

Diversity Management: Opportunities and Challenges in the Workplace

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Abstract

In a multiethnic, multicultural, multireligious, and complex country like India, diversity is a significant problem. Today's workplaces are diverse, with workers from various backgrounds and orientations. If organizations can, they will profit significantly, attract, motivate, and keep exceptional workers with multiple demands and environments into a cohesive and devoted team. Although workplace diversity comes with several difficulties, it can also give an organization an unfavorable competitive edge. More than ever, Indian businesses must deal with the issue of a varied workforce, which necessitates developing a plan for fostering a culture in which individuals value one another's differences. India is renowned for its tolerance and ability to embrace variety. In managing equality and inclusion at work, this research examines the connections between performance reviews, cultural issues, affirming action (AA), and organizational competencies. First, it was shown that performance assessments were a significant cause of prejudice, especially because raters had so much influence on the actual procedure.

Keywords - *Diversity Management, Affirmative Action, Sociocultural Concerns, Source of Discrimination, Backgrounds, and Orientation.*

Introduction

Due to the uneven representation of diverse groups in the workforce, diversity has become a crucial concern. Diversity is not just a short-lived trend in management. For many firms, it

has recently been a source of competitive advantage, even though many people have not been persuaded of its power. The critics cannot see the benefits of a dynamic and diverse workforce. Not only can having a diverse workforce boost morale but there is also a logical financial benefit to hiring people from various backgrounds. India's society has cherished and embraced diversity in addition to being diverse.

The word "synergic pluralism" perfectly describes Indian culture because it has integrated people of many religious backgrounds into its social fabric. India was the only nation in the world to offer reservations to underprivileged groups of its population in an effort to reintegrate them into society. There are several reasons why variety is such a crucial issue in India. To start, the country has the exciting statistics of having the biggest proportion of millionaires and poor people living side by side. Second, the WTO and IBRD are under tremendous pressure to promote inclusive growth that includes many underrepresented groups (Kundu & Mor, 2017). This chapter aims to illustrate the value of diversity in a nation like India and demonstrate how a diverse workforce may give businesses long-term competitive advantage organizations. The article also addresses the difficulties facing commercial organizations, notably Indian corporations that want to expand internationally.

A diverse workforce was a reality today. Depending on the context and overarching corporate goal, the impact of cultural variance varies (Sabharwal, 2014). As more companies adopt truly global business practices instead of

adopting domestic, multi-domestic, and international ways, the significance and impact of cultural diversity become increasingly apparent. Managing cultural differences is more critical than ever to acquire an advantage and obtain a competitive edge. A varied workforce is defined as the coexistence of workers from various sociocultural origins within the company (diversity). Things like ethnic background, sexual orientation, age, people of color, athletic ability, and ethnicity are cultural characteristics of variety. Managers need to comprehend how subjectivity, absurdity, inappropriate rules and procedures, poor implementation of client retention and human resources guidelines and practices, and inefficient and ineffective supervisors all contribute to unfair and inequitable outcomes for numerous individuals, both employees and customers (Sharma, 2016). Businesses may develop a constituency-capitalized workforce by encouraging respect and trust among employees, clients, and stakeholders. The effects of market globalization on labor demographics have been studied by academics, businesses, and policymakers worldwide. People from different cultures, each with its own distinctive qualities, aspirations, and expectations, make up a varied workforce. All employees, regardless of their backgrounds, have different demands and a need to be recognized on the job (Groutsis et al., 2014). Management must be aware of the needs of these other groups of individuals to prevent interpersonal disputes between personnel. If an organization wants to increase production, the work environment must be harmonious.

Literature Of Review

Kundu & Mor (2016) said that additional research directions had been suggested by this work. First, very few studies are available that generally focus on HR handling diversity strategies, despite the widespread acknowledgment of its value. Past research is typically descriptive in nature as well. Because

of this, additional empirical study on this topic would increase our knowledge of diversity-related HR practices and tactics. Second, many companies are very explicit that they are unwilling to actively or indirectly participate in diversity management. Future research should therefore focus on factors such as a lack of financing and interest, uncertainty about the results, etc., that influence how HR variety is managed. For example, successful and high-performing companies may have the resources needed to find, hire, develop, and keep a highly qualified, diverse workforce.

Szymanska & Aldighieri (2017) concluded that globalization is altering the world's demographics and involving diverse types of people in business, including employees and customers as end users. For this reason, managing diversities and building a competitive edge to face escalating global competition is one of the most crucial principles of the globalizing corporate world. International agreements have made the free movement of labor, shifting global dynamics, and growing employment of minorities like refugees, women, and people of different religions into the workforce one of the most significant debates in leadership, one of the management's functions. To transform the significant accomplishments of the diversities, it was necessary to change the diversities into a global competitive advantage for businesses.

Jose et al. (2011) revealed that the Workplace has grown more and more universal these days, and there is a growing understanding of how diversity may be managed in ways beyond simple racial, gender, age, and educational differences. Populations are growing and becoming more diverse in nations all across the world. Increased creativity, innovation, and better problem-solving have been made possible through diversity, which has increased the organization's effectiveness. If businesses that value diversity treat their varied consumers well, they will see an increase in market share. Diversity alone, however, won't necessarily lead to an

improvement in corporate success.

Cooke & Saini (2010) said that the study utilized the term to handle the key elements of diversity based on several diversity management principles. Additionally, diversity management ought to be applied to seek out competitive benefits. Since everyone is distinct from one another, acceptance and respect are essential elements of diversity management. Therefore, diversity administration is frequently understood to include practical management strategies that aim to have groups of people historically underrepresented in the workplace as mentioned above factors. Initiatives involving human resources are typically needed for this diverse approach to management. The policies created to manage diversity focus on the projects, actions, and practices that acknowledge, support, or celebrate the variations between groups or individuals.

Kamenou (2008) found that how a company manages diversity depends on how well its management understands it, including potential advantages and disadvantages. Without a diversified workforce, no firm could survive in the modern, worldwide market. Management has to consider the benefits of a varied workforce in their company. On the other hand, management needs to foster an environment that will broaden the variety of the force within their organizations, especially when developing workforce diversity initiatives. As a result of the staff's combination, the organization will become competitive throughout and externally.

Harter et al. (2002) studied that internal management of brands should begin with customer and employee brand research to identify what makes a brand unique and the precise ways consumers emotionally engage with it. The brand promise should be highlighted and succinctly conveyed utilizing the research's findings. A strong brand promise summarizes what the company does and why it's essential in a few short phrases. This develops both within the organization and outside of it the emotional hook of the brand.

Creating a fun brand education program will effectively communicate the brand's position, personality, promise, and advantages. As part of the internal branding process, job descriptions, training programs, employee assessments, meetings, and events should all reference the company name and its promise.

Jackson & Joshi (2004) discussed that the study's regression model advances our knowledge of how handling organizational diversity might impact employee outcomes. The findings show that organizations operating in India can increase employees' organizational commitment by adopting diversity-focused HRM through equal chances-based hiring and selection, instruction and growth, evaluation of performance, and compensation practices.

McCuiston et al. (2004) found that organizations and the government should adopt family-friendly policies that could balance the demands of work and family life for employees in light of the rise in multiple career families and the number of women working in the workforce. Intervention programs are also required to ensure that people with disabilities have equitable access to the labor market. Organizations should develop work settings that will draw a varied workforce in terms of gender, age, ethnicity, and talent who may be more motivated, satisfied, and committed to their jobs.

Objective of the Study

To compute the impact of diversity management and its opportunities and challenges in the workplace

Methodology

This study utilized a structured questionnaire to conduct a survey, and statistical methods such as mean & t-test were used to analyze the responses from 227 participants. The sampling method used in this research was convenience sampling, where individuals were selected based on their accessibility & willingness to participate.

Table 1 Diversity Management

Serial No.	Statement of Survey	Mean Value	t-value	p-value
1	Diversity management creates an inclusive workplace that values and leverages the differences of its employees.	4.14	8.238	0.000
2	The opportunities of diversity management include increased employee engagement and access to a wider talent pool.	4.31	9.806	0.000
3	Challenges of diversity management include overcoming unconscious bias and creating a culture of inclusion.	4.33	9.799	0.000
4	Diversity management can be achieved through a variety of initiatives such as diversity recruitment efforts, mentorship programs, and diversity and inclusion committees.	4.06	5.647	0.000
5	It is important to recognize that diversity management is an ongoing process that requires continuous attention and effort.	3.93	4.550	0.000
6	Research has shown that diverse teams tend to perform better than homogenous teams.	4.50	11.934	0.000
7	Diversity management is important from an ethical and moral standpoint, as all individuals should be treated with dignity and respect in the workplace.	4.45	11.779	0.000
8	A diverse workforce can help organizations better understand and connect with their customers, who may come from a variety of backgrounds and cultures.	4.11	8.366	0.000
9	Effective diversity management may require leaders to be proactive and committed to creating a culture of inclusion and equity.	3.73	3.002	0.002
10	Diversity management is not just a business strategy, but a way of fostering a more just and equitable society.	4.03	6.961	0.000

Table1 demonstrates the mean values for each of the statement of the study done on the “diversity management and its opportunities and challenges in the workplace”, examining the average scores, the statement that obtains the highest mean score can be described as “Research has shown that diverse teams tend to perform better than homogenous teams”, which has the mean score of 4.50, Looking at the next statement which is “Diversity management is important from an ethical and moral standpoint, as all individuals should be treated with dignity and respect in the

workplace” the mean score is found to be 4.45. Looking at the mean value of 4.33 for the statement “Challenges of diversity management include overcoming unconscious bias and creating a culture of inclusion” shows that overcoming unconscious bias is also responsible for diversity management. Looking at the other benefit of diversity management is, “The opportunities of diversity management include increased employee engagement and access to a wider talent pool” which displays the mean score of 4.31, and the statement “Diversity management creates an

inclusive workplace that values and leverages the differences of its employees” showcase the mean value of 4.14. Then the statement “A diverse workforce can help organizations better understand and connect with their customers, who may come from a variety of backgrounds and cultures” obtains mean value of 4.11 and the statement “Diversity management can be achieved through a variety of initiatives such as diversity recruitment efforts, mentorship programs, and diversity and inclusion committees” has 4.06. The statement “diversity management is not just a business strategy, but a way of fostering a more just and equitable society” showcase the mean value of 4.03. Therefore, the last two statements fall within the lowest category or level, “It is important to recognize that diversity management is an ongoing process that requires continuous attention and effort” mean value of 3.93, the statement “Effective diversity management may require leaders to be proactive and committed to creating a culture of inclusion and equity” has 3.73. The significance of the t-value for each statement in the investigation on the diversity management and its opportunities and challenges in the workplace is significant. The t-value statements were positive, and their significance value was less than 0.05, indicating a significant relationship between the two variables.

Conclusion

Diversity is essential in a diverse, multiethnic, multireligious, and complex country like India. Indian organizations should set standards in managing and utilizing the potential of a diverse workforce because they are acquiring multinational assets, making significant financial investments in foreign projects, and hiring foreigners for their overseas assignments. There are many ways to manage diversity and integrate it into society, including raising awareness, providing diversity training and skill development, implementing organizational practices, fostering open communication, providing

avenues for feedback, and, finally, having the support of senior management. Pluralism is a powerful tool for adequately managing diversity. A diverse workforce offers numerous benefits that, when achieved, will enhance the organization's reputation and increase its revenue.

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