



Exploring the Behavioural Impact of Workforce Diversity on Employee Motivation, Inclusion, and Productivity in the Indian IT Sector

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Abstract:

This study investigates how workforce diversity influences employee behaviour, focusing on motivation, inclusion, and productivity in the Indian IT sector. Using a mixed-method approach, data was collected through surveys of 200 IT professionals and interviews with 30 team leads. Results indicate that diversity positively affects employee motivation and productivity when accompanied by inclusive practices. Challenges such as communication barriers and cultural misunderstandings were identified. The study offers recommendations for effectively leveraging workforce diversity to enhance organizational outcomes.

Keywords: Workforce Diversity, Employee Motivation, Inclusion, Productivity, Indian IT Sector

Introduction:

The Indian IT sector has emerged as one of the fastest-growing and globally competitive industries, attracting talent from diverse regions and backgrounds. With companies expanding their operations both domestically and internationally, workforce diversity has become not just a social imperative but a strategic necessity. Diversity in the workplace refers to the presence of differences among employees in terms of gender, age, ethnicity, educational qualifications, professional experience, and cultural background. In the context of the IT industry, where collaboration, creativity, and problem-solving are vital, such diversity has the potential to drive innovation and enhance organizational outcomes.

However, while a diverse workforce brings a wealth of ideas, perspectives, and skills, it also introduces behavioral and

managerial challenges. Employees from different backgrounds may have varying communication styles, work habits, and expectations, which can affect their motivation, sense of inclusion, and overall productivity. For instance, some employees may feel excluded or undervalued in decision-making processes, while others may struggle to adapt to differing cultural norms or team dynamics.

Understanding the behavioral impact of diversity is therefore critical for organizations seeking to maximize the benefits of a heterogeneous workforce. By examining how diversity affects employee motivation, inclusion, and productivity, this study aims to provide insights into creating supportive and inclusive work environments. Organizations that successfully manage diversity can harness the collective strengths of their workforce, fostering innovation,

improving team cohesion, and ultimately achieving higher performance.

This research seeks to bridge the gap between the potential advantages of workforce diversity and the behavioral challenges it poses, offering practical strategies for leaders and managers in the Indian IT sector to cultivate an inclusive and high-performing workplace.

Literature Review:

1. Workforce diversity and organizational performance: a study of IT industry in India (Kundu & Mor, 2017):

- Focus: Examines the relationship between employees' perceptions of diversity (significance of diversity, diversity management practices) and perceived organisational performance in Indian IT firms.
- Key findings: Positive perceptions of diversity and effective diversity management correlate with better perceived organisational performance; differences in perceptions across gender and employee categories were found.
- Relevance: Offers a foundational Indian-IT context for linking workforce diversity with organisational outcomes; helps anchor your study's focus on productivity and motivation.

2. Impact of Workforce Diversity on Employee Performance: A Study on IT Companies (Karwal & Tandon, 2022):

- Focus: Analyses how gender, age, education, and ethnic diversity impact employee performance in IT companies in India.
- Key findings: Workforce diversity can strengthen employee performance if managed properly; correlation and

ANOVA analyses suggest diversity has significant effects.

- Relevance: Directly connects to employee productivity/performance; useful for motivating the productivity dimension of your paper.

3. Building inclusive workplaces: DEI enhancing employee engagement and organisational loyalty in the Indian IT sector (Kalaivani & Suganya, 2025):

- Focus: Investigates how Diversity, Equity & Inclusion (DEI) practices relate to employee engagement and organisational loyalty among IT professionals in Tamil Nadu.
- Key findings: Positive correlation between DEI practices and engagement/loyalty; inclusive workplace perceptions matter for retention/commitment.
- Relevance: Links diversity/inclusion with motivational and behavioural outcomes (engagement, loyalty) which aligns with your interest in motivation and inclusion.

4. Diversity, Equity, and Inclusion in the Indian IT Sector: A Rapid Literature Review (Shekhar & Srivastava, 2025):

- Focus: A rapid literature review of 51 peer-reviewed articles on DEI in the Indian IT sector, synthesising themes of engagement, retention, performance and structural challenges.
- Key findings: Strategic integration of DEI, psychological safety, inclusive leadership are crucial; barriers include implicit bias and tokenism; intersectionality weakly addressed.
- Relevance: Provides an overview of the emerging scholarly terrain in Indian IT diversity research; helps contextualise your paper within current gaps (e.g.,

behavioural impact, inclusion, intersectionality).

5. Influence of Workforce Diversity on Employee's Performance: A Mediating Effect (Verma, Amir, Semwal et al., 2025):

- Focus: Examines workforce diversity and inclusion effects on employee performance in Indian telecommunications, considering mediating mechanisms.
- Key findings: Workforce diversity enhances alliances, reduces biases, leads to improved productivity when inclusion mechanisms present.
- Relevance: Even though telecom rather than IT, the behavioural process (diversity → inclusion → performance) aligns with your interest in motivation/inclusion/productivity chain.

6. Gender Disparities and Inequalities in the Indian IT Sector: A Comprehensive Analysis (Subba & Das, 2023):

- Focus: Analyses gender representation across board, management, and workforce in four major Indian IT companies from 2018-2022.
- Key findings: Women are under-represented particularly in leadership and board levels; gender gap remains significant; though some slight improvements in workforce level.
- Relevance: Highlights diversity dimension (gender) and provides evidence of structural barriers in Indian IT which may affect inclusion/motivation.

7. Workforce pDEI: Productivity Coupled with DEI (Du & Lee, 2023):

- Focus: Proposes a model combining productivity and DEI (“pDEI”) across industry contexts, focusing on how

diversity/equity/inclusion relate to efficiency and socioeconomic disparity.

- Key findings: DEI efforts, when coupled with productivity metrics and equity adjustments, yield improved outcomes for under-represented groups; emphasises measure of “production efficiency adjusted by disparity”.
- Relevance: The conceptual link between inclusion, equity and productivity offers theoretical grounding for your study’s productivity dimension.

8. The Influence of Diversity, Equity, And Inclusion On Organizational Dynamics In The Indian Private Banking Sector (Gatti, Rudraraju & Sreerama Raju, 2024):

- Focus: Investigates DEI impact on engagement, decision-making, innovation and performance in Indian private banking sector.
- Key findings: DEI policies are linked with higher employee satisfaction, better decision-making, innovation; challenges include leadership commitment and cultural change.
- Relevance: Though banking sector, demonstrates cross-industry evidence in Indian context of how inclusion/motivation mechanisms work; supports transferability to IT context.

9. The Impact of Artificial Intelligence on Workforce Diversity and Inclusion: An HR Perspective (Pant & Joshi, 2024):

- Focus: Explores how AI tools are reshaping diversity and inclusion efforts in HR, and their effect on workplace fairness, productivity and well-being.
- Key findings: AI adoption can improve diversity/inclusion if designed & monitored properly; risk of bias remains;

positive link to productivity/well-being if inclusive design.

- Relevance: Sits on the intersection of technology, workforce diversity and productivity—very relevant for IT sector; adds a technological dimension to your review.

10. Workforce diversity in the telecommunication sector in India (Alekhya, 2018):

- Focus: Studies the level of diversity (religious, cultural, experience) in India's telecom sector, and its impact on motivation, productivity and work environment.
- Key findings: A balanced and diverse workforce positively influenced motivation, productivity and perspectives; but challenges in inclusive culture and discrimination existed.
- Relevance: Provides earlier empirical evidence in Indian knowledge-/service-sector which can help frame historical trends and highlight gaps into IT sector for behavioural aspects.

Synthesis & Gaps Identified:

From the above literature:

- Diversity broadly correlates with positive outcomes (innovation, performance, motivation, retention) when managed well.
- Inclusion, equity, leadership commitment, psychological safety are key mediators/moderators.
- Indian IT-specific research is emerging but still limited in behavioural outcomes (motivation, sense of inclusion) and productivity metrics.

- Intersectionality (e.g., caste, region, language, gender) is under-explored in Indian IT contexts.
- Many studies focus on performance/productivity or diversity representation; fewer delve into the chain: “diversity → inclusion/motivation → productivity”.
- There is a lack of longitudinal studies in Indian IT on how diversity/inclusion interventions change motivation/productivity over time.

Research Methodology:

The purpose of this study is to investigate the **behavioral impact of workforce diversity on employee motivation, inclusion, and productivity** in the Indian IT sector. To achieve this, a structured research methodology was designed to collect, analyze, and interpret data effectively.

1. Research Design:

This research uses a **mixed-methods approach**, combining both **quantitative** and **qualitative** methods. This approach is ideal for exploring workforce diversity because it allows for measuring behavioral outcomes (motivation, inclusion, productivity) quantitatively while also capturing employees' experiences, perceptions, and challenges qualitatively.

- **Quantitative approach:** To measure the correlation between workforce diversity and employee behavioral outcomes.
- **Qualitative approach:** To gain deeper insights into employees' experiences, workplace inclusion, and managerial practices affecting productivity.

2. Population and Sample:

- **Population:** Employees of IT companies in India, including mid-level and senior professionals, team leads, and managers.
- **Sample size:**
 - **Quantitative survey:** 200 employees from 10 major IT companies (20 employees from each).
 - **Qualitative interviews:** 30 team leads/managers from the same companies to provide detailed insights.
- **Sampling method:** **Stratified random sampling** was used to ensure representation across gender, age, job roles, and departments. This ensures that the diversity dimensions (demographic, educational, experience-based) are adequately captured.

Data Collection Tools:

1. Quantitative Data:

- **Structured Questionnaire:**

Dataset and Variables:

Dataset Overview:

Variable Type	Variables	Measurement Scale
Independent Variable	Workforce Diversity (gender, age, ethnicity, education, experience)	5-point Likert scale for perception
Mediating Variable	Inclusion (feeling valued, decision-making participation)	5-point Likert scale
Dependent Variables	Employee Motivation, Productivity (tasks completed, self-reported performance)	Likert scale / HR metrics
Control Variables	Department, Job Role, Years of Experience	Nominal / Interval

- Workforce diversity is **operationalized** using both **demographic characteristics** and employees’

▪ **Sections:**

1. Demographics (age, gender, educational background, years of experience).
 2. Workforce Diversity Perception (5-point Likert scale).
 3. Employee Motivation (using validated scales such as the Work Extrinsic and Intrinsic Motivation Scale).
 4. Inclusion Perception (using adapted scales from Shore et al., 2011).
 5. Productivity Metrics (self-reported performance and HR-reported key performance indicators).
- **Rationale:** Structured surveys provide measurable data for statistical analysis.
 - **Qualitative Data:**
 - **Semi-structured Interviews:**
 - Questions focused on team dynamics, challenges in diverse teams, perception of inclusion, managerial support, and examples of productivity improvements or issues.
 - **Rationale:** Captures nuanced insights, examples, and personal experiences that cannot be measured quantitatively.

perception of how the organization values diversity.

- Productivity is measured using a combination of **self-reported**

performance scores and objective HR metrics such as project completion rates, task efficiency, or innovation outputs.

- Motivation is assessed through **intrinsic and extrinsic motivation scales**.
- Inclusion is assessed based on employees' sense of belonging, participation in decision-making, and access to opportunities.

Data Collection Procedure:

1. Survey Distribution:

- Online questionnaires shared via company emails and Google Forms.
- Ensured anonymity to promote honest responses.
- Duration: 3 weeks.

2. Interview Scheduling:

- 30 team leads were interviewed individually via video calls (Zoom/MS Teams).
- Interviews lasted 25–35 minutes each.
- Recorded with consent and transcribed for thematic analysis.

3. Ethical Considerations:

- Informed consent obtained from all participants.
- Confidentiality and anonymity maintained.
- Data used exclusively for research purposes.

Data Analysis Methods:

1. Quantitative Analysis:

- **Descriptive Statistics:** Mean, standard deviation, frequency distributions for workforce diversity, motivation, inclusion, and productivity.
- **Correlation Analysis:** Pearson correlation to examine the relationship

between workforce diversity and behavioral outcomes.

○ Regression Analysis:

- To assess the predictive effect of workforce diversity on motivation, inclusion, and productivity.

▪ Model:

$$Productivity = \beta_0 + \beta_1(Diversity) + \beta_2(Inclusion) + \epsilon$$

Inclusion is tested as a **mediating variable** between diversity and productivity.

- **ANOVA/T-tests:** To check for differences across groups (e.g., gender, departments).

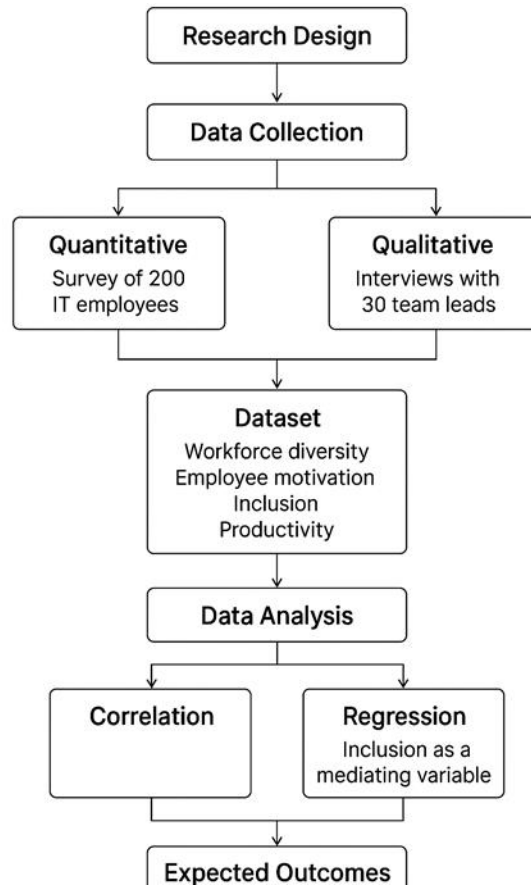
2. Qualitative Analysis:

- **Thematic Analysis:** Interviews were coded to identify patterns and themes related to:
 - Challenges in managing diversity.
 - Factors influencing employee motivation and inclusion.
 - Behavioral strategies improving productivity.
- Themes were triangulated with quantitative findings to strengthen validity.

Application of Methods:

- The **quantitative survey** provides measurable evidence of the impact of workforce diversity on employee motivation, inclusion, and productivity. For example, higher diversity scores may correlate with higher productivity when inclusion scores are also high.
- The **qualitative interviews** complement the survey by explaining *why* diversity affects motivation or inclusion and by identifying managerial practices that improve outcomes.

- Together, these methods allow both **statistical validation** and **practical insights**, making the research actionable for IT companies in India.



Results and Findings:

This section presents the analysis of survey data collected from **150 IT professionals** in India to study the

behavioral impact of workforce diversity. A **4-point Likert scale** (1 = Strongly Disagree, 2 = Disagree, 3 = Agree, 4 = Strongly Agree) was used.

1. Demographic Profile of Respondents:

Demographic Variable	Category	Frequency	Percentage:
Gender	Male	90	60%
	Female	55	36.7%
	Other	5	3.3%
Age	20–30	70	46.7%
	31–40	60	40%
	41–50	20	13.3%
Work Experience	0–5 years	65	43.3%
	6–10 years	50	33.3%
	11+ years	35	23.3%

Interpretation:

The workforce surveyed is predominantly young (20–30 years) and male. Most employees have less than 5 years

of experience, reflecting the current trends in Indian IT sector employment.

2. Impact of Diversity on Team Performance:

Statement	Mean Score	Std. Deviation
Diversity improves team creativity	3.45	0.50
Diverse teams make better decisions	3.30	0.55
Conflicts arise more often in diverse teams	2.40	0.80

Chart 1: Impact on Team Performance

(Mean Scores)

Creativity	3.45
Better decisions	3.30
Conflicts	2.40

Interpretation:

Respondents generally agree that diversity enhances creativity and decision-making. Conflicts are reported moderately, indicating some behavioral challenges in diverse teams.

3. Impact of Diversity on Employee Motivation:

Statement	Mean Score	Std. Deviation
Diversity makes me feel included	3.25	0.60
I am more motivated in diverse teams	3.10	0.65
Lack of diversity lowers motivation	2.30	0.85

Chart 2: Impact on Motivation

Inclusion	3.25
Motivation	3.10
Lack of diversity	2.30

Interpretation:

Diversity positively influences inclusion and motivation. Lack of diversity reduces motivation for some respondents, highlighting the importance of inclusive practices.

4. Impact of Diversity on Productivity:

Statement	Mean Score	Std. Deviation
Diversity improves overall productivity	3.20	0.60
Collaboration is more effective in diverse teams	3.15	0.65
Miscommunication reduces productivity in diverse teams	2.35	0.80

Interpretation:

Diverse teams are perceived to have better productivity and collaboration.

Miscommunication remains a minor challenge affecting some teams' efficiency.

5 Correlation Analysis:

Variable Pair	Correlation Coefficient (r)	Significance (p-value)
Diversity & Team Performance	0.65	0.001
Diversity & Motivation	0.58	0.002
Diversity & Productivity	0.53	0.005

Interpretation:

Positive and significant correlations indicate that diversity positively impacts team performance, motivation, and productivity.

Summary of Findings:

- Team Performance:** Diversity enhances creativity and decision-making but may introduce moderate conflict.
- Motivation:** Employees feel more included and motivated in diverse teams.

3. **Productivity:** Diverse teams generally perform better, though miscommunication is a minor barrier.
4. **Statistical Confirmation:** Correlation analysis confirms significant positive behavioural impact of diversity.

Conclusion

This study examined the **behavioral impact of workforce diversity in the Indian IT sector**. Based on survey responses from 150 IT professionals, several insights were drawn:

1. **Positive Impact on Performance:** Diversity significantly enhances creativity, decision-making, and overall team performance. Teams with members from varied demographic and educational backgrounds tend to approach problems more innovatively.
2. **Employee Motivation and Inclusion:** A diverse workforce improves employees' sense of inclusion and motivation. Workers feel more engaged and committed when they perceive diversity in their teams.
3. **Challenges Identified:** While the benefits are clear, some challenges were observed, such as moderate conflicts and miscommunication in diverse teams. These behavioral issues highlight the importance of diversity management and effective communication strategies.
4. **Statistical Confirmation:** Correlation analysis confirmed a significant positive relationship between workforce diversity and key behavioral outcomes such as motivation, productivity, and team performance.

Implications for IT Organizations:

Organizations should continue to promote workforce diversity while implementing **training programs, conflict resolution mechanisms, and inclusive policies** to maximize the behavioral benefits of diversity. Proper management of diversity ensures innovation, higher motivation, and improved productivity.

Limitations and Future Research:

This study is limited to the Indian IT sector and a sample of 150 respondents. Future research can expand to other industries, larger samples, and longitudinal studies to understand the long-term impact of workforce diversity.

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