service users, Schwabenland (2006) argues that organizational legitimacy is enhanced and supported by congruence between their founding aspirations and the values that drive their day-to-day practice. This need to be seen to be ‘practising what they preach’ implies that there should be a fit between those that the organization serves and those that it employs. Olejay-Surtees (2004) writing of her experiences as a diversity advisor within Oxfam UK describes the organization as one whose: ‘beliefs and principles were fundamentally grounded in equality, dignity and respect for all’ but where she expected to find ‘more visible diversity in the profile of its UK staff because of the stated values of the organization and the nature of its work in international development’ (Olejay-Surtees, 2004: 57).

Yet alongside this stress on the distinctiveness of its values and its commitment to user and community engagement, accounts of the sector report that many organizations have moved away from their voluntaristic roots and that the boundaries between the voluntary, private and public sectors have become increasingly blurred. Demands from funders, government contracts and regulatory bodies have resulted in increasing pressure on organizations to adopt more ‘professional’ management practices (Chew, 2006; Ebrahim, 2005). The importance attached to projecting professionalism and expertise has contributed to increased similarity across organizations that once prided themselves on ‘doing things differently’ (Leitner, 2005). According to Craig, government funding particularly threatens the social justice mission of organizations in the sector:

It is striking that only those organizations largely free from government funding felt similarly free to pursue what they saw as their social justice mission. (Craig, 2009: 39)

Yet although voluntary organizations are increasingly expected to adopt a ‘business-like’ approach, to compromise their ideologies or stray too far from their mission is to threaten the distinctiveness of their contribution (Chew, 2006). The tensions drawn between a values-driven identity and conformity with models of managerial efficiency reflect those drawn between the moral and business case for diversity. This suggests that voluntary organizations could be a fruitful source of models of diversity that engage with both. But although the sector has contributed to a rich tradition of work involving people from marginalized positions in society: ‘discussion of diversity issues and practice is lacking’ (Mole and Harrow, 2001: 4). Our research aims to uncover how managers and diversity specialists in the sector engage with the tensions and contradictions found within competing discourses of diversity. This article draws on constructions of diversity that were surfaced through this research to address the following three questions: how is diversity management constructed in relation to equal opportunities; on what basis is the case for diversity legitimated and what dilemmas does doing diversity in voluntary organizations present?
Method of Inquiry

We draw on interviews with key informants, conducted in order to scope out the ways in which a range of actors from within the sector engaged with and conceptualized diversity. We selected interviewees from across both strategic and operational organizational levels, from contrasting organizations (though all claimed a social justice mission) and from two infrastructure organizations which provide advice, training and support for smaller organizations. Interviewees were initially identified from responses to an email sent via a voluntary sector mailing list, from a network of diversity specialists in the sector, and through our own contacts. Two key informants gave us access to carry out further interviews within their organizations—these were a charity working in the field of crime prevention and the rehabilitation of offenders (‘Rehab’), and a charity providing advocacy and services for children and young people (‘Childcare’). The interviewees within each organization comprised managers and project leaders who were regarded as highly engaged with diversity and equality issues and practice.

We interviewed 20 people in total (see Table 1). The interviews, which generally lasted between one hour and an hour and a half, were semi-structured, using open-ended questions designed to facilitate interviewees’ identification and framing of the issues using their own language and in their own terms. These questions invited interviewees to describe their organizational role and their engagement with equality and diversity issues in their work; issues and problems that they associated with implementing these policies and examples of good practice found in their own organization or in the voluntary sector more widely. The questions were framed

Table 1. Interviewees

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<thead>
<tr>
<th>Role</th>
<th>Organization</th>
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<tr>
<td>Chief executive, organization providing services for people with learning disabilities</td>
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<td>Senior manager, grant awarding body</td>
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<td>Chief executive, infrastructure organization, urban regeneration projects</td>
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<td>Senior manager and project manager community development project*</td>
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<tr>
<td>Chief executive, organization providing services for people with physical disabilities</td>
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<tr>
<td>Diversity project manager, international relief agency</td>
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<tr>
<td>Diversity officer, regional infrastructure organization</td>
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<tr>
<td>Head of equality strategy, Rehab</td>
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<td>Senior manager, Rehab</td>
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<tr>
<td>Senior project worker, Rehab</td>
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<td>Project manager and team manager, Rehab*</td>
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<tr>
<td>Senior manager A, Childcare</td>
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<td>HRM manager, Childcare</td>
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<td>Senior manager B, Childcare</td>
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<td>Senior administrator, Childcare</td>
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<tr>
<td>Team coordinator, Childcare</td>
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<tr>
<td>Project manager, organization working with substance mis-users; Board member, volunteer agency*</td>
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*Both interviewed at the same time
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in relation to ‘equality and diversity’ coupled together, reflecting how this aspect of organizational practice is generally represented in the sector, but interviewees were asked what distinction, if any, they made between ‘equal opportunities’ and ‘managing diversity’.

Given its size and complexity we do not make any claims that the constructions discussed here are representative of the sector as a whole. However, the structure of our sample enabled us to explore consensus, consistency and variation amongst the views and concerns of individual actors from across organizations, within organizations and within individuals themselves.

The interview transcripts were read and re-read by both authors. They were coded according to ‘equality’ versus ‘diversity’ and according to the rationales given for organizational diversity and equality—whether these drew on utilitarian, business arguments or on social justice arguments. Our analytical approach was influenced by understanding particular discursive acts as both constructed (organized and assembled using available categories and schemas) and as constructive (as building versions of the world) (Hepburn and Potter, 2004). Exploring the constructed nature of the selected texts involved identifying the discursive resources and repertoires that they drew upon, and locating these within Mega-Discourses such as New Public Management, strategic management and equality and human rights. Our exploration of their constructive nature focused on identifying the versions of diversity that were built from these resources. It involved considering how themes, ideas and concepts drawn from a variety of contexts were connected or disconnected, associated or disassociated, to achieve reconciliation or opposition between apparently contradictory or competing logics and positions.

In presenting our findings we focus on diversity constructed in relation to employment rather than to service delivery in order to facilitate consideration of their relevance to wider issues and debates. We draw upon extracts from seven interviews (indicated in italics in Table 1). While these selections do illustrate the contrasting positions and perspectives identified through our study, we have chosen to limit the number of voices in order to reveal apparent contradictions and variations within individual accounts, reflecting the ambiguity that diversity presents. This ambiguity is discussed in relation to the construction of diversity in relation to equal opportunities, to the rationales provided to support and justify diversity, and to the dilemmas associated with doing diversity.

Constructions of Diversity and Equal Opportunities in Voluntary Organizations

In contrast to the direct contradiction between diversity and equal opportunities found in the existing critical diversity literature, our respondents constructed these concepts in more nuanced and less clearly opposed ways. Their constructions reflect the pervasive shift from equality to
diversity, but they differ in the extent to which this shift is welcomed and embraced. Where the shift is embraced, diversity is not represented as replacing or substituting equality but as adding ‘more’ to an existing organizational commitment to equal opportunities. For instance, an HRM Manager told us:

For me the right is lower you see […] I put equal opportunity at the bottom, then I put diversity then I put dignity. The right is the basic legal requirement, it’s what I call the standard—to me it’s a minimum standard […] of course they have the right—I want more than that from the organization! (Childcare)

Such representations of diversity as ‘more than’ equal opportunities draw on the idea that the latter merely refers to avoiding direct discrimination and conforming to legislation. From this perspective, diversity involves ‘positive’ and proactive organizational initiatives, whereas equal opportunities are mainly concerned with what the organization should not do.

In other cases, diversity is constructed as not only positively adding to equal opportunities through valuing differences, but as the explicit use of such differences to achieve organizational advantage. For example, according to the Chief Executive of an organization providing services for people with physical disabilities:

I see equal opportunities as a baseline that you need to make sure that we are not creating unequal barriers to people … my own view of managing diversity is that it is […] a positive thing, it is about building on the strengths that diversity bring to you […] if we have people from minority ethnic communities who are working for us already who can provide us with an insight in how we might be able to break in to other communities, that’s what I call managing diversity, actually building on what people bring to the table and not just saying that’s right we employ black people, that’s fine—it’s hang on a second we employ black people that must give us an advantage somewhere what is that advantage?

The assertion here—‘we employ black people, that’s fine’—may be interpreted as offering reassurance that the organization does not employ black people because of the prospect of achieving this advantage, but because it is right (as an equal opportunities employer) to do so. Whereas this excerpt draws on the classical business case argument that organizational diversity enhances access to different markets, the next example makes the case for diversity by referring to aspects of the organization that are more specifically related to its location in the voluntary sector. The speaker supports the privileging of diversity over equality by invoking the organization’s distinctive principles:

It’s [EO] not so explicit as it is in the diversity policy which really does seek to increase diversity rather than looking at—not discriminating against people … more of a positive than negative—I suppose one of the major things that you should know about [organization … ] we have fundamental principles […] and those include neutrality, impartiality and one called unity which includes the phrase ‘open to all’ […] But that doesn’t necessarily mean
that in practice you are and I think the organization’s coming to terms with the fact that—we actually need to do something, have to take initiatives and be proactive in order to be properly open to all and to be properly neutral as well, because you’re not neutral if you are not welcoming. (Diversity Project Manager, International Relief Agency)

Not all accounts, however, privilege diversity over equality. In the preceding constructions the placement of equal opportunities in a ‘lower’ or ‘baseline’ position implies that it is not as immediate an organizational priority as diversity. In line with the concerns expressed in the critical diversity literature, other interviewees are concerned that the shift to diversity obscures or dilutes an organizational commitment to address inequalities. The following illustration of this latter position is interesting because, in line with the above examples, it contains the idea of diversity as something ‘additional’, but uses it to argue for the primacy of equality over diversity:

I think there seems a real shift away from talking about equality to talking about diversity […] and actually the two things are very, very different […] I just think that it’s very easy for organizations to—just focus on OK you know we must give people things like childcare […] and we forget about discrimination, disadvantage—that many people will face for one reason or another. So, yes, I think we clearly make that distinction and that’s why we have an equality and diversity policy rather than a diversity policy. (Head of Equality Strategy, Rehab)

Significantly, diversity is here not associated with ‘valuing differences’ but with accommodating employees’ needs, such as those deriving from work–life balance. The same interviewee further supports this position by reference to the organization’s anti-discrimination ethos, extending this principle to its role as employer:

I guess it kind of goes right back to […] the ethos of the whole organization […] it would be very much be tied into our whole agenda on crime protection about removing barriers for people in terms of employment with the organization […] is very much about kind of trying to remove those barriers of discrimination and disadvantage. For example the disproportionate effect of the criminal justice system on minority ethnic people …. (Head of Equality Strategy, Rehab)

The concerns that are expressed in the previous extract—that the utilitarian associations of diversity undermine an organizational commitment to address inequality and injustice, are found also in the challenge made by a Senior Manager to the business case for diversity, which she contrasts with a ‘moral case’:

Why are we writing a policy again that’s talking about the business case for diversity rather than the moral case for diversity or the values case for diversity […] are you really saying [that] here’s an organization, you know really committed to social justice and campaigns and challenges? (Senior Manager A, Childcare)
The constructions of diversity and equal opportunities presented in this section do not reveal a straightforward, clear-cut opposition between the two concepts. Rather, both are variously interpreted. Diversity can mean valuing differences, but is also applied to an instrumental, business-like approach to differences, and to HRM policies such as family-balance. Equality can mean formal compliance with equal opportunity legislation but also genuine commitment to combat discrimination against certain groups in society. Furthermore, the ethos and values of voluntary organizations are invoked to support both equality and diversity. This ambiguity reflects the question—if the organization’s business is social justice, then how meaningful is it to counter-pose diversity pursued for organizational benefit with equality pursued on moral grounds? The next section examines in more detail the rationales used to explain and justify diversity and equality policies and practices.

Rationales for Diversity and Equality

In this section we examine how far diversity is built through applying a business case rationality (as a means to an end) or as social justice (an end in itself). An example of the latter is provided by the following:

We would like to be able to help some of the young people that fall off the system into employment. So we create two sponsorships towards that already […] we’re desperately trying to create opportunities that would enable young people who don’t fit anywhere into the system back into society. That’s the social justice element! (HRM Manager, Childcare)

The employment initiative in this example can be understood as a manifestation and an extension of the organization’s work on behalf of disadvantaged young people, presented as its beneficiaries. The next account can also be read in relation to how the organization addresses the employment disadvantage of its client group; but it spells out more specifically how the organization benefits from including ex-offenders amongst the workforce:

I think what’s positive about [Rehab] is that [...] in terms of employment opportunities your offending background does not bar you from a job as a project worker or for any other position [...] sharing an experience with this person [...] may enable them to support their client better [...] going to prison and come out and have a job [...] makes [it] kind of like a role model, standard to our clients and also in terms of how you respect your own client because you’re working a lot with colleagues and they have offending backgrounds [...] we all have stereotypes but [...] I think an organization like [Rehab] does challenge the stereotype—and offenders come in all shapes and sizes! (Senior Project Worker, Rehab)

This account applies the classical business case argument that an organization can provide better services to a specific group by employing members of that group to deliver the service. These two examples draw on a utilitarian understanding of diversity in so far as the ‘differences’ of
employees are represented as a means to achieve organizational ends, yet this understanding is re-inscribed within a social justice rationale because the organizational ends are themselves concerned with social justice.

An instrumental approach to differences is not, however, completely risk-free. In the excerpt below the Diversity Project Manager of an international relief agency elaborates on the potential contribution of disabled people:

We have quite a few disabled staff but we don’t have a lot of disabled staff who are disabled activists in the sense that they talk about it and they want to make public their needs for access to particular activities or whatever—so we could do with a few vocal disabled people! [...] it’s something about getting away from the charity and medical model—getting people to understand the social and political [model] which is also a bit of a challenge.

Here, although the positive contribution of disabled employees is expressed in terms that are consistent with the organization’s values, its formulation has the unfortunate effect of implying that some disabled people are more welcome than others. This reflects how arguments that ‘diversity adds value’ based in a utilitarian logic inevitably lead to certain aspects of difference coming to be represented as more—or less—valuable than others.

Although we have illustrated the ‘business case’ arguments drawn on in these constructions of diversity, interviewees deployed the actual term ‘business case’ only to refer to financial benefits associated with equality and diversity policies. For instance, a Diversity Project Manager explained to us:

Our fundamental principles are very important to people and—they have a sense that the diversity stuff comes out of that. Though [...] if you talk to senior managers they probably think that it also comes out of the business case for diversity. (Diversity Project Manager, International Relief Agency)

She then explained the nature of this business case as follows:

Fundraising is always an issue—if you’ve got a good diversity policy and you don’t look as if you’re—out of the Ark, then people are more likely to give you money.

Having ‘good’ diversity and equality policies is presented here as an essential requirement to achieve legitimacy and be eligible to compete for contracts and donors’ funding. An HR Manager explained along similar lines:

Funders always ask for a diversity strategy, yes [...] the funders’ requirement is a bit like equality opportunity requirement it’s quite basic, funders’ requirements are not what will drive you to make it the highest priority, it’s got to be part of your values. (HRM Manager, Childcare)

This respondent stresses that externally imposed requirements—although necessary—are not enough to make equal opportunities a real priority for the organization. The requirements of external funders complicate the nature of the business case in this sector because unlike for-profit organizations, voluntary organizations are largely financed by actors other than the groups they serve. The fact that interviewees downplayed the economic
rationale for diversity is not surprising given that in non-profits it is less easy to explain how (for example) employing members of the target group to deliver services can be of direct financial benefit.

The distinctive rationales identified in this section—based on a social mission, or on the instrumental use of differences, or on financial incentives—suggest tensions between financial concerns and the pursuit of organizational values, and between the priorities and interests of different organizational members. Furthermore although the social justice and utilitarian cases intersect and complement each other where there is a clear overlap between the identities of clients and employees, diversity and equality policies apply to other groups than those who make up the organizational clientele. Arguments that diversity contributes directly to a mission of social justice may be less convincing where the overlap is not complete. These tensions suggest some dilemmas in relation to promoting and practising diversity in non-profits which are further discussed in the next section.

**Dilemmas of Voluntary Organizations Doing Diversity and Equality**

The problems that our respondents associated with the practice of diversity were constructed as dilemmas where the demands on the organization to ‘do well’—to respond sensitively to the needs of their service users in an efficient, cost-effective manner—conflicted with demands to ‘do good’—to recognize and respect the rights of their diverse employees.

Such separation of the rights, needs and interests of employees from those of service users is found in the following example:

> We have an issue there in that the male carers we bring on [...] the clients will say, as they have the right to say, I don’t want a male carer [...] so sometimes it can be difficult to find work for male carers which is an equal opportunities issue we have. (Chief Executive, organization providing services for people with physical disabilities)

This construction brings into focus the utility—or not—of particular categories of employee. Whereas the preceding example draws on gender, the socio-demographic category that was used most often to mark and measure organizational diversity was ‘black and ethnic minority’. The value attached to having an ethnically diverse workforce was associated with its connection to present and potential clients of the organization—as facilitating access to communities or as being particularly responsive to the cultural needs of ethnic minority service users—in line with a utilitarian rationale. However, this representation is disrupted in the following account which opposes the approach of certain ethnic minority employees with the organization’s ethos and with the needs of its clients:

> Within the front line staff a lot of people of non-Western origin their approach is very much—I suppose quite authoritarian? I’m making a generalisation not intending to—but [...] as much as routine’s good and a lot of our clients have chaotic life styles and don’t have routine—we try and undo
a bit of it, kind of make people question things and be a bit more open […] and therefore there is kind of a cultural approach from some staff members to the clients it’s kind of adopt a style which is authoritarian as opposed I think maybe the organization on paper has a bit more of a liberal approach ….

(Senior Project Worker, Rehab)

This account poses an interesting dilemma—can ‘illiberal’ approaches be confronted in a ‘liberal’ organization? Attributing these approaches to cultural group membership makes them more difficult to confront because to do so might be perceived as failing to ‘value’ and ‘respect’ difference.

In the preceding excerpts tensions are expressed in relation to the effect of employee diversity on the quality of the services that the organization provides. A second set of dilemmas focused on the costs that diversity initiatives inevitably impose on the organization. In the following extract an opposition is made between the needs of wheelchair users and the interests of ‘hard-nosed’ cost-conscious management:

This building has been designed very carefully to try and be as successful as possible […] it uses up space, if you were being hard-nosed you would say that the corridor this wide is costing us desk space inside the offices either side. But you need a corridor wide enough for two wheelchairs to get past each other. That was the priority. (Chief Executive, organization providing services for people with physical disabilities)

The fact that in this account the prioritization of wheelchair users’ needs is rendered relatively unproblematic reflects the importance attached to the idea that the internal practice of voluntary organizations should project and match their external mission. The logic of the business case for diversity is that potentially resistant managers can be persuaded that initiatives to promote inclusion and equality are worth doing on value-added grounds. In the previous example the initiative derived value from the overlapping identities of organizational employees and clients. However, the next example makes the tension between the idea of ‘respecting differences’ and the demands of efficient management more difficult to reconcile:

One of the current priorities […] is creating a work environment that is truly respectful of differences. And it’s that’s sort of tension on how you truly respect the differences between individuals—they may be simple differences just like some people have got more caring responsibilities than others, and how does that fit within an organization that wants to be successful, profitable, making the most of the money it gets?

(HRM Manager, Childcare)

This manager resolved the dilemma in the following terms:

Accepting people’s differences and rather than seeing difference as an obstacle seeing it as an opportunity. So if we offer more flexible working it is an extra cost because we might need a couple of desks instead of one, or on the contrary is it—we have a double set of skills. So it’s […] seeing differences as an asset, rather than seeing it as a complication ....

(HRM Manager, Childcare)
In this example cost-benefit arguments, rather than social justice arguments, are used to justify organizational provision on behalf of carers—an interesting choice, given the nature of the organization’s work on behalf of children and their families.

The logic of equal opportunity—as opposed to managing diversity—is that such initiatives should be justified, not through such cost-benefit arguments but through their effectiveness in promoting inclusion of minorities. This logic is found in following account which relates to ‘workers’ groups’, comprising national networks of employees—including black and ethnic minority employees and lesbian, gay, bisexual and transgender employees—that formed part of Rehab’s equality and diversity strategy:

These workers’ groups [...] they’re more than just symbolic because they do give some focus, and some profile and give some meaning to the work because otherwise it just becomes extremely marginalised [...] I think that’s absolutely essential. (Senior Manager, Rehab)

However, the dilemma that this Manager associated with these groups related, not to their effectiveness in promoting equality but to the impact of employees exercising their right to attend workers’ group meetings:

Staff are there to provide a service and I think we sometimes forget that [...] where we’re taking people away from their work [...] for a meeting they may be talking about aspects of their work which may not necessarily be particularly relevant to what they’re paid to do, or what they’re funded to do [...] Essex [local authority] give us a two million pound grant to deliver a service in Essex, not to shape national policy up in Manchester! The argument is you get added value in return but it’s difficult to argue sometimes to fully work through [...] you think about who are we doing this for? We should all be here for the service we deliver and it’s a balance—just a balancing act. (Senior Manager, Rehab)

This Manager claims that it is hard to justify these groups, and the associated costs, on value added grounds. He poses the question whether it is becoming increasingly difficult to maintain a supportive position in the face of the demands imposed by the organization’s contractual obligations. His concerns reflect tensions within an organization that seeks to uphold its commitment to equal opportunities while simultaneously acting as a competitive provider of contracted services.

Discussion

We discuss our findings in relation to critiques that hold managing diversity and equal opportunities as separate and contradictory, and that argue that the radical practice of diversity necessarily involves rejection of the business case (Litvin, 2006; Noon, 2007; Sinclair, 2006). In contrast to this position, respondents in our study drew on various discursive elements to produce a range of overlapping meanings for both equality and diversity
that did not always fit easily with conventional understandings; moreover organizational principles, ethos and values were invoked to argue both for the primacy of diversity over equality and vice versa. Reflecting on how these elements were applied suggests that both diversity and equality were constructed in ways that enhanced organizational agency. The idea that diversity is more progressive and ‘positive’ than equality was drawn on to claim the organization was engaged in proactive initiatives to address equality and diversity issues. On the other hand extracts showing resistance to the idea that diversity was replacing equality on organizational agendas reflect concerns that ‘diversity’ does not carry the same commitment to action on issues of social injustice as does ‘equality’ (Ahmed, 2007; Benschop, 2001).

Proactivity in managing diversity is associated with the business case which provides the rationale for managers to act to promote inclusion. The conventional business case rationale belongs within a neo-liberal discourse, according to which, since achieving equality and social justice are not the legitimate ‘business’ of organizations, diversity must be justified by economic benefit. This argument doesn’t work for organizations where addressing disadvantage is a centrally important goal—but nevertheless the idea of the business case does seem to have taken hold in the voluntary sector, judged by the arguments discussed here for the organizational benefits that accrued from the practice of diversity. These benefits were associated with advancing the organizational mission on behalf of disadvantaged groups. Respondents distanced themselves from the idea that financial considerations acted as a reason to have equality and diversity policies. By representing internal organizational principles and values as the main driver, their constructions again enhanced the idea of active agency on the part of the organization; reconciling its effectiveness in achieving its goals with its active pursuit of social justice.

Such reconciliation is most easily achieved where there is a clear overlap between the identities of those the organization serves and those it employs. ‘Moral’ and ‘business’ concerns are closely intertwined so that diversity works both to address disadvantage directly and to enhance the organization’s services. Where the overlap is less clear, the value of employing—for example ‘black people’—is framed in relation to what they bring to the organization, rather than what it does for them. The instrumentality of business case arguments becomes more obvious—although in so far as diversity contributes to a ‘good cause’ these arguments still support a socially just mission. But for instrumentality to work, certain kinds of performance—for example ‘active disabled’—are required of employees that are associated with their belonging to particular socio-demographic categories, highlighting the tendency of managing diversity to essentialize and homogenize the characteristics of minority group members.

Our research suggests that the idea of the business case cannot be completely dismissed, even in organizations guided by other motives than profit. Instrumental aspects can never be entirely erased, because the demands
on organizations imposed by their goals, performance expectations and limited resources shape and constrain how diversity is produced and practised (Janssens and Zanoni, 2005). But the degree of instrumentality may vary—treating employees merely as means to organizational ends is hard to reconcile with an organizational commitment to address inequality and disadvantage. Respecting and valuing differences for their own sake supports and reinforces the legitimacy of claims to a social justice mission.

On the other hand, the idea that the primary purpose of the organization is to serve the disadvantaged may make it harder to justify initiatives from which employees, rather than service users, are apparently the main beneficiaries. The former chief executive of a leading UK voluntary organization recently wrote ‘Staff are indeed the lifeblood of any charity. But charities are not set up to benefit staff’ (Sampson, 2009). The efforts made by respondents to produce cost-benefit arguments to justify aspects of their diversity work may be understood as offering reassurance that the organization’s scarce resources are being used appropriately and legitimately.

But cost-benefit arguments may in turn provoke resistance amongst those who perceive them as undermining an organizational identity based on social justice. We have noted how one respondent addressed this perception by separating the interests of ‘senior managers’ from those of the ‘people’ of the organization. Although this echoes Ahmed’s (2007) findings that diversity specialists applied business models specifically to engage with senior managers, we understand our respondents not so much as tactically deploying different arguments to suit different audiences, but as endeavouring to reconcile contradictory arguments and interests within a relatively seamless ‘case’ for equality and diversity. Organizational values strengthen the coherence, stability and broad appeal of this case by grounding it in a sense of mission. We noted earlier both the centrality of social justice values to voluntary organizations and the threat to these values that is linked to their role as providers of contracted services. If the significance of these values becomes downplayed in relation to the need to demonstrate efficiency then the organizational case for diversity loses coherence and stability. This may expose the organization to the risks that critical commentators associate with emphasizing the business benefits of diversity. For example, if the expectation develops that diversity initiatives such as the workers’ groups at Rehab can and should be justified primarily in ‘value-added’ terms, rather than through the ‘moral’ desirability of giving voice and representation to minority interests, then their future becomes more uncertain as economic conditions tighten.

The location of this study in the voluntary sector has been particularly useful in exposing the tensions and contradictions inherent in the idea of organizational diversity; tensions that are evident even when diversity is framed in relation to values and ethos—as in the example of ‘authoritarian’ ‘non-Westerners’. Issues of difference and inequalities amongst persons are inherently sensitive and potentially divisive. Achieving a completely seamless and unproblematized construction of diversity as benefiting
everybody is not only unrealistic but also undesirable because it masks and obscures these issues. This suggests that, rather than try and smooth out or resolve the ambiguity of diversity and equality, it may be more valuable to engage with ‘rounder-edged’ versions that can accommodate complexity and contradiction. Instead of thinking of ‘social justice’ and ‘the business case’ as incommensurable opposites this suggests instead the possibility of drawing on a spectrum of ideas and arguments to mark out a territory where controversial issues can be discussed and debated. It implies shifting the research agenda away from a focus on competing cases and towards investigating how the challenges that diversity presents can be worked through in day-to-day organizational practice.

Notes

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1 Terms such as ‘voluntary’ organizations, ‘non-profits’, ‘civil society’ organizations, ‘third sector’ organizations or ‘non-governmental’ organizations (NGOs) are often used interchangeably. The Carnegie Report treats ‘civil society associations’ as wider than voluntary organizations but as encompassing all voluntary organizations within their scope.

References


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