

Challenge for Business Survival – Managing Workforce Diversity

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Abstract:- Organizations are made up of people from different racial and ethnic backgrounds belonging to different age groups, gender, culture with different skills and qualification. But with all these differences organizations always appear as a whole, operate towards common goals and value all the employees in all sense.

This study is basically based on this wholeness of organizations resulted out of so many differences. The current study examines the diversity at workplace and suggests strategies to enhance workplace diversity and inclusiveness. The literature on workforce diversity and management has been reviewed based on organization culture; human resource management practices; its environments and related issues. The study is important as the research provides a practical insight into successfully managing diversity which can lead to more committed, better satisfied, better performing employees with better performance of an organization.

I. INTRODUCTION

Workforce diversity is a workforce consisting of a broad mix of workers from different racial and ethnic background of different ages and genders, and of different domestic and national cultures. Diversity is nothing but those human qualities or the dimensions which are different than one group yet present in some other individual or the group.

Diversity is about learning from others who are not the same, about dignity and respect for all, and about creating workplace environments and practices that encourage learning from others and capture the advantage of diverse perspectives. (Study at Cornell University (2010))

So it is first and foremost important to understand the diversity. Workforce diversity can be better understood through following dimensions; the dimensions which affect performance, motivation, success, and interactions pattern in short the whole game.

Primary Dimensions: This includes the differences by birth or nature like race, gender, age, physical ability and ethnicity.

Secondary Dimensions: This includes education, religion, beliefs, marital status and work culture etc. Whenever we talk about diversity dimensions; always first come to mind are culture and gender. Most spoken of them is intercultural diversity which deals with the ability to work effectively in a culturally diverse environment a historical and cultural understanding of the diverse groups.

Managing diversity means accepting people's differences and recognizing these differences as valuable; it helps in preventing discrimination and promoting inclusiveness. It maximizes the ability of all employees to contribute to organizational goals.

Marketplace diversity – Satisfying diverse needs of customers

Today's global economy is represented by people from all streams. They expect organizations to understand, respond and deliver services that meet their unique expectations.

The organizations have to have the products and services designed to attract these diverse customer base. That is why the organizations are hiring people, from those streams who can better understand for their desires, preferences, expectations and aspirations and will be better equipped to serve the demographics of the market. Similarly organizations who interact directly with the public are finding increasingly important to have same kind of workforces as that of their customer base.

Why Diversity Management?

Being into the technical era where getting the appropriate talent at appropriate cost is very difficult, no organization will afford to lose the best talent in market available at any corner of the world.

Unlike earlier time none of the organizations have the homogeneous group. The demographics has tremendously changed, today organizations have people from various backgrounds, races, nationalities, gender etc. Organizations also cannot have such typical preferences and practices while attracting the best talent. This not only applies to on inside workforce but also to the surroundings i.e. vendors, customers, partners, suppliers, shareholders etc.

Also when any company goes global has to have diversity strategy other than a domestic one. But in country like India managing domestic diversity is also equally challenged. Since it said that it is politically one country but social-culturally many countries in, where the language and culture changes every after 100 Kilo meters.

Companies which select to have homogenous workforces will likely find themselves increasingly ineffective in their external interactions and communications whereas heterogeneous groups have been shown to produce better solutions to problems with being creative.

With above all discussions now it is very important for any organization to bring all workers together and overcome all these differences. It has to create such a workplace where employees can perform comfortably their best, sharing common objectives. With this organizations will not only gain but also retain a competitive advantage. So there is a need to study diversity and its management. With the objectives to understand the workforce diversity; barriers and challenges in managing diverse workforce; and identifying organizational strategies for managing workforce diversity.

II. MANAGING WORKFORCE DIVERSITY

Managing diversity is defined as "planning and implementing organizational systems and practices to manage people so that the potential advantages of diversity are maximized while its potential disadvantages are minimized," according to Taylor Cox in "Cultural Diversity in Organizations."

It is founded on the premise that harnessing these differences will create a productive environment in which everybody feels valued, where their talents are being fully utilized and in which organizational goals are met (Kandola and Fullerton 1998: 8).

Before any organizations working on management of diversity few mandatory things like legal compliance, social responsibility takes care of this management.

Non-compliance with legislation related to equal opportunity or equal employment or protecting women or people with disabilities will result into huge loss/penalty. In the context of such legislation, it makes good business sense to utilize a diverse workforce.

The organization should be aware of its own culture, identity and other related things and willing to challenge and change the present practices, barriers to different groups.

The organization has to address following questions related to diversity issues:

- What policies, practices, and ways organization has those have impact on different groups?
- What organizational changes should be made to meet the needs of a diverse workforce as well as to maximize the performance and fulfil the diverse demand of today?

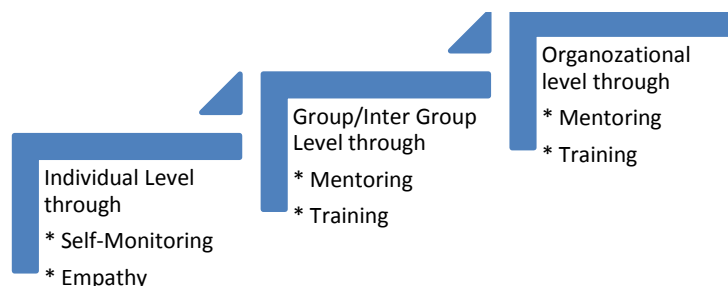
For e.g. the non-discrimination policy - Generally speaking there should not be any discrimination on the basis of race, color, national origin, religion, sex, gender, physical or mental disability, medical condition (cancer-related or genetic characteristics), ancestry, marital status, age etc. if organization has any such policy then there is room for such difference.

If above said differences will be managed well then this heterogeneous team will perform better and organizations can have a competitive edge.

For diversity management leadership commitment and the involvement of top management plays a central role. Diversity management is initiated as a top-down process, and managing for diversity should constitute a strategic element of the business plan.

(Wrench 2007: 12; Schwarz-Wölzl/ Maad 2004a: 44f.)

Diversity is managed through three levels i.e. individual, department and organizational level.



- Self-monitoring refers to employee's awareness of how his/her behavior affects another person along with his/her willingness to modify this behavior based on knowledge of its impact.
- Empathy enables the receiver to go beyond the literal meaning of a message and be at the sender's position to understand his/her feelings, values, assumptions, and needs
- Mentoring and Diversity sensitivity training to create a culture that follows the mission, vision, and values set forth by the leadership or for the businesses facing rapid demographic changes in their local consumer market and labor pool which can enhance efficiency of an organization.

Through Diversity Management organizations can fulfill the following objectives:

Objective 1 - Sustaining awareness of diversity (Provide information on workplace diversity)

- Through orientation and induction all new employees are introduced to their obligations and responsibilities, workplace diversity, Values and Code of Conduct etc.
- Sharing diversity event calendar and Celebrating different Diversity events

Objective 2 - Demonstrating workplace diversity in leadership and commitment (Treat others with respect, courtesy and consideration)

- Managers' behavior acts as a model for all employees, with accountability
- communicating effectively with employees
- Employees demonstrate personal integrity by upholding the Key Behaviors, with accountability
- Supporting flexible working arrangements
- Recruitment processes and fair selection decisions based on merit

A diverse workforce requires effective HRM policy and practices. For example, ensuring that tests used to select employees are not biased against groups such as older workers. With regard to work design, employees need flexible schedules that allow them to meet non-work commitments. With regard to training, all employees need to be made aware of the benefits of inclusive work practices. With regard to remuneration and rewards, benefits such as old age and childcare need to be included in reward systems to accommodate the needs of a diverse workforce.

Objective 3 - Maintaining a safe and secure work environment (feel like home)

All should be clear with their roles and responsibilities and stick to that. Employees must act in accordance with the Key Behaviors, Values and Code of Conduct. They should be provided with the proper ergonomics and stress free environment. Employees can be provided with flexi time work schedule.

Each staff member has an important role in creating an environment where diversity is valued.

Challenges

However, that diversity management is not always simple; there are many challenges to fostering an inclusive environment in the workplace for diversity of thought and ideas.

- To adapt more inclusive environment for any outside member, often these individuals are mentored and coached to adopt the necessary traits for inclusion

According to the journal article "Cultural Diversity in the Workplace: The State of the Field", Marlene G. Fine explains that "those who assimilate are denied the ability to express their genuine selves in the workplace; they are forced to repress significant parts of their lives within a social context that frames a large part of their daily encounters with other people".

Assimilation does not just create a situation in which people who are different are likely to fail; it also decreases the productivity of organizations. i.e. with a diverse workforce, management may have to put more efforts than with a less diverse workforce.

- Cross-cultural differences leading to miscommunication

Benefits of Managing Cultural Diversity

- When every unique employee is understood that provides tremendous benefits of improved morale, increased loyalty of employees, outside-the-box thinking, and greater teamwork.
- It strengthens cultural values and creates an atmosphere of mutual understanding and respect.
- Diversity provides organizations with the ability to compete in global markets

- Build the reputation which results into attracting and retaining the employees. Thus one can save time and money on recruitment and turnover costs as well.

Managing diversity can be one of the tools to adapt to today's ever changing environment. Only the organizations, which can cope up with these changes, prosper. These are the diverse organizations with range of talent, skill, experience and knowledge which not only identify the opportunities but also rapidly build on it. Today, the diversity is one of base for globalized economy and multicultural work force where both the individual and the organization have benefitted.

III. CONSEQUENCES OF IGNORING DIVERSITY

Ignoring diversity issues costs time, money, and efficiency. Some of the consequences can include unhealthy tensions; loss of productivity because of increased conflict; inability to attract and retain talented people of all kinds; complaints and legal actions; and inability to retain valuable employees, resulting in lost investments in recruitment and training.

Organizations that do not have a strong diversity inclusion culture will invite lower productivity, higher absenteeism, and higher turnover which will result in higher costs to the company. As the Darwin's Theory of Evolution says "as random genetic mutations occur within an organism's genetic code, the beneficial mutations are preserved because they aid survival -- a process known as "natural selection." Similarly the organizations also have to respond to this change of heterogeneous group of people i.e. managing of the diverse workforce and customers for its survival.

Limitations and Future Scope

The limitations of the study suggest several prospects for further research. However, it is very difficult to evaluate the effects of diversity management due to the large number of factors influencing workforce diversity and this study does not cover all the dimensions and aspects related to workforce diversity. So there is vast scope for further study on all these factors affecting workplace diversity.

IV. CONCLUSION

The study provides insight on the kind of diverse workforce the organizations have and the need to manage the present diversity. It also talks about the diversity managing techniques and also through proper HRM policy and practices organizations can overcome barriers and manage a diverse workforce. Also focuses on the benefits of managing the diversity and challenges in managing the workforce. The study clearly emphasizes that organizations should take initiative to manage the diversity and to have competitive advantage. It is impossible for any organization to survive without managing the workforce diversity in today's ever-changing fast track environment.

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