

Unmet Needs Of Workforce Diversity Management-The Services Sector Perspective

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ABSTRACT:

Thus, various personnel are certainly considered one among a business enterprise's belongings and may use its functions. The using pressure is the various pool of personnel who paintings collectively. Organizations are seeking to be extra people-centric. Therefore, human aid control has emerged as a critical characteristic of the business enterprise. The agency strives to attain sustainability and an aggressive benefit over its competition via way of means of hiring various personnel from across the world. Workforce range and organizational tradition constructing are these days' buzzwords, and contemporary companies assure the very best ranges of recognition of various personnel. The current paper explores the unmet needs of workforce diversity management in organizations. The researchers have studied the perspective towards workforce diversity from the employee's perspective. Around 608 employees were surveyed from various service sector organizations and the parameters of workforce diversity management that organizations need to address specially were highlighted by the researchers.

Keywords: diversity, inclusion, ethnicity, equal employment

INTRODUCTION:

Due to continual changes in business, the current organizations are faced with great challenges and opportunities. Changes in the business world include technology progress and economic change to the world market. Social, cultural, political, world technologies obliged the organizations to re-definition their strategies. The most important asset of any country is efficient human resources in the current workplaces. The success of any organization depends upon understanding and reprising the culture in an organization.

Thus, the investigation of factors associated with the organization's culture is of great importance.

A growing number of studies have emerged in the last decade that investigate strategies to manage diversity at country and organizational levels. We do so for following three reasons:

First, study of various operating environments and hence analyzing the firms' HR strategies. **Second**, we selected India as a venue for study as it is a rising economic powerhouse in the global economy with sustained high growth rates.

They are increasingly involved in a “war for talent,” and some have deployed understanding organizational culture and managing diversity as one of the key HR initiatives to attract and retain talent. **Third**, multiple organizations were selected for studying the workforce diversity parameters through diverse teams.

In particular, we address the following research questions:

1. How are diverse teams managed and lead in service sector organizations?
2. To what extent have business organizations in India developed a strategic approach to managing diversity?
3. What, if any, are the unmet needs of workforce diversity from employee perspective?

Statement of Problem:

The success of any organization depends upon management of the diversity in the employees. Thus, the investigation of behavioral factors associated with workforce diversity is of great importance.

Objective 1: To study the various parameters that define workforce diversity in organizations

Objective 2: To highlight the unmet needs of workforce diversity management.

Scope of the Study

Conceptual Scope

In the 21st era, the globe has become a village where entire global societies are coming together to do business beyond the borders which have witnessed diversity in itself. Thus, the current study aims to find out the workforce diversity in Human Resource Management and Organisational Culture as part of Human Resource

Development and their relationship to building a competitive and sustainable business environment.

1.16.2 Contextual Scope

The current study aims to study the impact of two major concepts on their relationship. The study covers the concepts such as workforce diversity, the factors of workforce diversity, the inclusion of diversity in HR Functions, organizational culture, the aspects of organizational culture, and the impact of workforce diversity on organizational culture, etc. This has included the factors of workforce diversity with constructs of age, gender, educational background, ethnicity, attitude, etc. as major

Table No.1.16.3.1: Workplace belongs to MIDC/ Non-MIDC Area of Pune

Sr. No	Type of Area in Pune	Employee Respondents	HR Manager/ Management Representatives
1.	MIDC Area in Pune	328	146
2.	Non-MIDC in Pune	280	74
	Total	608	220

components of diversity and the Dennison Aspects of Organisational Culture has taken into consideration in the last part of the survey of the study.

Geographical and Demographical Scope

The study has attempted to cover the organizations that belong to Service Sector which is prudently selected from IT, ITes, Banking, and Financial Industries in the Service sector from Pune region, Maharashtra.

In the selection of the sample population of the study, the companies are selected from

the MIDC area and Non-MIDC Area of Pune, as well as PMC and PCMC Area of Pune, have taken into account while determining the sample population of the study. The sample size derived from the service sector organizations are as below;

Table No.1.1: Workplace belongs to MIDC/ Non-MIDC Area of Pune

Hypothesis

The Attitude toward Workforce Diversity at the Workplace differs with the magnitude of various parameters of workforce diversity management of the employees.

Significance of the Study

This study will help the HR Managers, HR Practitioners, Management, and Policymakers as well as the government to chalk down an appropriate set of processes, procedures, and policies in terms of workforce diversity and inclusion for the sustainability of the business.

This will be beneficial to the Service Sector organizations in upcoming years to create an effective organizational culture with a blend of diversified employees on board.

Literature Review:

Research on diversity management and its effects on organizational outcomes is also largely done by researchers. Studies conducted by Magoshi and Chang (2009) show the result that diversity management practices have a positive impact on the organizational commitment of employees in 10 major companies in Japan and Korea. Other findings suggest that diversity management is strongly associated with workgroup performance and job satisfaction (Pitts 2009). Thomas (2004) says that

managing diversity is one of the basic competencies commonly used to demonstrate executive performance. When a manager can manage the diversity that appears in the organization well, it means that the manager has behaved effectively.

Many organizations talk about the actions needed to unleash their workforce's potential to deliver higher value from the market. Increasing diversity creates an opportunity to improve everyone's performance, enhance organizational capabilities innovate and serve all customers to succeed in the 21st century (Wibowo, 2010)

Research Methodology

Research Design

Primary data for the research was collected with the help of the self-administered questionnaire that was specially designed to achieve the study goals as outlined. 608 employees were contacted and surveyed for the study. The employees were working with IT, ITES, Banking and Financial Institution in Pune. The sample consisted of all cadres for the survey and over 220 organizations were covered. **The secondary data** was collected through various research articles and journals.

Particular Research Plan	Method Adopted
Type of Research	Quantitative Research Method
Research Design	Descriptive and Exploratory Research Design

Population/Universe	All the IT, ITES, Banking and Financial Services Organizations listed on NASSCOM, STP, MCCA, RBI and SEBI
Sample size	Employees: 608 HR Managers: 210 (As per in line with the standard suggested by various researchers Yamane, Krejice & Morgan, Cochran, Mark)
Sources of Data	Primary and Secondary Data

Table No. 3.1: There is discrimination felt while the recruitment process on a gender basis

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	.7	.7	.7
	Disagree	16	2.6	2.6	3.3
	Neutral	86	14.1	14.1	17.4
	Agree	278	45.7	45.7	63.2
	Strongly Agree	224	36.8	36.8	100.0
Total		608	100.0	100.0	

Research Instruments	Survey Structured Questionnaire
Area of Research	IT, ITES, Banking and Financial Services located in Pune
Sampling	Non-Probability Quota Sampling Technique Adopted
Statistical Tools Used for Data Analysis	SPSS software used for Reliability and Data analysis

Table No. 3.2: Everyone has access to equal employment opportunities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	.7	.7	.7
	Disagree	25	4.1	4.1	4.8
	Neutral	99	16.3	16.3	21.1
	Agree	265	43.6	43.6	64.6
	Strongly Agree	215	35.4	35.4	100.0
	Total	608	100.0	100.0	

Respondents	Employees and HR Managers of IT, ITES, Banking, and Financial Services
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Findings and Analysis

Table No. 3.3: Their promotions or development in an organization are effect of gender differences

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	.5	.5	.5
	Disagree	16	2.6	2.6	3.1
	Neutral	82	13.5	13.5	16.6
	Agree	252	41.4	41.4	58.1
	Strongly Agree	255	41.9	41.9	100.0
	Total	608	100.0	100.0	

Table No. 3.6: Same age group people in a team performs better than of different age group of people in a team

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	.7	.7	.7
	Disagree	16	2.6	2.6	3.3
	Neutral	86	14.1	14.1	17.4
	Agree	278	45.7	45.7	63.2
	Strongly Agree	224	36.8	36.8	100.0
	Total	608	100.0	100.0	

Table No3.4: Organization put efforts attracting and hiring female staff

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	.5	.5	.5
	Disagree	19	3.1	3.1	3.6
	Neutral	100	16.4	16.4	20.1
	Agree	260	42.8	42.8	62.8
	Strongly Agree	226	37.2	37.2	100.0
	Total	608	100.0	100.0	

Table No. 3.5: Age and experience play a vital role in an organizations performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	6	1.0	1.0	1.0
	Disagree	28	4.6	4.6	5.6
	Neutral	116	19.1	19.1	24.7
	Agree	253	41.6	41.6	66.3
	Strongly Agree	205	33.7	33.7	100.0
	Total	608	100.0	100.0	

Table No. 3.7: Different languages used for communication do not create problems among employees

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.2	.2	.2
	Disagree	27	4.4	4.4	4.6
	Neutral	78	12.8	12.8	17.4
	Agree	248	40.8	40.8	58.2
	Strongly Agree	254	41.8	41.8	100.0
	Total	608	100.0	100.0	

Table No. 3.8: As an employee at times, you do not feel low due to your ethnicity.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	.3	.3	.3
	Disagree	18	3.0	3.0	3.3
	Neutral	88	14.5	14.5	17.8
	Agree	264	43.4	43.4	61.2
	Strongly Agree	236	38.8	38.8	100.0
	Total	608	100.0	100.0	

Table No. 3.10: I believe that Attitude is a positive predictor of the workforce diversity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	20	3.3	3.3	3.3
	Neutral	93	15.3	15.3	18.6
	Agree	278	45.7	45.7	64.3
	Strongly Agree	217	35.7	35.7	100.0
	Total	608	100.0	100.0	

Table No. 3.9: Education background plays role in getting a specific position in an organization

		Frequency	Percent	Valid Percent
Valid	Strongly Disagree	1	.2	.2
	Disagree	16	2.6	2.6
	Neutral	68	11.2	11.2
	Agree	266	43.8	43.8
	Strongly Agree	257	42.3	42.3
	Total	608	100.0	100.0

Findings and Interpretation

Despite the limitations of the research resulting from the extent of the sample and the focus on the Pune region, it is possible to state some other interesting data which might be continued in any further research and which even today bring some important information about the diverse teams and related needs to be addressed by service

sector organizations. The interpretation will be useful for company managers and HR specialists who, within their responsibilities at least partly focus on managing human resources in organizations.

Here we would just like to remind you that the questionnaire originated based on inspiration from the research tools and outputs from the research studies presented earlier. Completing the questionnaire enabled us to assess its basic qualities as a research tool. The validity may be adequately derived from the application of the given research tools. Based on piloting the questionnaire and its assessment by two experts we may say we consider the tool valid.

The reliability of the questionnaire was statistically assessed using Cronbach's coefficient alpha for the individual parts of the questionnaire. Let us state the area, the number of items, and the calculated result: Attitude towards Workforce Diversity at Workplace (7 items), Cronbach $\alpha = 0.923$, Gender bias Diversity at Workplace (9 items) Cronbach $\alpha = 0.957$, Age bias Diversity at Workplace (8 items) Cronbach $\alpha = 0.937$, Ethnicity bias Diversity at Workplace (8 items) Cronbach $\alpha = 0.953$

From the calculated Cronbach α for the individual areas of the questionnaire it is obvious that all areas were given very good assessment. As far as possible further research is concerned we recommend considering the items in the diversity due to culture. Here an opportunity for improving the applied research tool can be seen.

An additional view of the implemented research survey can be presented by calculating the correlations between the areas of the questionnaire and the gained

aggregate index, with the interim name "significance of organizational culture and diversity in teams", fed from the above two sections of the questionnaire.

Limitations of the Research

The validity of the research tool can be derived from its application as it was used in foreign research studies and from the expert assessment of the tool; the reliability of the applied tool can be supported by the Cronbach α coefficient.

What can be perceived as a limitation of the research is the small size of the group of the respondents from Pune City, as this city is considered an important area of business and there are several Multinational companies. Therefore the results cannot be over-generalized.

Discussion and Conclusion

This paper uses a human resource perspective to study organizational culture portrayed in diverse teams in select service sector organizations in Pune, characterized by various IT, ITES, Banking, and Financial Institutions. The outcomes of this study confirm that HRM functions are regarded as a vehicle for diversity management in service sector organizations having diverse teams as an integral part of the organization. Taking into consideration the results of this study, diversity management is addressed more or less effective than a simple slogan.

This paper conveys substantial contributions to diversity management studies in organizations. On one hand, the findings expose HRM as a tremendous means for the application of diversity management in Service sector organizations in Pune. HRM functions, accordingly, can be regarded as an imminent tool for organizations in the

pursuit of effective implementation of diversity management principles. The results unveil the remarkable eagerness of Pune based organizations to harness diversity merits. These results, however, are quite reasonable if the particularity of the local context is taken into account. A limitation of this study, social desirability could have biased the answers collected from the participants in the survey. Our respondents are undoubtedly wary of providing answers that do not violate widely agreed-upon ethical principles. The perceptual nature of data used in this research represents another limitation to the potential generalization of the results.

Management Implications

The focus of the diversity issue has changed from equal employment opportunity to effectively managing diversity as an organizational imperative. As globalization is increasing, diverse teams are here going to stay. Those who recognize the globalization of labor as a positive trend and facilitate the flow of the teams in an organization will benefit most. Keeping this in mind our strategy should be aimed at creating change in organizations. To be successful in such type of new environment, managers must learn to value and respect cultural styles and ways of behaving that differ from our styles. Managers must be able to tie the issues of managing cultural and background differences to the needs of the business and be well versed in business issues, goals, and results. Managing diverse teams should be considered by managers as an opportunity to serve the needs of customers better and to penetrate new markets. By valuing and managing diverse teams, it is possible to enhance creativity, flexibility, and rapid

response to change. Managers, to utilize the potential of a diverse team, must link diversity to every business function or strategy i.e. recruitment, selection, placement, development, succession planning, performance appraisal, and rewards.

To remain competitive, organizations must develop long-term intervention strategies rather than short-term solutions or strategies. Managers have to remove the barriers which prevent the organizations from developing and utilizing fully equitable systems that allow the diverse teams to achieve their full potential.

Suggestions

The evidence from the study suggests that HR Managers, should manage diversity in teams to calibrate the efforts. The various parameters of workforce diversity like age, gender, religion, language, educational qualification should be utilized to understand the attitude of employees. The results of this research support the idea that many firms need to adopt a strategic approach towards managing diverse teams and setting favorable metrics to identify the most affecting parameter of workforce diversity.

Future Research

This study identified diversity management variables. However, this raises several questions that can be answered through more research.

For instance, the causal relationship between diversity management and HRM needs further investigation to discriminate the distinctive effect of diversity management on each of HRM functions. For instance, we would expect recruitment to be the most exploited platform to showcase the firm's

commitment towards promoting diversity management. This research avenue would contribute to examining the most commonplace diversity management practices in organizations which could provide useful insights for local firms to increase organizational performance and employee productivity.

Also, the results could be segregated according to firm-based factors, such as ownership form, size, global orientation, type of activity, etc. This would certainly reveal interesting facts about the status of diversity management. Future studies could be interested in how diversity management, as part of strategic HRM has been applied in organizations, across different ownership forms – Public versus Private; domestic versus multinational firms.

Therefore, this study can be conducted on a larger scale using structural equation modeling to account for the intertwined effects of diversity in team's variables.

Also, it would be interesting to examine the effect of the relationship between diversity and HRM practices on employees' attitudes (i.e., job satisfaction, organizational commitment, organizational citizenship behaviors, etc...), since there is a lack of such studies.

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