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# Managing diversity: does it matter to municipal governments?

Yongbeom Hur, Ruth Ann Strickland, and Dragan Stefanovic

## ABSTRACT

This paper seeks to investigate how seriously diversity issues are considered by municipal governments in North Carolina and to identify specific diversity management practices (DMPs) that are adopted more often by municipalities. It also aims to examine whether the adoption levels of DMPs are influenced by demographic and economic factors and the various backgrounds of city managers. Data about adopted DMPs and city managers' backgrounds were collected by surveying all municipalities in North Carolina with populations of at least 5,000 (response rate: 50 percent). An index was constructed to determine the adoption level of DMPs, and the cities were divided into four groups, based on their index scores (i.e. DMP scores). Analysis of variance and correlations were used to test the relationship between a number of factors and the index score. A number of DMPs were identified as being more popular among municipalities that took diversity and its related issues more seriously, and other DMPs as being less popular among cities that did not pay particular attention to diversity. It was also found that the adoption level of DMPs was significantly affected by population size, the heterogeneity of population, urbanization level, and city manager's age. The DMPs that were found suitable for each one of the four groups of cities can be used as a guide when cities in a particular group want to adopt more DMPs to support and encourage diversity at work. According to the findings, cities need to be more proactive in managing diversity by introducing appropriate DMPs when their demographics are changing substantially. This is one of the first studies to identify the more popular DMPs among municipalities with different attention levels toward diversity and its related issues. The study also contributes to the construction of a comprehensive diversity management model that explains how cities respond to changing demographics.

Changing demographics in the United States, such as the growth in the number of ethnic and racial minorities, increase the importance that local government managers recruit, hire, and retain a more diverse workforce ([8] Doverspike *et al.*, 2000; [9] Dychtwald *et al.*, 2006). This increasingly more diverse workforce brings new challenges and exciting opportunities. Challenges, such as miscommunication due to language differences or cultural misunderstandings as well as organizational factionalism, are likely to arise. At the same time, opportunities, such as accessibility to a wider array of viewpoints and increased tolerance for different work styles, may lead to greater productivity and improved performance ([13] Elmuti, 1993; [29] Mathews, 1998; [36] Seymen, 2006; [46] Trenka, 2006).

The working definition of diversity, as developed and used by Vice President Al Gore's National Partnership for Reinventing Government (Formerly National Performance Review) is "all characteristics and experiences that define each of us as individuals". From the NPR's perspective, diversity includes "the entire spectrum of primary dimensions of an individual, including Race, Ethnicity, Gender, Age, Religion, Disability, and Sexual Orientation (REGARDS)" (US Department of Commerce and Vice President Al Gore's National Partnership for Reinventing Government Benchmarking Study 2000). To respond to a changing workforce, diversity management has become a critical human resource management tool ([1] Agars and Kottke, 2005). Diversity management, picked up early by the business community ([14] Evans and Oh, 1996), has guickly spread to the public sector. Private firms argue that diversity management practices increase their competitiveness by attracting key talent and by improving their financial performance ([35] Securities Industry Association, 2005). Diversity management programs, often multifaceted in nature and designed to blend organizational structure with recognition of cultural diversity and representation through training, mentoring and diversity advocacy initiatives, are on the rise in the USA, and how to manage diversity effectively has become a common topic for managers regardless of the nation in question (e.g. [28] Magoshi and Chang, 2009; [44] Taylor, 1995; [49] Vallario, 2006). Numerous scholars assert that planning and managing for diversity is key to addressing changes in the demographic make-up of the workforce ([7] Charles, 2003; [22] Kellough and Naff, 2004; [45] Thomas, 1990). Although managers in the public, private, and nonprofit sectors have experimented with a variety of approaches to deal more effectively with cultural diversity in the workplace ([19] Ivancevich and Gilbert, 2000; [33] Riccucci, 1997), guidelines for managing diversity are far from being very practical in the public sector.

In this study, first, we surveyed municipalities (towns and cities) in North Carolina to determine how they responded to diversity and related issues by adopting different diversity management programs. Since municipalities that adopt more diversity management practices are more likely to encourage, support, and manage diversity effectively, they as a result will also have a more diversified workforce. By knowing how other cities and towns (cities, hereafter) respond to diversity management issues and what diversity management practices are more commonly adopted, cities can determine how adequate their practices are and whether or not they are well prepared to deal with diversity issues. Therefore, the data produced by this study will help cities improve their organizational performance by giving them the opportunity to be proactive in managing diversity. Second, we also examined if the adoption level of diversity management practices was affected by changing demographics and other factors such as the manager's different backgrounds. Moreover, we wanted to use the relationships (if any) found by the analysis to help us understand how cities respond to diversity management issues and construct a comprehensive diversity model that explains how municipalities would react to changing demographics and other factors.

## **DIVERSITY MANAGEMENT PRACTICES (DMPS)**

Today diversity management is part of a larger strategy to improve organizational competitiveness and effectiveness. In response, public and private entities have started identifying, considering and implementing an array of best practices designed to foster a better diversity climate and combat discriminatory behaviors (e.g. [4] Aronson, 2002; [20] Kalev et al., 2006; [22] Kellough and Naff, 2004; [25] Kreitz, 2008; [33] Riccucci, 1997; [36] Seymen, 2006; [47] US Equal Employment Opportunity Commission, 1998; [48] US Government Accountability Office, 2005). For example, [22] Kellough and Naff (2004, pp. 66-7) categorized best practice suggestions into several areas such as ensuring management accountability; reexamining the organization's structure, culture, and management systems for identifying and correcting potential bias toward being diverse; paying attention to the members, providing training, developing mentoring programs; promoting internal identify groups; and emphasizing shared values among employees, customers, and stakeholders. In this study we considered all of these suggestions for better diversity management and decided to use a nomothetic model by pooling together some of the more common practices of diversity management identified in the literature. Although organizations in both private and public sectors have adopted various programs to better manage diversity, no hard evidence yet confirms their effectiveness ([20] Kalev et al., 2006). The literature suggests, however, that public organizations that adopt diversity management programs tend to take the demographic changes in their workplaces more seriously. The following have been identified by researchers as being among the best practices for managing diversity and creating an inclusive work environment:

- mission statement[1] (e.g. [34] Rosado, 2006);

- affirmative action plan ([21] Kellough, 1989);

- diversity policy and plan[2] (e.g. [38] Society for Human Resource Management, 1999; [43] Stone, 2005; [48] US Government Accountability Office, 2005);

- diversity training[3] (e.g. [16] Guillory, 2004; [18] International Personnel Management Association, 2001; [29] Mathews, 1998; [43] Stone, 2005);

- manager accountability to diversity initiatives[4] (e.g. [2] Allen *et al.*, 2004; [48] US Government Accountability Office, 2005; [51] Wilson, 1997);

- organizational tools for recruiting and hiring diverse groups[5] (e.g. [1] Agars and Kottke, 2005; [37] Slack, 2002);

- formal mentoring of minority employees[6] (e.g. [5] Association of Legal Administrators, 2004; [27] McKay *et al.* 2007; [48] US Government Accountability Office, 2005);

- minority internship programs (e.g. [15] Fields and Blum, 1997);
- set-aside pool of resources targeted for diversity (e.g. [6] Bhawuk et al. 2002);
- diversity advocates[7] (e.g. [26] Leonard, 1991; [51] Wilson, 1997; [52] Wiscombe, 2007); and
- diversity management review committee[8] (e.g. [6] Bhawuk et al. 2002).

Based on this discussion of types of DMPs, we decided to take into account the actual number of practices a particular municipality employed and use that as our dependent variable - as a measure of how seriously a municipality takes diversity and its related issues. A higher DMP score indicates that more practices are used by a municipality and that diversity is more seriously considered by them.

# INFLUENCING FACTORS OF DIVERSITY MANAGEMENT AND HYPOTHESES

We believe that the demographic characteristics of municipalities affect their concerns about diversity and related-issues, and their consequent adoption of diversity management practices (DMPs). The following are the major demographic factors that are examined in this study:

- *Population size.* Municipalities with a larger population are more likely to have a more heterogeneous population, creating the requirement of different attitudes in a whole array of government-sponsored initiatives. In the case of a more diverse groups and population to be served, managers may seek to have a more representative staff in order to provide services that fit the extant population better.

- *Minority percentage in municipalities.* A higher minority percentage will tend to elicit greater interest to promote minority employment in the municipality. [23] Kerr and Mladenka (1994) found that the percentage of minority population (black and Hispanic, respectively) in a city is positively correlated with minority employment (black and Hispanic, respectively) in city jobs, based on their data analysis of 65 cities from 1975 and 1987. [42] Stein (1986) and [12] Eisinger (1982) also found a significant, positive impact of black population size on black municipal employment.

- *The level of urbanization.* The more urbanized a city is, the larger the probability is that there exists greater diversity in the workforces. Developing cultural inclusion and workforce diversity management becomes increasingly important in such settings.

- *The economic status of municipality.* Rather than having to concentrate just on the delivery of basic services, wealthier cities may have the ability to set aside resources specifically to meet diversity planning goals. Moreover, [10] Dye and Renick (1981) found that cities with higher socioeconomic status populations have more diversity-tolerant white populations than others.

Town and city managers (city managers, hereafter) are central leaders in their governments and set the tone for municipal employment. Therefore, city managers' attitudes toward the recruitment and hiring of diverse populations have a profound effect on the demographic composition of municipal governments ([30] Naff, 1998). In this study we examined the following variables that are likely to influence city managers' attitudes toward diversity management issues:

- *Manager's gender, race and ethnicity.* By studying receptiveness to diversity in the US Environmental Protection Agency (EPA), [39] Soni (2000) found that women and members of minority groups consistently demonstrated greater support for diversity than their white male counterparts in organizations. [24] Kossek and Zonia (1993) also found that women and racial/ethnic minorities placed a higher value on employer diversification efforts.

- *Manager's age.* Research results indicate that a manager's advanced age may contribute to an organizational culture that makes cultural inclusion difficult. Older managers, along with an aging workforce, may be reluctant to embrace new ideas. From a psychological perspective, older, more senior managers may be less likely to take risks ([50] Vroom and Pahl, 1971). Younger managers and employees tend to embrace a more collaborative approach to work and also value the idea of "difference". The more recent generation places a higher premium on workplace ethnic, racial, gender, and lifestyle diversity ([3] Armour, 2005; [11] DYG Inc., 2001).

- *Manager's experience in government service.* More years in government service may reduce responsiveness to a need for organizational change because people with more tenure in an organization tend to support the *status quo* ([17] Hofer, 1980; [40] Starbuck *et al.*, 1978). Managers with more years in service may have insular perspectives that increase resistance to introducing diversity management techniques ([32] Rangararjan and Black, 2007, p. 257).

- *Manager's education level.* Higher education typically opens working adults up to new learning and new experiences and exposure to cultural diversity. Those with more years of education may be more aware of the changing workforce, its increasing diversity, and the importance of inclusion. Managers with higher levels of education may also be more receptive to cultural diversity.

We established two sets of hypotheses, based on the following three factors:

the literature review about the effect of demographic and economic factors on the adoption of DMPs;

the discussion about the effect of manager's backgrounds on the openness to diversity issues and the adoption of DMPs; and

DMP scores (it will be explained in the methodology section) as a dependent variable.

*HA-1.* The more populous a municipality is, the more likely its government is to have a higher DMP score.

*HA-2.* The more heterogeneous a municipality is, the more likely its government is to have a higher DMP score.

HA-3. The more urbanized a municipality is, the more likely its government is to have a higher DMP score.

HA-4. The wealthier a municipality is, the more likely its government is to have a higher DMP score.

*HB-1.* Municipal governments with minority and/or female managers are more likely to have a higher DMP score.

*HB-2.* Municipal governments with younger managers (40 or less) are more likely to have a higher DMP score.

*HB-3.* Municipal governments with managers who have fewer years of government service experience are more likely to have a higher DMP score.

*HB-4.* Municipal governments with managers who have higher education levels (master degree or over) are more likely to have a higher DMP score.

## METHODOLOGY

North Carolina is not an exception to demographic changes. According to the US Census Bureau (2009), the population in North Carolina increased by 14.6 percent between 2000 and 2008, the proportion of minorities including African-American and Hispanic was 33.0 percent (as of 2007) while the population in the USA increased by 8 percent during the same period and the proportion of minorities was 35.2 percent. Therefore, we believe that through studying North Carolina's municipalities we can provide an insight into how municipalities in the USA are reacting to address diversity and its related issues.

In 2008, we sent surveys to all towns and cities (cities, hereafter) in North Carolina with a population of more than 5,000 to examine what practices are currently used to manage diversity. Of the 116 municipalities that we surveyed 58 city managers responded, giving us a response rate of 50 percent. While we collected data such as adopted DMPs and managers' backgrounds (e.g. age, racial/ethnic background) through the survey, demographic and economic data such as population, minority percentage, and poverty level came from the US Census Bureau and the North Carolina Office of State Budget Management. To test our hypotheses, we conducted one-way Analysis of Variance (ANOVA) with the Bonferroni option[9], and investigated whether or not municipalities' demographic/economic factors and managers' backgrounds were associated with different adoption levels of DMPs.

## ADOPTION LEVEL OF DIVERSITY MANAGEMENT PRACTICES (DMPS)

To measure how many DMPs were adopted by municipalities, we constructed an index (DMP score, hereafter) by assigning one point to each practice a municipality adopted [10], and used it as a dependent variable. Although some management practices are given more emphasis in the literature to encourage and support diversity at work, the magnitude of their impact has not been clearly reported or measured in contrast to other practices ([20] Kalev *et al.*, 2006). Therefore, we did not assign different weights to any of the practices used in our study. When we checked the internal reliability of the DMP score by using Cronbach's alpha, the resulting alpha value was 0.76, which indicates that we have a reliable measure ([31] Nunnally and Bernstein, 1994, p. 265). As seen in Table I [Figure omitted. See Article Image.], we divided municipalities into four groups, based on their DMP scores' quartile ranges (see Figure 1 for the distribution of DMP scores). Considering that the average DMP score was 6.5 out of a maximum possible score of 17.5, and that more than three quarters of municipalities in North Carolina had a score less than 8.5 points, it is clear that most municipalities in North Carolina did not pay a particular attention to diversity management.

## ADOPTED DMPS AMONG DIFFERENT GROUPS

Some DMPs are more often employed by municipalities than other DMPs. As observed in Table I, more cities empowered managers to carry out diversity policies (52 cities), conducted diversity training for managers and supervisors (31 cities), had a plan for implementing diversity outreach programs (26 cities), promoted senior management involvement in diversity planning (26 cities), and had an affirmative action plan (25 cities). Fewer cities, however, used innovative approaches to hire minorities (two cities), formed a review committee to establish diversity management policies (four cities), used formal mentoring programs for minority employees (five cities), had minority internship programs (five cities), and established a set-aside pool of resources targeted for use in improving organizational diversity (five cities). In addition, cities belonging to the different groups adopted different practices. DMPs such as mission, plan, policy, training, empowerment, involvement, and affirmative action programs were more frequently adopted by Group 4; and DMPs such as mentor, internship, resources, advocate, committee, and innovation are less often employed by Group 1.

#### Table I. Frequency distribution of DMPs

DMP score range	Group 1 (19 cities) 1.5-4.5	Group 2 (15 cities) 4.6-6.0	Group 3 (10 cities) 6.1-8.5	Group 4 (14 cities) 8.6-13.5	Total	%
Mission	1	5	3	11	20	34
Plan	2	6	5	13	26	45
Policy	1	6	1	14	22	38
Training1 <sup>a</sup>	4	7	8	12	31	53
Training2 <sup>b</sup>	1	2	6	11	20	34
Empowerment <sup>c</sup>	15	13	10	14	52	90
Mentor	0	2	1	2	5	9
Internship	0	1	1	3	5	9
Resources	0	1	0	4	5	9
Involvement <sup>d</sup>	1	5	8	12	26	45
Advocate	0	2	3	6	11	19
Committee	0	0	0	4	4	7
Affirmative	6	6	3	10	25	43
Innovation <sup>e</sup>	0	0	0	2	2	3
Statistics <sup>f</sup>	2	4	6	9	21	36
Recruitment <sup>g</sup>						
Job fairs	8	8	8	11	35	60
Newsletters	7	5	6	10	28	48
Internet	14	12	9	12	47	81
Paper ads	16	14	10	14	54	93
Journals	6	9	3	8	26	45

Notes: Total – Number of municipalities that adopted a specific DMP; % – Percentage out of total 58 respondents; DMPs – Diversity management practices, <sup>a</sup>Diversity training for managers and supervisors; <sup>b</sup>Diversity training for rank-and-file members; <sup>c</sup>Managers and supervisors are given power and latitude to carry out diversity policies; <sup>d</sup>Senior management is involved in the planning and conduct of diversity management activities; <sup>e</sup>Innovative approaches are used to hire qualified minorities and women; <sup>f</sup>Does the organization use workforce data and demographics to compare statistics reported for the civilian labor force in its locality to its labor force composition?; <sup>g</sup>Methods used to reach out to the diverse population during recruitment?

## **GROUP COMPARISONS**

After grouping cities based on the DMP scores, we examined if there were any differences in their demographic/economic conditions and city manager's backgrounds between the groups. As seen in Table II, cities with a larger DMP score seem to have larger populations, more proportion of African American populations, more persons per square mile (i.e. more urbanized), and more populations below poverty level. In addition, cities with a larger DMP score also seem to have city managers with more government service experiences, higher age, and more education. Although no clear patterns were observed for female city managers and managers with ethnic backgrounds, they tended to manage cities with a smaller DMP score. In the next section, we compared cities with different DMP scores, and tested hypotheses, using analysis of variance.

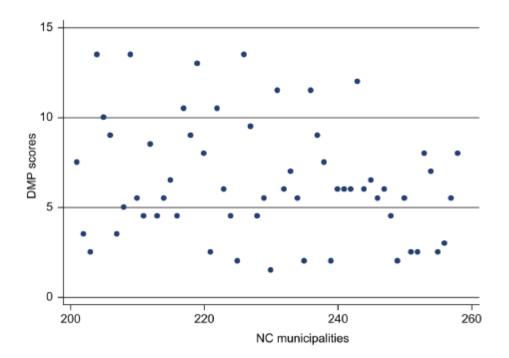


Figure 1. Distribution of DMP scores for municipalities in North Carolina

DMP score range	Group 1 (19 cities) 1.5-4.5	Group 2 (15 cities) 4.6-6.0	Group 3 (ten cities) 6.1-8.5	Group 4 (14 cities) 8.6-13.5
Population (2004 estimate)	12,091	22,142	36,329	91,196
White % of population (2000)	77.1	72.9	73.1	65.0
Black % of population (2000)	17.4	22.1	22.5	29.2
Hispanic % of population (2000)	4.5	5.0	3.3	5.6
Persons per square mile (2000)	1,073	1,281	1,444	1,598
Below poverty rate (2000) (%)	11.8	12.7	15.2	16.9
Government experience of managers (year)	20.2	22.9	26.4	24.9
Age category of managers	Group 1:6	Group 1:3	Group 1:0	Group 1: 0
(Age group 1: 40 and below, age group 2: over 40) Education category of managers Edu group 1: some college and four-year	Group 2:13	Group 2:12	Group 2:10	Group 2: 14
college degree	Group 1:10	Group 1:4	Group 1:3	Group 1: 4
Edu group 2: Master's degree and over	Group 2:9	Group 2:11	Group 2:7	Group 2: 10
Gender category of managers	Male: 16 Female: 3	Male: 14 Female: 1	Male: 9 Female: 1	Male: 13 Female: 1
Ethnicity of managers	Caucasian: 19 Others: 0	Caucasian: 13 Others: 2	Caucasian: 10 Others: 0	Caucasian: 14 Others: 0

Table II. Comparisons of demographic/economic factors	and managar's hackgrounds
Table II. Compansons of demographic/economic factors	s and manager s backyrounds

**Notes:** Demographic and economic data except "person per square mile" and "2004 estimated population" obtained from North Carolina Office of State Budget Management, came from the US Census Bureau; Most demographic and economic data are as of 2000 because estimated, recent data are only available for cities with more than 25,000 population at the US Census Bureau's web site

#### **TESTING HYPOTHESES AND FINDINGS**

We used one way analysis of variance (ANOVA, hereafter) to investigate if cities' DMP scores are affected by their demographic/economic factors and manager's backgrounds. ANOVA was run in two comparisons as seen in Tables III and IV. Although the response rate was 50 percent in our survey, the small number of observations (i.e. 58 observations) limited hypotheses testing. Therefore, in comparison I, we compared combined group of Groups 1 and 2 (i.e. 34 cities with lower DMP scores) with combined group of Groups 3 and 4 (i.e. 24 cities with higher DMP scores). In comparison II, to better isolate the existing relationships and test the hypotheses we compared Group 1 (i.e. 19 cities with the lowest DMP scores) with Group 4 (i.e. 14 cities with the highest DMP scores).

Hypothesis	p-value In comparison I <sup>a</sup>	p∙value In comparison II <sup>b</sup>	Supporting hypothesis or not
HA-1 (population)	0.02	0.04	Yes
HA-2 (heterogeneity)			
White %	0.13	0.05	Yes
African American %	0.12	0.05	Significant effect
Hispanic %	0.95	0.55	Non-sig. effect
Others %	0.95	0.79	Non-sig. effect
HA-3 (urbanization)	0.01	0.00	Yes
HA-4 (wealth)			
Below poverty level %	0.04*	0.08	No <sup>c</sup>

#### Table III. ANOVA results for the effects of demographic and economic factors

Notes: "ANOVA results for comparison between combined group of Groups 1 and 2 and combined group of Groups 3 and 4; bANOVA results for comparison between Groups 1 and 4; cIt seemed that below poverty level had a significant effect on DMP scores. However, when white and black percentages and urbanization were controlled for, no significant relationship was found

Table IV. ANOVA	results for the	effects of	f managers'	backgrounds

Hypothesis	<i>p</i> -value In comparison Iª	p-value In comparison II <sup>b</sup>	Supporting hypothesis or not
HB-1			
Ethnic backgrounds	_	_	Not tested
Gender	_	_	Not tested
HB-2 (age) <sup>c</sup>	0.01	0.02	No <sup>e</sup>
HB-3 (govt experience)	0.07	0.12	No
HB-4 (education) <sup>d</sup>	0.36	0.18	No

Notes: "ANOVA results for comparison between combined group of Groups 1 and 2 and combined group of Groups 3 and 4; bANOVA results for comparison between Groups 1 and 4; "There are two age groups: 40 and below (1) and over 40 (2); <sup>d</sup>There are two education groups: some college and four-year college degree (1) and Master's degree and over (2); "Opposite to our prediction

s DMP score							1	
Marager's education level							$\frac{1}{0.14}$	
Manager's age						1	-0.12 $0.33^{*}$	
Manager's government experience						$^{1}_{0.49}$ **	-0.01 0.20	
Population below poverty %					1	$0.14 \\ 0.11$	$0.00 \\ 0.28^{*}$	
Person per square mile				1	0.43**	$0.24\\0.26*$	0.03 0.46 **	
Hispanic population %			1	0.02	0.06	-0.11 0.08	-0.02 0.11	01
African- American population %		1	0.08	0.33*	0.65**	0.07 0.21	0.06 0.33 *	d up; $**_{p} < 0$ .
White population	1	- 0.98	-0.23	-0.34*	-0.61 **	-0.07 -0.23	-0.06 -0.33*	were rounded
Population	1 - 0.24	0.20	0.18	0.37**	- 0.02	-0.01 0.14	$0.18 \\ 0.43 **$	5 coefficients
	Population White population (%) American	population (%) Hisranic	population (%)	r er son per square mile Population	below poverty (%) Manager's government	experience Manager's age	Manager s education level DMP score	<b>Notes:</b> ${}^{*}p < 0.05$ coefficients were rounded up; ${}^{**}p < 0.01$

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## Table V. Correlation

Before running ANOVA, we ran correlation analysis. As seen in Table V [Figure omitted. See Article Image.], some variables had a significant, positive relationship with the DMP score: population (r =0.43\*\*), African American population percentage (r =0.33\*), person per square mile (r =0.46\*\*), population below poverty level (r =0.28\*), and manager's age (r =0.33\*). That is, cities with higher DMP score tend to have a larger population, more proportion of African American in the population, be more urbanized, a larger population below poverty level, and older managers. Only the white population percentage had a significant, negative relationship with DMP score (r =-0.33\*). In addition, person per square mile and population below poverty level had positive relationships with the African American population, but they had a negative relationship with white population.

The ANOVA results for the relationships between the demographic or economic variables and the DMP scores are summarized in Table III. As shown in the table, municipalities with a larger population or more urbanization are more likely to have a higher DMP score (*HA-1* and *HA-3* were supported). When we tested hypothesis *HA-2*, we first examined the relationships between a minority percentage[11] of the population and the DMP score, and found a significant relationship in comparison II. That is, cities with fewer white people (i.e. more heterogeneity) are more likely to have a higher DMP score (*HA-2* was supported). We also investigated which minority population has more influence on the adoption of DMPs, and found that only the African American percentage in the population had a significant, positive relationship with the DMP score as seen in comparison II. In testing the effect of wealth, we used the percentage of the population below poverty level as a reverse indicator of wealth, and did not find a significant relationship (*HA-4* was not supported).

Table IV summarizes the testing results of the hypotheses about the effects of city manager's backgrounds such as race, age, education, government experiences. Although we found that cities with lower DMP scores tended to have more female managers or managers with ethnic backgrounds in Table II, *HB-1* was not tested due to a small number[12] of managers in these categories. In testing *HB-2*, we divided managers' ages into two groups: 40 and below and above 40. A significant and positive relationship was found between manager's age and the DMP score. This result was contrary to our prediction in the hypothesis that older managers (above 40) are less likely to have higher DMP scores. When testing the effect of manager's other backgrounds such as government service experience (*HB-3*) and education level (*HB-4*), we found no significant relationships.

## SUMMARY AND CONCLUSION

According to our findings, most cities in North Carolina did not seem to take diversity and its related issues seriously (average DMP score: 6.5 out of maximum possible score 17.5). As summarized in Table I, we determined that more cities tend to adopt DMPs such as empowerment, diversity training, implementing diversity outreach programs, promoting senior management involvement in diversity planning, and affirmative action plan, regardless of their DMP scores. In addition, some DMPs were more popular for the cities that took diversity and its related issues more seriously. The most popular DMPs for those cities were mission, plan,

policy, training, empowerment, involvement, and affirmative action programs. The least popular DMPs among cities with low DMP scores were mentor, internship, resources, advocate, committee, and innovation (see the notes of Table I for the detailed explanation of these DMPs).

We also examined the effects of demographic/economic factors and city manager's backgrounds on the DMP scores, using ANOVA. As the diversity literature suggested, this study confirmed the relationships between population size, heterogeneity of population, and urbanization and the emphasis that cities place on diversity and its related issues. In general, however, city manager's backgrounds were not related with DMP score. Only city manager's age was determined to have a significant relationship with the DMP score, but it was opposite to our stated hypothesis. We found that municipal governments with older managers in our sample were more likely to have higher DMP scores. These findings raise a fundamental question. Is a city manager's background really an important factor in setting a tone of diversity management as we usually see in the private sector? If not, we may need to adjust our thoughts about a manager's background in the public sector when it comes to managing diversity. In order to reach a more definitive conclusion the dependency on the decisions of city councils and resulting limitation on the manager's actions in the public sector have to be considered. Consequently, research taking these factors into consideration should be conducted before reaching any conclusion with confidence.

In this study we used a set of "best" DMPs based on a wide scope of the diversity literature. We believe these suggested DMPs will be useful to cities if they want to support and encourage diversity at work particularly since only a few DMPs are widely shared and accepted. Among those DMPs, we identified management practices that were more often employed by the cities with a higher DMP score, as well as management practices that were more popular among the cities in general. We also identified that some DMPs are less popular among cities with a lower DMP score. We believe that these DMPs can be used as a practical guide for cities that plan to adopt more DMPs in response to changing demographics.

We constructed a reliable (Cronbach's alpha value 0.76) comprehensive measure of the DMP adoption level and used this DMP score as a dependent variable in testing our hypotheses. Since the findings of hypotheses tests confirmed the effects of some major demographic factors indicated by the diversity literature, cities are advised to be proactive in managing diversity by introducing appropriate DMPs when their demographics are changing substantially. Although North Carolina is a US state that has experienced a substantial and fairly typical change in its demographics over the past decades, more research needs to be done before the results of this study can be generalized.

Diversity Management: Expert-Identified Leading Practices and Agency Examples

## FOOTNOTES

1. A mission statement that includes the desirability of diversifying the workplace.

2. When diversity management is integrated into an organization's strategic plan, it is more likely to survive long-term ([48] US Government Accountability Office, 2005, p. 9).

3. Managers, staff and street-level bureaucrats should be trained to not only understand diversity but to value it ([18] International Personnel Management Association, 2001).

4. Top management commitment to implementing diversity initiatives is critical to the success of diversity management.

5. More aggressive advertising in a wide array of sources informs all qualified applicants of job opportunities.

6. Mentoring cannot only aid retention but can promote higher productivity and better performance ([48] US Government Accountability Office, 2005).

7. Diversity advocates are designated to shepherd and promote diversity initiatives.

8. This committee is formed to examine organizational policies toward recruitment, selection, hiring, performance evaluation, and compensation.

9. It helps to explore the details of comparison by producing a multiple comparison table (Statacorp 3, 2003, p. 106).

10. We assigned 0.5 point to each way a city used to reach out to a diverse population during recruitment (see recruitment methods in Table I).

11. If population has fewer white people, we can say that population becomes more heterogeneous.

12. Among the survey respondents, there were only six female managers and two African American managers.

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## FURTHER READING

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