### **Management Dynamics**

Volume 13 | Number 1

Article 1

April 2013

## Implementation and Management of Workforce Diversity in the Indian Context: Employer and Employee Perspectives

Rashmi

Department of Business Management, College of Vocational Studies, University of Delhi, India

Follow this and additional works at: https://managementdynamics.researchcommons.org/journal

Part of the Business Commons

#### **Recommended Citation**

Rashmi (2013) "Implementation and Management of Workforce Diversity in the Indian Context: Employer and Employee Perspectives," *Management Dynamics*: Vol. 13: No. 1, Article 1. DOI: https://doi.org/10.57198/2583-4932.1090 Available at: https://managementdynamics.researchcommons.org/journal/vol13/iss1/1

This Research Article is brought to you for free and open access by Management Dynamics. It has been accepted for inclusion in Management Dynamics by an authorized editor of Management Dynamics.

## IMPLEMENTATION AND MANAGEMENT OF WORKFORCE DIVERSITY IN THE INDIAN CONTEXT: EMPLOYER AND EMPLOYEE PERSPECTIVES

#### Ms. Rashmi\*

#### ABSTRACT

This study focuses on the issue of workforce diversity among organizations in India. It analyses the current perspectives, of employees and employers, regarding the need, enforcement, and management of diversity in their respective organizations. The paper tries to cover different employment contexts by studying a Public Sector Unit, an Indian MNC, and a Business Process Outsourcing (BPO) organization. The study investigates the seriousness of implementation of Diversity with respect to the seriousness of the perception of the need for Diversity. The study attempts to uncover the purpose of workforce diversity, and seeks the answer whether diversity is being implemented by organizations only to pacify the sensibilities of a progressive society or to increase the productivity of the Organization.

**Keywords:** Workforce Diversity, Affirmative Action, Diversity Management, Minorities. JEL Classification: M12, M51

#### INTRODUCTION

Workforce diversity (Diversity henceforth) has been observed to be recognized by organizations majorly to keep in line with the Affirmative Action Legislations in various countries. Other than this, Diversity has been perceived by employers to be a handicap for organization, it being a cost center. An emerging concept against this backdrop is to pursue the diversity among the workforce as strength. Between these two contrasting views, there arises the question whether the whole concept of diversity among workforce is, in fact, a mirage. To investigate this question, we shall look at various Human Resource Management (HRM) policies in different organizations, such as the Recruitment, Performance Management, Equal Opportunity, Training & Development policies, and gauge their effect on outputs like employee satisfaction, customer satisfaction, attrition rate, organization culture, and innovation etc.

\*Assistant Professor, Department of Business Management, College of Vocational Studies, University of Delhi. Email: rashmikhatri2009@gmail.com

Jaipuria Institute of Management

Management Dynamics, Volume 13, Number 1 (2013)

### **METHODOLOGY**

The paper starts off by reviewing literature to understand 'Diversity and Inclusion' as a concept in organizations across the globe. As a part of this literature review, the paper highlights a case of 'Best Practices at Google' which has later been used in the paper for benchmarking several parameters. In the next stage of qualitative research, organizations in India, which are under different ownership forms, were approached. Organizations from sectors like Information Technology (IT) Services and Business Process Outsourcing BPO), which see majority Human Resource (HR) interventions, were approached. Few of the organizations that were contacted for the purpose of this study are –

- i. Bharat Heavy Electricals Ltd (BHEL) one of the biggest and oldest Public Sector Undertakings in India.
- ii. Reliance Infrastructure Ltd part of the Reliance Group. one of the biggest private corporate houses in India.
- iii. Eclerx an Indian Knowledge Process Outsourcing (KPO) based in Mumbai.
- iv. Infosys an Indian MNC and one of the biggest IT services provider in the world.

Responses were obtained by conducting semi-structured interviews of HR managers in these organizations. 5 HR professionals, each working in a different organization were interviewed. The detailed questionnaire is attached in appendix 1.

Following this, as a part of the quantitative research, an online survey was conducted to gauge the perception of employees about the phenomenon of Managing Diversity and its percolation in their organization. 72 employees were surveyed by administering online surveys. The detailed questionnaire is attached in appendix 2. Both the qualitative and quantitative primary data were obtained in the time span of 2012-2013.

The HR policy documents of IBM – one of the most acclaimed companies in regard of Managing Diversity, were also perused to create a case study of IBM. This study has brought out a lot of good practices which can be adopted by other organizations.

### LITERATURE REVIEW

Michael Boyd states that organizational synergy is dependent on both inclusion and diversity. It is beyond doubt that without these elements, an organization becomes stagnant, insular, and defensive. Today, organizations are using workforce diversity as a strategic HR tool to gain competitive advantage in the global market place.

There are various dimensions of workplace diversity. Ajaya and Prakash Pinto (2011) outline that the primary dimensions are Race, Ethnicity, Gender, Age, Religion, Disability, and Sexual Orientation, and that the secondary dimensions commonly include communication style, work style, organizational role/level, economic status, and geographic origin. Anderson and Metcalf (2003) have described workforce diversity using the following dimensions:

- a) Social Category Diversity: The differences in demographic characteristics, such as age & race
- b) Informational Diversity: Diversity of background such as knowledge, education, experience, tenure and functional background
- c) Value Diversity: Differences in personality and attitudes

#### **Diversity Management**

Diversity Management can be seen as a systematic and planned phenomenon where an organization recruits, trains, develops and retains a diverse workforce with an assumption that diverse groups will create new ways of working together and that morale, profit and productivity will increase. Diversity is essential to conceive, investigate, nurture, and develop new ideas. It plays an important role in the creativity and innovation of an organization. Hence, it becomes important to have a rigid diversity management setup in place. The firm will better be able to serve increasingly diverse customers, meet increasingly severe and diverse competitors, and deal with increasingly complex business and management problems by actively seeking and managing a diverse workforce.

Thus, the management of workforce diversity as a strategy to increase organizational effectiveness cannot be underscored, especially with current changes sweeping across the globe. It is argued that organizations that value diversity will definitely cultivate success and have a future in this dynamic global labor market.

#### **Diversity management in global context**

The dominant diversity dimension is seen to differ from country to country. In general, age, gender, marital status, social status, disability, sexual orientation, Religion, personality, ethnicity and culture have been observed to manifest as diversity among workforce.

Gender diversity has been the oldest and the most common diversity parameter all over the world. Specifically, religion and ethnicity are the prevalent dimensions distinguishing people in India and Middle East. Similarly, in China, the household status (hukou) differentiates rural migrants from original urban workers. These Chinese rural migrants are frequently discriminated against at the workplace. For Western countries in general, and EU nations, Australia and New Zealand in specific, multiple cultures are perceived as the major diversity-causing factor among the workforce. This can be because these geographic areas witness excessive international immigration, wherein migrants belong to various cultural backgrounds. For USA and South Africa, Race is the major Diversity dimension that is frequently addressed.

# Company-specific factors that influence how the company approaches diversity management

Blum, Fields and Goodman (1994) have discovered that companies employing a higher diversity usually provide lower salaries, while simultaneously witnessing a higher attrition

rate. Many multinational companies have not established appropriate diversity policies when it comes to their overseas operations.

In order for the companies to prosper in the current world with rapid globalization, the following necessities arise: capacity to solve problems, rapidly adapt to new situations, and readily identify new opportunities and quickly capitalize on them. These capabilities of an organization can be measured by the following factors: Range of talent, Experience, Knowledge, Insight, and Imagination available in their workforces.

In order to achieve these critical factors, several companies have started looking for diversity in several aspects such as age, gender, race, nationality, etc.

#### Organizations with workforce diversity: evidences

Following were some of the organizations where creation and management of workforce diversity were prominently observed during this study:

- McDonald's created Mc JOBS a program that has trained and hired more than 9000 mentally and physically challenged individuals since 1981
- In 2006 and 2007, Infosys BPO received the Helen Keller award for the best employer from the National Centre for Promotion of Employment for Disabled People
- Volkswagen of America has taken number of steps toward becoming an "age-friendly" employer
- The ICICI Bank, the largest private sector bank in India has been providing equal opportunities to its female professionals and today a large percentage of top and senior executives in the company are female including its CEO
- Infosys has employees from over 70 countries and women constitute more than 32 percent of their workforce
- Lucent Technologies, Marriott International, Federal Express, Xerox, Sun Microsystems, Colgate Palmolive, Merck and Du Pont have at least one minority member on their board of directors

#### Metrics

The following metrics can be used by the organizations to measure the effectiveness of their diversity practices (Goyal and Gupta 2009): Diversity Representation at various organizational levels, Diversity hire rate at various levels of management, Diversity turnover at various organizational levels, Diversity promotion rates at various organizational levels, and Discrimination grievance rate.

### Current diversity management practices

Recruitment and selection: Since organizations benefit from mirroring their customer markets, as it aids in acquiring newer customers, women and minorities have been increasingly employed by organizations to leverage the advantage of such diversity. Though, at the same time, organizations must also offer employment policies and practices that offer opportunities for development, career planning, and management of work–life balance for the diverse sections that the organization is targeting.

Also noticed were cases of organizations which employ minorities in high numbers with an aim to win over minority customers. However, such "diverse" employees are usually recruited only for lower positions. Further, these employees face difficulties in promotion, or for even being considered for promotions. These employees may not also be allowed to express their culture once they have been taken into the organization.

**Pay:** Very few companies have implemented policies to tie their managers' incentives or compensation to the implementation of Diversity Management and its goals thereof.

**Performance appraisal:** Appraisals practices, as well as techniques, have been found to be traditionally skewed against women. Evidence has been reported on the correlation between demographic similarity in the supervisor-subordinates relationship, with respect to age, race, gender etc., and outcomes like favorable appraisals.

**Training and development:** Diversity training is increasingly being used by organizations. But such training programs witness relatively less female participation. Given that women are the group that organizations target in order to manage diversity, it should be noted that this non-participation acts as an obstacle to the career advancement for women, for example, in terms of access to managerial positions. At the same time, women are also not able to benefit from informal networks, coupled with their inability to take advantage of mentoring opportunities provided by the organization. The following gaps have been identified with respect to training management of diverse workforce:

Cross cultural training: This can be seen to include Employee training and Manager training.

During employee training, employees need to be educated about other cultures so as to sensitize them how diverse employees feel. It also helps them to live amicably in other cultural environments. Manager training envisages that managers be taught to understand the diversity in his or her work-team, and to harness these differences to maximize the contributions from the employees.

**Practical real life training:** Practical training can teach employees to handle situations arising out of diversity problems.

**Environmental Briefings:** Environmental briefings can provide information on the history, geography, schools, economy, etc. of other countries to the employees. Cultural orientation programmers: Programs to manage cultural orientation of the employees are needed.

There has not been reported any empirically backed connection between diversity enforcing and managing practices and increases in diversity or improvements in the performance of the organization per-se. Also, incongruities between the organizational buzz concerned with diversity management, and the ground practices in key HR fields have been observed.

#### Study of diversity, job satisfaction and well-being

Micha L E. Mor Barak & Amy Levin (2002) examines the relationship between diversity characteristics, sense of inclusion, fairness, stress and social support and the outcome variables of job satisfaction and well-being. It indicates women and members of racial and ethnic groups generally feel more excluded. There is no relation between age and level of inclusion. This is very important since perceived level of inclusion is a best predictor of job satisfaction. Exemption position and gender are significant predictors as well, even if the relationship of it with the outcome is much weaker compared to the previously mentioned variables. Perception of inclusiveness is a most significant variable in predicting the wellbeing.

The relationship between diversity and outcome is not very straight. The study indicates women are less satisfied than men in the workplace. Inclusion plays a mediating role between diversity, job satisfaction and well-being.

#### Challenges

Short-term progress of Diversity Management has been observed to be negatively influenced by inter-personnel and intra-management conflict, and by communication problems.

For employees who are not a part of any dominant group within the organization, job satisfaction is found to be lower, especially as they may be consequently denied equal rewards or equal advancement opportunities.

Another challenge to the Diversity Management efforts is the tendency of employees to congregate into in-groups and out-groups. Negative consequences on supervisor, subordinate and co-worker relations have been reported.

Diversity management was initially catapulted into focus due to the mounting pressures created by under-represented groups, such as women and minorities. Consequently, in an effort to pacify such backlash, diversity was often implemented along the format of "hiring by numbers". Also, once hired, essentials such as training, appraisal etc. are not given much attention. Minority employees are recruited at lower entry-level positions and thereafter offered little promotion opportunities.

Creating workplace diversity is quite easy while managing or maintaining the diversity poses a huge challenge to the HR managers.

Globalization in recent times has resulted in the intermingling of cross-cultural and crossborder people leading to the formation of a new set of global citizens with global attitudes, tastes and networks. This requires the companies to step up their diversity management capabilities.Roping up the envisaged diversity in the organization, the HR managers can feel challenged to identify and nurture the various capabilities of the diverse workforce in order to achieve a competitive advantage.

HR managers face the uphill task of modifying the existing HR policies such as recruitment, training and development, performance measures, etc to manage diversity

Diversity not only involves how people perceive themselves but also how they perceive others. This often leads to conflicts among diverse kinds of people. Communication becomes more difficult. Employees from different cultures fail to understand one another. Firms operating in different language areas find difficulty in communicating with the local employees as local employees speak different languages.

Diversity in cultures at workplace can also affect technology transfer, managerial attitudes, managerial ideology and even government-business relationships.

#### **Best practices**

**IBM:** Diversity is a part of business strategy for IBM. It actively encourages recruitment of people from various social and cultural backgrounds irrespective of their age, gender, race, etc. IBM also has an effective talent force to manage its workforce. IBM provides the employees opportunities to find suitable jobs across various organizational units. The Human Rights Commission has consistently ranked IBM 100% on its index of gay-friendliness since 2003. It is the only company which has a lot of child care center relationships around the globe. IBM has well-structured recruitment and training policies for disabled people too. It also has a diversity website where people with disabilities can post their resumes.

**GOOGLE:** Google nurtures a culture in which managers are seen as credible, employees are treated with respect and workplace policies and practices are implemented fairly. Equity, Impartiality and Justice are its three mantras. These are conveyed through practices such as balanced treatment of all the people, no favoritism regarding the rewarding policies, hiring policies, no politicking and no discrimination based on religion, race, gender, etc. Google has created an environment which helps to attract and retain diverse kinds of people and helps them to contribute to their full potential. Google funds Employee Network Groups (ENG) which are employee-initiated groups formed by persons sharing similar interests. These groups are viewed strategically to help in recruiting, nurturing and retaining diverse talents in the organization. Some of the groups include Google Women Engineers and the Gayglers (Google's GLBT group), the Black Googler Network, Hispanic Googler Network and the Native American Googlers. They help in the professional development of the employees and also act as a bridge to their communities.

#### **Confusion between Diversity Management & Affirmative Action**

Diversity Management has traditionally focused on compliance with equal employment opportunity (EEO) in the USA, for example, and on implementing affirmative action (AA) legislations in India, for example. Little focus has been devoted by organizations towards the valuation, development and explicit use of diversity for purposes of enhancing efficiency or widening the customer base. Organizations have opted for ensuring a legally defensible position against discrimination litigations. Here, an organization with a diverse employee base would be in a position to plead "not-guilty" in legal proceedings if their workforce mirrors the demography which is prevalent in the local community. As against the negative image portrayed in legislations like the EEO in US, the diversity management approach stresses on the advantages of having differences among employees. Diversity management explicitly derives benefit from the ever increasing diversity in workforce as a consequence of globalization, entry into world markets etc. On the contrary, steps like Affirmative Action are externally enforced.

#### Suggestions

Organizations need to keep a database of the identity profile or demographics of certain defined work sections. Periodic Audits to gauge and compare diversity data with industry benchmarks, with an aim to rate the organization's Diversity Management efforts and accordingly increase or maintain those efforts.

The HR managers and line managers involved in the organization's recruitment efforts can be trained to increase their awareness of the influence their stereotypical beliefs and attitudes have on their interviewing styles.

Reduction of prejudices and stereotypes embedded in the local psyche of the country in which the organization operates needs to be embedded into the designing of training programs.

Inclusion of "non-traditional" managers into panels created for appraisal should be affected.

Mentoring approaches need to be strengthened. While appraising managers, their actions should be evaluated against pre-set standards for hiring and promoting diversity.

#### Qualitative Research – Perspectives from Employers

*Infosys:* Infosys has a separate team to manage "Diversity and Inclusion. It maintains that as an organization, it is looking at diversity and inclusion, and not only at diversity in isolation. The existence of a separate function for Diversity marks the attention being paid to diversity management.

**Reliance Infrastructure Ltd.:** The Training and Development function does not look at diversity literally in terms of attributes like gender, age and location.Instead, specific educational backgrounds and work experiences are sought after depending on the nature of the job. The organization has also begun performing Psychometric Tests on employees to understand their personalities. The results of these tests are useful in understanding whether the organization has a proper mix of personality traits in any team. The organization perceives employee behavior as a more important dimension, in the endeavor to benefit from diversity.

#### Quantitative Analysis – Perspectives from Employees

A survey was conducted among the employees across different industry sectors like software/IT services, Consultancy and Manufacturing to gauge the perspectives of the employees regarding the diversity management policies and practices in their respective organizations. The detailed questionnaire is attached in Appendix 2. Based on the responses of 72 employees, following key findings have been observed-

1. Among the respondents, about 57% cited that their organizations had institutionalized policies towards diversity management. There also exists a sizeable number of employees who are not aware of the presence or absence of such a policy in their organization.

2. Among the industries studied, manufacturing sector lacks existence of diversity mainly in terms of gender diversity pertaining to the nature of the job.

3. Though the diversity management teams are not prevalent prominently across any of the sectors, it seems like consultancy and software have at least taken off.

4. Results show that almost all employees perceive that diversity would increase innovation in the firms. However, the response for effect of diversity on bonding was highly mixed.

5. Majority employees said that recruitment policies in their firm are not biased towards bringing in diversity. Instead, there is Equal Opportunity Policy in place.

#### CASE STUDIES Workforce Diversity in BHEL (Heavy Industry)

Bharat Heavy Electricals Limited (BHEL) is one of the oldest and largest state-owned engineering and manufacturing enterprise in India in the energy-related and infrastructure sector which includes Power, Railways, Telecom, Transmission and Distribution, Oil and Gas sectors and many more. It is the 12th largest power equipment manufacturer in the world. BHEL was established more than 50 years ago, ushering in the indigenous Heavy Electrical Equipment industry in India. It has a workforce of around 25000 employees across 14 plants.

BHEL believes that a truly diverse work environment not only welcomes but also encourages employees of different cultures and backgrounds. It also believes that such work environment promote the sharing of new ideas, diverse points of view and employees who challenge normal way of work.

As an organization, BHEL concentrates more on cultural and educational diversity. However, gender diversity is lacking in the organization as a whole with less number of female employees. It tries to bring in diverse workforce from the selection stage itself. The recruitment of engineers and supervisors takes place across the country with diverse applicants, and to ensure diversity in hiring, selection takes place in various locations across the country. There is a maximum cap on the number of selections from these locations. This brings in a workforce which is culturally diverse. Educational diversity is normally predefined in the organization as this is requirement based. With high employee retention, the workforce diversity imbibed at the hiring stage is carried across in the long run.

For the present workforce, maintaining the diversity at various geographical units of the organization is mainly achieved by transferring the employees in and above the managerial cadre at the time of promotions.

There are various informal methods of managing workforce diversity. Most of the employees stay in townships where there are many informal games and events held to create a family culture among the employees. This has resulted in better coordination and an affable

environment in the workplace as well. Most employees are comfortable in working across departments and across plants due to all these measures. For a heavy machinery manufacturing company like BHEL, better coordination across plants becomes important for better customer service and satisfaction. All these years, the organization has been effectively managing its diverse workforce in all aspects.

However, the organization lacks diversity in gender, and the female employees are found to be more concentrated in finance and IT functions, and more are present in the unskilled workforce. BHEL claims, the reason behind this is the merit based selection system which the organization undertakes.

BHEL's work culture encourages transparent channels of communication, open work environment, teamwork, and respect for new ideas and thoughts. New inductees are always encouraged by their seniors to voice their ideas.

#### Valuing Diversity at IBM-India

An American multinational technology and consulting corporation, IBM manufactures and markets computer hardware and software, and offers infrastructure, hosting and consulting services in areas ranging from mainframe computers to nanotechnology. Innovation forms the core competency of IBM, and it has been quite successful in drawing benefits and growth out of it. While analyzing the HR policies of the company to promote innovation, one can observe the role of diversity from the following theme:

"The greater the diversity of team members, the more likely innovation is to occur"

Hence, it would be important to study about the Diversity management strategies adopted by IBM.

Awards and Recognition: IBM has won many accolades and recognition for its efforts to manage diversity worldwide and some of noteworthy awards in our context are as follows:

IBM Corp. ranks #7 on the 2011 Diversity Inc Top 50 Companies for Diversity® list 2010 Diversity Inc names IBM the No. 1 company for global diversity

#### **Managing Diversity**

In 1995, IBM commissioned 8 diversity task forces to develop recommendations that would eventually maximize their productivity, and maximize the relationship of IBM with their constituents in the marketplace. These task forces, focusing on Asian, Black, Gay/Lesbian, Hispanic/Latino, Native American, People with Disabilities, Men, and Women, recommended instituting Diversity, Network Groups as a tool to help achieve IBM business objectives. Towards that end, Diversity Network Groups (DNGs) can formally register within IBM (Figure 1) These groups consist of IBM employees who voluntarily come together with the ultimate goal of enhancing the success of IBM's business objectives by helping their members become more effective in the workplace through meeting and teaming, networking, mentoring and coaching, doing community outreach, planning and implementing social, cultural & educational events etc.

#### IBM diversity and workforce programs

Diversity Councils: Diversity councils are created to increase the focus on local or unique diversity issues. Through these councils, IBM intends to ensure that its workforce represents an environment which visibly encourages and values the contributions and differences of employees from various backgrounds.

Diversity council objectives include heightening employee awareness, increasing management sensitivity, and encouraging the effective utilization of IBM's diverse workforce. This is accomplished through key initiatives such as recruiting, mentoring, and educating employees.

#### **Focus Areas in India**

Efforts in India are in line with managing diversity along the following two dimensions:

1. Gender: Women are key to IBM's success. The advancement of women is a cornerstone of IBM's Diversity strategy in Asia Pacific. Great progress is made in recent years in this regard: 26% of IBM employees in Asia Pacific are women, and 19% of managers are women. 4 of Country General Managers in Asia Pacific are women.

However, given that 50% of all talent in the world is female, IBM still wants to find ways to increase gender diversity. One of the reasons there are so few women in the workforce is that the IT sector has an image of strong technological orientation, and for many women technology jobs seem to hold little appeal. However, this image is not appropriate. The IT services industry in particular, which is inherently people-based, clearly needs the particular business, management and communications skills which women bring.

2. People with Disabilities: IBM believes in 'seeing a person's ability not the disability'. IBM sees people with disabilities as just people who have training, education and experience to offer. By maximizing the previously untapped potential that people with disabilities bring to the work place, IBM walks the talk of embracing people of all different abilities.

People with a disability aren't just an important part of the talent pool, they are also an important and growing market segment. Today, worldwide, more than one billion people have a disability. That number is expected to grow significantly in coming years as the global population ages. For IBM, which has been a leader in the field of assistive technology, people with disabilities present a tremendous market opportunity.

IBM applies 3As (Accessibility, Accommodation and Attitude) to enable a person with disability to become an equal member of the social community.

48

#### **FINDINGS OF RESEARCH**

The research reflected that employers are implementing a number of measures to nurture the incumbent diversity in their organization. 57% employees reported that their organization was implementing policies for diversity at the workplace. A majority also reported the employment of special diversity management taskforces by their employer. Such a pro-diversity attitude of employers is evident through flexible shifts, day care facilities, maternity programs, community forums, ethics hotlines, employee-groups formed on the basis of interests, etc.

However, these diversity-promoting policies were most prevalent in the consulting sector, followed closely by the IT/Software services sector. Such policies were found to be lacking in much of the manufacturing sector. Similar results were obtained with respect to the Diversity Management Teams. The consulting and the IT/Software sector observed an equal proportion of the incidence of such specially constituted teams, while the manufacturing sector was again found to be lacking in this respect.

Employees were found to have perceptions regarding the influence of diversity among the workforce on various individual and organizational parameters. Customer satisfaction was perceived to increase with an increase in workforce diversity, while attrition rate was observed by the employees to have an inverse relation with workforce diversity. Employees reported a direct relation between diversity implementation and workplace innovation, as well as between diversity implementation and occurrence of conflicts. Its relation to employee satisfaction and group bonding at workplace did not show clear trends according to employees.

It was also found that employers are focused on implementing diversity based on personality traits, rather than along the lines of age or gender, as is the common perception.

A majority of the responding employees reported that the recruitment process at the organizations was not constrained by the use of diversity as a criterion.

It was also observed that there is an evident lack of awareness among the employees with respect to the diversity-implementing measures that their employers are undertaking. A sensitization among the workforce is lacking, and most of the diversity enforcing policies go unnoticed among the workforce.

Further, diversity, being a highly context-based phenomenon, has largely been difficult to quantify. Thus, organizations face a lack of fool-proof or specific results that they can strive to achieve, or which they can treat as industry benchmarks.

#### LIMITATIONS AND FUTURE RESEARCH

This paper contains a few limitations. The sample size of the organizations approached is relatively small. The classification on the basis of only ownership forms was considered. An industry specific research can be done. In the organizations approached, the findings are based upon the subjective responses received from the respective HR professionals. Exact effect of Diversity Management initiatives is also difficult to establish because of the highly contextual nature of diversities prevalent in Indian organizations.

#### REFERENCES

Ajaya and Prakash Pinto. 2011. Leveraging the Power of Differences Workforce Diversity. SCMS Journal of Indian Management, Vol. 8 Iss: 2

Anderson, T. and H. Metcalf. 2003. Diversity: Stacking up the Evidence. Chartered Institute of Personnel and Development. London

Blum, T.C., Fields, D.L., and Goodman, J.S. 1994. Organizational-Level Determinates of Women in Management. Academy of Management Journal

Boyd, Michael, M. Balancing Workforce Diversity: Key to Organizational Survival.

Micha' L E. Mor Barak & Amy Levin. 2002. Outside of the corporate mainstream and excluded from the work community: a study of diversity, job satisfaction and well-being. University of southern California, pp.134-154

IBM's Policy document on efforts to manage diversity focus areas in India

IBM's Policy document on Global People and workforce program

#### **APPENDIX-1**

#### Semi-Structured Questionnaire for Employers' HR Teams

# Qualitative Research on managing diversity in organizations in the India context

- 1. What is Diversity according to your Organization? i.e. along what dimensions does the organization strive/intend to diversify? (List the parameters in sequence of preference)
- 2. Is the Organization trying to introduce diversity at entry level (via aggressive changes in recruitment/selection)? Or, is the company only interested in managing the current workforce diversity?
- 3. What are your organizations's following policies w.r.t Diversity?
- a. Recruitment Policy? b. Equal Opportunity Policy?
- c. Selection Policy? d. Promotion Policy?

How aggressively/strictly are these policies adhered to?

- 4. Is diversity informally implemented? How?
- 5. What are the approximate percentages of workforce segregation in your Organization along each diversity parameter (identified in Question 1)?
- 6. What objectives did the organization have in mind while instituting the policies on management of workforce diversity?
- 7. Have any benefits been realized through diversity management? What are these benefits?
- 8. What are the challenges faced during implementation of these policies? Is there any opposition?
- 9. What efforts are taken for the sensitization of current workforce so that they are supportive of diversity issues?
- 10. Are the Diversity measures implemented at the entry-level able to reach up to higher levels of hierarchy?
- 11. Does the Organizational culture have traces of inbuilt discrimination against certain sections/classes? Is the culture conducive for diverse people/minorities?
- 12. What are the measures to facilitate diversity? Some examples are flexi-shift, daycare, maternity leaves, celebrations of culture/religion specific festivals, communication forums to promote friendly environment, grievances-redressal, ethics hotline, and retention of experienced people after retirement on flexitime projects.
- 13. Areseparate Diversity measures instituted at Managerial level and at nonmanagerial level?

#### APPENDIX-2

# Detailed Questionnaire for employees at select organizations in the Consulting, IT/Software Services and Manufacturing sectors (administered online)

## Quantitative Research on managing diversity in organizations in the India context

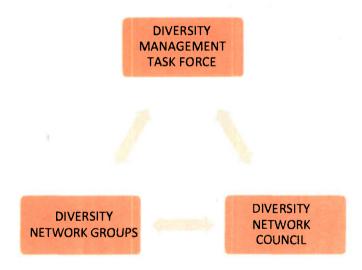
- 1. Which industry does your current/previous employer cater to?
- a. Software/IT Services b. Manufacturing/Engineering c. Consultancy
- 2. What is the name of the organization you work(ed) for?
- 3. How long have you been associated with this company?
- a. <11 months b. 12-24 months
- c. 24-48 months d. >48 months

- 4. Does this organization have a policy/ideology of maintaining a diversified workforce?
- a. Yes b. No c. Don't know
- 5. Which are the kinds of diversities you see/saw in this organization? *Tick more than one if applicable*
- a. Age b. Gender c. Religion
- d. Region e. Language f. Personality Traits
- g. Nationality h. Foreign Exposure i. Other.....
- 6. Which of the following do you think are the probable outcomes of the workforce diversity in this organization? *Tick more than one if applicable*
- a. Diversified views/perspectives to a problem
- b. Facilitation of better decision-making through conflicting analyses
- c. A new culture or cultural image of the organization
- d. Better work environment
- e. Conflicts due to differences among employees
- f. Other
- 7. How often do conflicts arise in this organization, which, according to you, have roots in the diversity among the organization's employees?
- a. Never b. 1-2 times in a month
- c. 3-5 times in a month d. 5-10 times in a month
- e. All conflicts are a consequence of workforce diversity
- 8. Is there a separate Diversity Management Team in the organization?
- a. Yes b. No c. Don't Know
- 9. Does this organization have "Diversity" as a criteria or constraint at the time of recruitment?
- a. Yes b. No c. Don't Know
- 10. Does this organization have a policy of equal opportunity for all?
- a. Yes b. No c. Don't Know
- 11. During your association with this organization did you ever witness favoritism towards the minority or diversified classes in order to promote workforce diversity?

- a. Yes b. No
- 12. In your experience with this organization, and keeping in view its organizational performance, do you think diversified workforce really contributed to the productivity of the organization?
- a. Yes b. No
- 13. What, according to you, are the effects of bringing workforce diversity in ANY organization?

		Increases	<b>Remains neutral</b>	Decreases
a.	Employee satisfaction			
b.	Customer satisfaction			
c.	Attrition rate			
d.	Innovation at workplace			
e.	Number of conflicts			
f.	Bonding among employees			
g.	Employee performance			

#### Figure 1: Collaboration of efforts between different task forces in IBM



Jaipuria Institute of Management