

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre for Economics

Rahman, Ummeh Habiba Faria Benteh

Article Diversity management and the role of leader

Open Economics

Provided in Cooperation with: De Gruyter

Suggested Citation: Rahman, Ummeh Habiba Faria Benteh (2019) : Diversity management and the role of leader, Open Economics, ISSN 2451-3458, De Gruyter, Warsaw, Vol. 2, Iss. 1, pp. 30-39, https://doi.org/10.1515/apapee.2010.0003

https://doi.org/10.1515/openec-2019-0003

This Version is available at: https://hdl.handle.net/10419/236595

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.



https://creativecommons.org/licenses/by/4.0/

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



WWW.ECONSTOR.EU

Review Article

ิล

Ummeh Habiba Faria Benteh Rahman* **Diversity Management and the Role of Leader**

https://doi.org/10.1515/openec-2019-0003 Received October 22, 2018; accepted January 18, 2019

Abstract: The paper's intention is to provide the correspondence of the globalization and the diversity in the management in this current trade era. The aim of the article is to understand the leader's role in diversity management which is rapidly changing the global trade market more clearly. Globalization has a very big influence on the diversity management these days, both directly and indirectly. This study is based on a systematic review of 14 journal articles presented on the concerned topic. It is divided into three main parts: the paper describes benefits of diversity management, leader's role and the challenges which leaders face while playing the role in the diverse management. In the review, it was found that "diversity" in the workplace is one of the most important factors to run the business or corporation smoothly and workplaces are truly benefitted by the management of the diversity. It works as an "aid to trade" in the performance of the workforce in the corporate culture. Next, we explained the challenges which leaders face and how to avoid those by taking initial steps. The paper ends up by providing discussions, limitations of the previous literature and some suggestions to the future researchers.

Keywords: Workplace Diversity, Diversity Management, Role of Leaders, Challenges in Diversity Management

1 Introduction

Workplace diversity is one an important phenomenon in the current era. The diversity refers to the variety of differences between people in an organization. That sounds simple, but diversity encompasses race, gender, ethnic group, age, personality, cognitive style, tenure, organizational function, education, background and more (Green, López, et al. 2002).

Today, most organizations have been or soon will be impacted by these changes. As a result, diversity and diversity management within the organizational sciences is one of the most dynamic areas for theory building and research (Kreitz, 2008). Developing a deeper understanding of workforce diversity and its management is specifically important in cross-cultural settings where employees of different cultural backgrounds come together and leaders are confronted with the challenge of managing employees of diverse values and interests (Green, López, et al. 2002).

Leadership is the most important factor in all organization but it is getting tougher due to the intervention of globalization, technological improvement and diversity management. As the demand for knowledgebased enterprises rises, it is both employees' and managers' responsibility to enhance the success of workplace learning and workforce development (Gentry, Eckert, et al. 2014). A successful international leader must know what is expected by leadership and how to execute it accordingly. For developing the organization's role, HR professionals are willing to take proactive measures (Kulik, 2014). For the sustainability of the leadership, global leaders have to diversify themselves according to the cross-cultural

^{*}Corresponding author: Ummeh Habiba Faria Benteh Rahman, Norwegian University of Science & Technology, Ålesund, Norway, E-mail: rahmanhabiba26@gmail.com

³ Open Access. © 2019 Ummeh Habiba Faria Benteh Rahman, published by De Gruyter. 💿 This work is licensed under the Creative Commons Attribution 4.0 International License.

trend. It is important that they understand the significance of leadership and leadership expectations, and develop and sustain effective leadership strategies for long-term change (Chuang, 2013).

2 Purpose of the Study

The purpose of this study is to provide a systematic review of literature about the leadership roles in managing the diverse cultures in an organization. The existing literature is, however, scattered and does not offer a clear picture of this line of research. This paper further aims to provide a comprehensive understanding of cultural differences in the applicability of the leadership roles in the implementation of these roles. Specifically, this paper will focus on two major questions, and these are: (1) Is the management of diverse workforce beneficial for organizations? and (2) Do leaders play a role in diversity management? The following section describes the main concepts of this study and provides a theoretical foundation for their interrelationship. The paper also shows the limitations and future research suggestions.

3 Theoretical Foundation

3.1 Workplace Diversity

In one way, "Diversity" is defined as acknowledging, understanding, accepting, and valuing differences among people with respect to age, class, race, ethnicity, gender, disabilities, etc. (Green, López, et al., 2002). For example: in American organization, people of different skin color and nations work together or in some technological companies, some physically disabled people work with research and development as they have brilliancy mentally (Sharma, 2016). We can easily find out that these are all results of the globalization as the world has become a single broad market where parties share the resources(Bastien, 1992).

Organizations are extremely diverse and complex in this global era. For understanding it, i.e. how an organization functions, we need to observe people working there and the way they work and what their background brings to the workplace (Bastien, 1992).

3.2 Diversity Management

As noted above, organizations are characterized by diversity in age, gender and cultural backgrounds of its workforce, it is important to channel such diversity into beneficial outcomes for both employees and organizations (Green, López, et al., 2002). Companies need to put the diversity on a pedestal and simultaneously look for ways to become inclusive organizations because diversity has the potential to produce greater work productivity and competitive advantages (Back, 1998). "Trust climate" and relationship with company would be stronger when employees experience feelings of inclusion in the workplace (Downey, van der Werff, et al., 2015). In an era of globalization, it is imperative to understand and embrace the multicultural world, both at the workplace and the marketplace. The need to feel part of an organization is one of the most important aspects that today's young professionals look for while deciding on a job and hence, inclusive behavior is the foundation on which a diverse workforce can work as a single unit (Back, 1998).

The advantages of diversity management in the workplaces are: increased productivity, increased creativity and problem solving, attracting and retaining talent, help to build communication in teams and it increases market share and number of diverse customers (Kreitz, 2008).

Diversity management policies and programs are designed to create a welcoming organizational environment (Back, 1998) to those groups that, in the past and through the present, have not had access to employment in general and more lucrative jobs, in particular (Kulik, 2014). For managing diversity in the workplace, leaders need to play some role, and they do face challenges while performing those roles

(Chuang, 2013). According to a survey conducted at the Center for Creative Leadership, involving 763 leaders, there are six leadership challenges across seven countries that we studied - India, China/Hong Kong, Egypt, Singapore, Spain, United Kingdom, and the United States.

Leaders face the challenges with time management, decision making and speeding up of the work. They often face difficulties to motivate others for working smartly and diplomatically. Mentoring and coaching the other employees become tough as well for the leaders. Leading a team is quite tough. To adapt for the dynamic changes of the globalization, leaders always need to make changes following the principles. These mentioned tasks are great challenges for the global leaders in diverse management (Chuang, 2013).

3.3 Role of Leader's in Diversity Management

Role of the leader is important to provide direction and guidance to a group of individuals. Leadership can be exercised through guidance and counseling of the subordinates at the time of execution of plans (Findler, Wind, et al., 2007). The role of leadership concerning diversity is to develop a strategic plan that exemplifies the company's philosophy on diversity. A company leader plays a bigger role than any type of training session, mandatory or otherwise. When employees believe the company's leader supports diversity, it is more likely that they will follow suit (Downey, van der Werff, et al., 2015). Employees generally agree with principles their leaders support.

Additionally, employees usually emulate standards their leaders set. Modeling behavior is an imperative role for a leader with respect to diversity (Pless, Maak, et al., 2011). Leaders are responsible for constructing the company's policy on diversity. Policies on equal employment generally are crafted by the company's highest-ranking official to signify the level of commitment to fair employment practices.

Leaders usually face the challenge of team-building, team development, and team management; how to instill pride in a team or support the team, how to lead a big team, and what to do when taking over a new team in the global market (Okoro, 2012). Often leaders face the challenges of managing, mobilizing, understanding, and leading change and how to mitigate change consequences, overcome resistance to change, and deal with employees' reaction to change (Chuang, 2013).

In the competitive landscape of the 21st Century, a sustainable advantage of globalization depends on the skills and abilities of a leader who can manage diversity and implement increasingly complex business strategies (Kulik, 2014). For example, leaders go through survey of employees in an organization to look into the depth of any complexity if it occurs in the workplace and solve it after participation from everyone. Effective workforce diversity management is a key to global business success (Okoro, 2012). Diversity management is "Acquiring the necessary knowledge and dynamic skills to manage such differences appropriately and effectively. It is also about developing a creative mindset to see things from different angles without rigid prejudgment" (Ting-Toomey and Chung, 2005).

4 Methodology

A systematic review has been done according to the guidelines suggested by (Tranfield, Denyer, et al. 2003) as follow:

- building scope of the study,
- identification of research,
- discussion of the literatures,
- study quality assessment,
- data monitoring.

This paper has been stated by designing keywords and by processing following the questions of interest. The inclusion and exclusion criteria have been decided. The discussions of the literature were done from the studies which have been published online. All the topics were collected from different scholars' write up, but unfortunately, many publications were not up to the standard level and very generic. To retrieve the relevant articles, the author has used keywords, i.e. "diversity management", "leader's role in globalization", "challenges of leaders in diversity", "best practices of leaders", etc.

The number of articles was then narrowed down. Articles or journals were based on the leader's role and their activities in the diversity management. Out of 35 articles, author have chosen 14 most relevant to the research area. The author has selected these articles because these have clarified how to deal with diversity in the workplace, how to deal with different cultures and actually what benefits we can get a group of different cultured people and how those can be utilized innovatively.

Though recent articles or journals were not sufficiently available on the sources, there was no limit of the year of publications as the previous studies have the importance as well though there are many new ideas added up with the new or recent papers. Taking into consideration both most recent and most significant literature gives the opportunity to deliver more accurate analysis.

5 Analysis and Findings

Analysis means the detail studies of the examination and Findings deal with the core things which we get after going through a piece of writing or anything. We come to analysis or findings generally after dealing with the literature (Tranfield, Denyer, et al., 2003). The study included in this review were mainly based on survey research, but there were certain other studies that used interviews and experiments.

According to the general way, the presentation and findings of this paper are separated into three main parts and these parts have been inspired by the articles which the author has collected from scientific journals: **benefits of diversity management or workforce diversity**. Benefits can be gained from the diversity if the leaders do guide individuals or group of employees in the office (Green, López, et al., 2002). Back (1998) has discussed diversity in the workplace. It means how a workplace could be benefitted from the group of diverse people and increase its efficiency, inspired by Kulik (2014) and Kreitz (2008). The practices which promote the trust and ultimately benefits come from the diversity management in the office (Downey, van der Werff, et al., 2015).

The following part deals with the question **what a leader's role is in the workplace**. This part has been inspired by Shen, Chanda, et al. (2009) and Pless, Maak, et al. (2011). It means that the leaders must follow some principles and guidelines while bringing people from different cultures in the same pace (Sharma, 2016). In the era of globalization, diversity in the working environment can help to build a single paced market (Ting-Toomey and Chung, 2005). The last part focus on global challenges of the leaders' that means what they are facing while managing the diverse group of people in the same organization. This part has been inspired by Findler, Wind, et al. (2007) and Gentry, Eckert, et al. (2014). Okoro (2012) suggested that in the era of globalization, the role of the leaders are the best effective way to reduce the challenges and bring success in the diverse work environment. Chuang (2013) have discussed that leaders in the organization need to take proactive actions to manage diversity.

As globalization and diverse management have more or less the same pitch for the role of the leader though these were investigated separately to get more specific views. All these three parts are fragmented inside of the tables. The table below includes the details of the journals which the author has collected for completing the review. It includes the name of the author, journal, purpose of the journal, how the information was collected and the main findings of the journals.

Author	Journal	Purpose	Findings
(Green, López, et al., 2002)	Diversity in the work- place: Benefits, challen- ges, and the required managerial tools	Focused on the benefits and challen- ges of diversity in the workplace	Multicultural people work in companies nowadays which is beneficial for them. Managers controls the challenges which arise due to diversity and this is why management tools are very important
(Downey, van der Werff, et al., 2015)	The role of diversity practices and inclusion in promoting trust and employee engagement	The paper investigates diversity practices for the well-being of the company	It was hypothesized that diversity practi- ces bring a trust, better solution, customer loyalty etc. climate in the organization and maintains a strong relationship among different levels of employees
(Kulik, 2014)	Working below and above the line: the research– practice gap in diversity management	Diversity management research in this paper has heavily emphasized on "below- the-line research" for measuring the perceptions of employees. An impact on diversity management has been shown in this research	A research has been done for the HR professionals to carry out some diversity management tools for reducing the gap in the diverse management. In the entire research, tools have been tested tho- roughly and also been criticized
(Kreitz, 2008)	Best Practices for Managing Organizational Diversity	Explaining Eco-System Model both the old and new one	Successful management of diversity needs the HR professionals to have skills in orga- nizational development, communication, psychology, assessment and leadership
(Back, 1998)	Diversity in the Workplace	The paper talks about educating the managers or leaders regarding the diversity management	Providing the proper training to the managers or leaders in the company about diversity for bringing cultural awareness. Ultimately, the positivity and benefits will be achieved in the organization.

Table 1. Benefits of Workforce Diversity Management

Author	Journal	Purpose	Findings
(Pless, Maak, et al., 2011)	Developing responsible global leaders through international service- learning programs: The Ulysses experience	The paper focuses to understand the participants behavior after a project named, "Project Ulysses"	The implications for theory have been dis- cussed. The theory was built on leadership which helped organizations leverage the potential international service learning.
(Sharma, 2016)	Managing Diversity and Equality in the Workplace	The aim of this paper is to review the literature surrounding the role of performance appraisals, socio- cultural issues, affirmative action (AA), and organizational capabilities in managing diversity and Equality in the workplace.	There is a strict need for diversity audit which will reduce the discrimination in the workplace
(Ting- Toomey and Chung, 2005)	Understanding Intercultu- ral Communication	The paper consists of the discus- sion regarding the communication between similar and different culture people.	There are certain things i.e. behavior, language, body-gesture, etc. Which allow people to think about similar or dissimi- lar cultures. Findings also talk about the stereotyping behavior people earn from the media
(Shen, Chanda, et al., 2009)	Managing diversity through human resource management: An inter- national perspective and conceptual framework	This paper focuses on the critical reviews of the literatures regarding managing the diversity in the work place.	After reviewing the literature, we found out that less attention has been paid to for the development of managing the diversity or making use of it in the workplaces. In theory, it is very strict, but in the real scenario, managing diversity is not strong enough.

Author	Journal	Purpose	Findings
(Gentry, Eckert, et al., 2014)	The Challenges Leaders Face Around the World	Paper focuses on the main challenges of the executive level employees.	Leaders face challenges while developing the managerial effectiveness, inspiring others, developing employees, leading a team, guiding change and managing internal stake- holders as the people from different culture take emotions differently.
(Findler, Wind, et al., 2007)	The challenge of workforce manage- ment in a global society: Modeling the relationship between diversity, inclusion, organizational culture, and employee well-being, job satis- faction and organiza- tional commitment	The paper talks about the gap between diversity of the client population versus the diversity of the staff	Gradually, leaders are facing problem to warmly welcome the diversity and cultural dissimilarities in the organizational environ- ment. Management practices are outlined for implementing policies that promote satisfac- tion and commitment in employees.
(Chuang, 2013)	Essential Skills for Leadership Workplace	To identify challenges for global leaders, and identify essential leadership skills for success as a global leader in this rapidly changing world.	To cope with the technological changes in the workplaces, leaders have to make them flexible. Leaders have to understand the competitor's strategies and need to look into the bigger picture.
(Okoro, 2012)	Being an Effective Global Leader	As a leader, what do I need to be successful as globalizations changes the rules of the game	Success or failure in managing Diversity mostly depends on the effectiveness of managers. Success in global business will be affected by the inability of international managers if they cannot understand the proper way of handling the leadership quali- ties in the diverse environment.

Table 3. Effective Role of the Leader in the Workplace

5.1 Benefits of Diversity Management and Workforce Diversity

Diversity management is the practice of addressing and supporting multiple lifestyles and personal characteristics within a defined group (Green, López, et al. 2002). Management activities include educating the group and providing support for the acceptance of and respect for various racial, cultural, societal, geographic, economic and political backgrounds (Downey, van der Werff, et al., 2015). Green, López, et al. (2002) suggested that, due to the proper and organized management of the diversity in companies or organizations, these can obtain many benefits, i.e. increase in productivity. The findings of the articles list the benefits which workplace can achieve due to diversity management. Various authors have pointed out how benefits can be earned or achieved with the common conclusion that the proper understanding of managing diversity can bring benefits (Kreitz, 2008). Basically, it is done by educating the managers or leaders in the organization. Educating managers can include training, and bringing up cultural awareness (Back, 1998).

Kulik (2014) has focused on the tools in the research to reduce the gap in managing the diversity. Moreover, self-awareness about discrimination in the workplace and willingness to change institutional barriers by making the workplace equal for all type of workers. Downey, van der Werff, et al., (2015) stated thay business is facing a potential increase in creativity, increased productivity, new attitudes, new language skills, global understanding, new processes, and new solutions to difficult problems, greater agility, better market insight, stronger customer and community loyalty, innovation, and improved employee recruitment and retention.

The companies get benefits from multi-cultured people working in them. Green, López, et al. (2002)

discuss the manager or leaders control the challenges which arise due to diversity, and this is why management tools are very important. Managers or leaders are bound to identify the ways of how the companies or workplaces are changing in term of diversification, and according to that, they need to educate themselves and others within their organizations. It will create value to the diversity indeed for all the stakeholders (Kreitz, 2008).

Back (1998) has translated the observations that diversity is learned by watching leader. A leader must support the diversity and its policies and have to build a strategy for employees. Downey, van der Werff, et al. (2015) said that leader needs to communicate with employees and follow the strategies which will smoothly run the policies of the diversification in the management. On the other hand, a company's leader has to support the workplace diversity. Kreitz (2008) stated that successful management of diversity needs the HR professionals to have skills in organizational development, communication, psychology, assessment and leadership. To obtain the benefit and higher productivity, managers need to respond according to the wave of the diversity in the workplace and growing competition as well (Green, López, et al., 2002). Overall, maintaining the diversity in the workplace will give the best success to it (Kulik, 2014).

5.2 Role of the Leader in Workplace

What do business leaders need to understand about diversity? Leaders need to know that they have to take responsibility for creating a diverse and inclusive work environment. Differences in race, gender, and socioeconomic background are three characteristics, but so are differences in learning style or differences in the professional field. In diversity management, the role of the leader is to create a communication with employees (Ting-Toomey and Chung, 2005). When an organization's leader takes time to discuss the benefits of diversity, employees listen. Moreover, the role of leadership is to concern that diversity, to develop a strategic plan that illustrates the company's philosophy on diversity. Organizational strategy is the responsibility of the company leaders. Their strategic plan, then, shapes the goals for upper management that develops the functional steps of putting the strategy into action (Sharma, 2016). Leaders are responsible for constructing the company's policy on diversity. Policies on equal employment generally are crafted by the company's highest-ranking official to signify the level of commitment to fair employment practices (Pless, Maak, et al., 2011).

Ting-Toomey and Chung (2005) stated that leaders need to close individual gaps, create self-awareness, create similarities and avoid stereotyping among individuals to manage the diversity. Global leaders must have multi-cultural leadership skills to run a workplace. For performance efficiency, significant global leadership skills need to be identified by the leaders in diverse management (Shen, Chanda, et al., 2009). Leader's job is to encourage and ideas and to help their organizations to incorporate diverse perspectives which facilitate creative collaboration. Leaders must play soft skills in order to truly create and maintain an inclusive environment that speaks to all employees. To adapt with the diversity and to lead it effectively, 'global' leaders must be probing, must be gamblers, and willing to think outside of the box by going beyond (Pless, Maak, et al., 2011). They can help employees to find how to cope with the diverse culture rather than teaching them anything. Leaders need to be accountable and transparent. Leader's job is to encourage and ideas and to help their organizations to incorporate diverse perspectives which facilitate creative specifications to incorporate diverse perspectives which facilitate creative to be accountable and transparent. Leader's job is to encourage and ideas and to help their organizations to incorporate diverse perspectives which facilitate creative collaboration. Creativity is the heart of the business, and has to be managed by the leader (Shen, Chanda, et al., 2009).

Leaders need to create value of the multiple cultures and manage the diversity stated that diversity is not the same across the globe. Leaders need to look at the elements of diversity for important jurisdiction. (Pless, Maak, et al., 2011), elements of diversity varies from country to country. Most effective organizations use diversity to increase cultural competency. Strong leaders create an environment where people become interested in maintaining diversity (Shen, Chanda, et al., 2009). Overall, leaders need to play a crucial role always to manage the diversity in the workplace and must successfully build long-term strategic relationships, internally and externally, in order to get the job done.

5.3 Global Leaders Challenges in Diversity Management

It is critical to keep the leadership consistent for the effective accomplishment of the company strategy. (Findler, Wind, et al. 2007), as the rise of the globalization, the development of global leadership development will become complex to hold the success of the organization.

Most of the time, leaders face challenges on developing managerial effectiveness, managing relationships, politics, and image. Leaders face challenges while developing the managerial effectiveness, inspiring others, developing employees, leading a team, guiding change and managing internal stakeholders as the people from different culture take emotions differently (Gentry, Eckert, et al., 2014).

Chuang (2013) noted that leaders always need to inspire and motivate others so, it's a challenge for the leaders as well. This is because, in a diverse culture, emotions and expressions vary from person to person. It is challenging to develop others, including topics around mentoring and coaching. In a multi-cultural company, leaders have the challenge of team-building, team development, and team management; how to instill pride in a team or support the team, how to lead a big team, and what to do when taking over a new team (Gentry, Eckert, et al., 2014). As different countries' perception is different for leadership so, the only way to solve this problem to study employees, workplaces and global trends. To cope with the technological changes in the workplaces, leaders have to make them flexible (Okoro, 2012). Leaders have to understand the competitor's strategies and need to look into the bigger picture (Chuang, 2013). Cultural competencies can be increased for the workforce diversity. Leaders need to understand people as individuals rather than groups, for creating productive human relationships in the workplace. Otherwise, miscommunication can take place that leads to problems in the management. These challenges can be overcome by proper training and fair discipline process. According to Findler, Wind, et al., (2007), cultural diversity has become a part in the MNCs and people from different background work together. Biases occur due to it, and while appraising performance, leaders most often create the problem. Performance appraisal sometimes leads to discrimination in the workplace. Because of discrimination people can guit the job. There is a strict need for diversity audit which will reduce the discrimination in the workplace.

Educating managers regarding behavior and cross-cultural management will help reducing major and common problems in the workplace, i.e. not getting very often and motivate the working team for their best output (Okoro, 2012). Moreover, it is hard to overcome resistance to change and deal with employees' reaction to change but by providing managerial support to other departments, groups, or individuals, leaders or managers can go with the flow of the diversity management.

6 Discussion

Discussion of this paper has been drafted after the findings of the literature reviews. The review suggests that in the diverse management due to globalization, leaders need to be more innovative and effective (Shen, Chanda, et al., 2009). Playing role for leaders in this situation becomes challenging as well, and few reviews talked about those challenges (Green, López, et al., 2002). "Leadership" is one of the most important factors in every organization but it is getting tougher due to the intervention of globalization, technological improvement and diversity management (Findler, Wind, et al., 2007).

Okoro (2012) states that a leader has to be the representative of the enterprise who will represent the rationale of the enterprise to the outside public. A leader can be a friend by sharing emotions with employees, s/he can be a philosopher who will use his/her experience to guide employees and the leader can be a supervisor who will supervise the team for goal concerns (Ting-Toomey and Chung, 2005). Gentry, Eckert, et al. (2014) noted that a leader educates the employees and always support them morally, from the perspective of culture and society. To go with the flow, leaders must have interpersonal skills. Actually, in one sense, the leader must do it to manage the diversity (Pless, Maak, et al., 2011).

Chuang (2013) proposed that employees always tend to follow their leaders' activities in the organization so, whatever the leader will do will be followed and granted by the employees. Therefore, they must be innovative, risk-takers and must have the "never-quitting" tendency among them whatever

the situation is (Green, López, et al., 2002). Global leaders should understand globalization has differing effects on countries and people as well organizations need specific leadership development approaches for an effective leadership role and organizational performance (Shen, Chanda, et al., 2009). According to Findler, Wind, et al. (2007), in the rapidly changing global culture, it becomes hard for the leaders to go with the flow, but they always need to take precautions to avoid future uncertainty. Since global leaders' responsibilities becoming complex day by day so, they must depend on the "future-oriented" leadership style (Back, 1998).

Sharma (2016) noted that diversity of thought can be gained easily if leaders let diverse people participate in the discussion as they have diverse experiences. According to Shen, Chanda, et al., (2009), the participation of the workforce is too much mandatory and all the employees needed to be considered whatever their race, age, and gender is.

7 Limitations

Let us focus on the limitations of this review paper. As the author has already mentioned that in total 14 articles have been used to write this review paper, which is not sufficient enough for describing the diversity management as this is one of the crucial tools of human resource management. On the other hand, only teaching or providing the training of diversity management to leaders, cannot bring the proper efficiency in the organizations as the positive productivity needs more.

According to all the research papers, the author has gained knowledge regarding the potential role of global leaders in diverse management which helped to think beyond the box. On the other hand, very few papers have discussed the real example of global leaders and their stories of success or failure. Challenges were smoothly discussed what a leader can face in diverse management, but no real-life example of any global leader was discussed in the researches. Due to this, the practical flavor was totally missing from the paper. The author also raises question to the previous research that *"If a global leader fails to manage the diversity then what ways, it can be recovered or compensated?"* A suitable answer to this question is not available in any of the previous papers.

8 Suggestions for Future Research

International organizations look for effective leaders who can run a diverse workforce. Diversity has risen due to globalization, technological innovation and demographic changes. Leadership must include good relations with employees, interpersonal skills, awareness, and global mindset in the global environment conditions. The most beneficial thing for the development of human resource management and international business is the continuous exploration of the skills of global leaders. It will help future researchers who would like to know about the global leaders' practices strategies around the world.

For example, KFC, Starbucks, and Ikea have done so. They went global but stayed local. This is how they have adopted the tastes of various customers in various location of the world. Global leaders of these global companies have explored and managed the multi-cultural diversity. To examine the dynamic cross-cultural competitive, the qualitative methods can be involved which may further explore the dimensions of the global leadership practice.

9 Conclusion

The paper focused on three main parts: benefits of diversity management, how leaders manage the diversity and what challenges leaders or managers face while managing the diversity. In the modern era, cultural diversity exists in the workplace which took place due to the global trend or globalization. "Diversity" in the management is the most happening thing in today's world. Due to the change in the demographics, technological advancement, and the demand pattern changes, effective companies or multinationals are always prioritizing the leaders or managers who can be responsible for guiding the diverse workforce. The author has raised questions in the beginning of this paper regarding the benefits of the diversity management in the organizations. After completing the research, it has been proven that companies can obtain certain advantages which will make them sustainable for long in the market place and will be compatible with the competitors. The second question was regarding the role play of the leaders in diversity management. Throughout this paper, it has been said that leaders or managers are responsible for playing a decisive role in the organization or in the workplace to run diversity smoothly. This role includes education, training, interpersonal skills, motivation, empowering and many more. Managing diversity is well and beneficial for the workplace. Benefits or advantages were described in the paper. As always, for benefits, there have to be some challenges as well. In modern days, being global leaders are very challenging. For managing the diverse workforce in the organizations, leaders suffer from some common and inevitable challenges which were focused on the paper as well. Overall, the paper discloses that the global leaders need always to be updated regarding knowledge, skills, and effectiveness for leadership performance in a diverse workplace in cross-cultural management.

References

- Bastien, D. T. (1992). Change in organizational culture: The use of linguistic methods in a corporate acquisition. *Management Communication Quarterly, 5(4)*, 403-442.
- Chuang, S.-F. (2013). Essential skills for leadership effectiveness in diverse workplace development. Online Journal for Workforce Education and Development, 6(1).
- Downey, S. N., Van Der Werff, L., Thomas, K. M., & Plaut, V. C. (2015). The role of diversity practices and inclusion in promoting trust and employee engagement. *Journal of Applied Social Psychology*, 45(1), 35-44.
- Findler L., Wind, L. H., & Barak, M. E. M. (2007). The challenge of workforce management in a global society: Modeling the relationship between diversity, inclusion, organizational culture, and employee well-being, job satisfaction and organizational commitment. Administration in Social Work, 31(3), 63-94.
- Gentry, W. A., Eckert, R. H., Stawiski, S. A., & Zhao, S. (2014). *The challenges leaders face around the world: More similar than different*. Center for Creative Leadership White Paper. Retrieved January 6: 2015.
- Kreitz, P. A. (2008). Best practices for managing organizational diversity. *The Journal of Academic Librarianship, 34(2)*, 101-120.
- Kulik, C. T. (2014). Working below and above the line: the research–practice gap in diversity management. *Human Resource Management Journal*, 24(2), 129-144.
- Okoro, E. (2012). Cross-cultural etiquette and communication in global business: Toward a strategic framework for managing corporate expansion. *International journal of business and management*, 7(16), 130.
- Pless, N. M., Maak, T., & Stahl, G. K. (2011). Developing responsible global leaders through international service-learning programs: The Ulysses experience. Academy of Management Learning & Education, 10(2), 237-260.
- Sharma, A. (2016). Managing diversity and equality in the workplace. Cogent Business & Management, 3(1), 1212682.
- Shen, J., Chanda, A., D'Netto, B., & Monga, M. (2009). Managing diversity through human resource management: An international perspective and conceptual framework. *The International Journal of Human Resource Management*, 20(2), 235-251.

Ting-Toomey, S., & Chung, L. C. (2005). Understanding intercultural communication, New York: Oxford University Press.

Tranfield, D., Denyer, D., & Smart, P. (2003). Towards a methodology for developing evidence-informed management knowledge by means of systematic review. *British journal of management, 14(3), 207-222.*