WORKFORCE DIVERSITY IN INDIA IN CURRENT SCENARIO

Dr. Manju Garg
Assistant Professor, Dept. of Commerce, K.L.P College, Rewari
***Corresponding Author-* Dr. Manju Garg**
Email- gargmanju87@gmail.com

Abstract

"Workforce diversity" means commonalities and variances amongst employees in organizations as like in age, gender, ethnic heritage, physical capabilities and disabilities, race, and sexual orientation. The management needs to take into account the significant implications of workforce diversity. Managers must alter their behavior from treating each group of employees equally to identifying distinctions and upholding such rules in order to foster creativity, increase productivity, reduce labor turnover, and prevent any sort of discrimination. A friendlier workplace atmosphere, improved interpersonal interactions, and better communication inside the company will follow from effective management of workforce diversity. India is a diverse country as a result of many factors, including the multilingual population of the subcontinent, the coexistence of people who practice many different religions, a long-standing and deeply ingrained caste system, and the cultural invasion of the outside world that has tainted the founding principles of the Indian thought.

Keywords: - Workforce diversity, tactics, and economy

Introduction

We are in a time when the global reach of multinational corporations offers benefits for innovative HR practices but also challenges for managing a workforce made up of a diverse range of racial and ethnic groupings. Additionally, over the past 20 years, more women and persons of various genders have entered the workforce in India, a trend that started much earlier in wealthier countries. When a business hires individuals from various castes, creeds, faiths, minorities, and genders, the issue of how to accept their variety without inciting too much tension in everyday encounters naturally arises. Without it, the performance of the company suffers, and unhappy workers who feel mistreated by episodes of sexism or mistreatment based on their sexual orientation or race may file a lawsuit and claims with minority cells as well as the women's commission. Diversity management is therefore essential. The term "workforce diversity" also describes the variety of unique traits that make up a workforce's diversity within of an organisations. Historically, organisations used a "Melting Pot" strategy to settle internal disputes. The task for HR managers is to address various life styles, requirements, values, and work styles in order to make their organisations more tolerant of varied groups of people. It was formerly believed that employees from various backgrounds would inevitably desire to blend in with the company's staff. Today's workers, however, bring preconceived attitudes, habits, and preferences to the workplace.

Objectives of the Study: -

1. To study the analytical part of Workforce Diversity.
2. To study the Strategies for Managing Workforce Diversity.

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3. To study the Workforce Diversity in India.

Reasons for Modern Organizations' Growing Interest in Workforce Diversity include: -

Growth of the Service Sector:

The manufacturing industry has given way to the service economy in many emerging nations. This has led to the establishment of numerous employments in the service sectors, including banking, insurance, financial services, retailing, and hotel and tourism. In order to do their duties effectively, employees must be able to identify and address the demands of the consumers. It has been shown that businesses may engage with their consumers more effectively by hiring personnel who are like their clients.

Market Globalization:

As a result of market globalization, businesses compete for clients by providing options that are not available to them locally. Customers have greater ability to demand that their wants and preferences be met when they have more alternatives to pick from. Businesses need to become even closer to their clients in order to satisfy them. While others have formed strategic agreements, certain MNCs have developed a significant local presence (e.g., Maruti Udyog Limited with Suzuki of Japan). In any case, managing diversity is necessary to establish and maintain a competitive edge in the market.

Mergers and Strategic Alliances:

Diversity in the workforce is crucial to the success of mergers and strategic alliances. Differences in the corporate cultures of the two organisations are the primary cause of issues in mergers, acquisitions, and strategic alliances. Corporate cultures may differ in a variety of ways, including the norms for conducting business, how individuals should act, and the behaviors that are rewarded. In order for businesses to pool their resources and provide goods and services to clients in distant marketplaces, both employees and management need to comprehend diversity and take use of it.

Increasing Work Team Role:

Modern firms use a variety of methods, such as innovation, quality improvement, cost management, and product differentiation, to stay in business and develop. Such tactics need the business to replace the old job roles with work teams. Work teams have been found to support increased flexibility, lower operating costs, a quicker response to technological change, fewer job classifications, a better response to new values (such as the empowerment of lower-level employees, increased autonomy and responsibility), and the capacity to draw in and keep talent. Teams also promote creativity by bringing together professionals with various backgrounds and viewpoints.

Legal Requirements:

According to the Indian Constitution's requirements, a set percentage of employment in the public and private sectors are allocated for members of the scheduled castes, scheduled tribes, other underprivileged groups, physically handicapped people, etc. It eventually results in workforce diversity in the impacted firms.

Six Steps of Workforce Diversity Analysis

Step 1 – Develop a strategic direction:

The identification of future functional requirements is driven by the agency's vision, purpose, and quantifiable goals and objectives. The analysis and components of the workforce strategy are in turn driven by these requirements. Future functional requirements should be identified with an emphasis on function rather than the personnel required. What essential task must be carried out in order to achieve the strategic plan's aims and objectives? is the broad question. This might involve a lot of the organization's

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present tasks in addition to predicting crucial upcoming events.

Changing Workforce Composition:
Indian organizations' workforces are undergoing changes. They are hiring more women, people with physical disabilities, people from scheduled castes, and people from scheduled tribes. Additionally, the labour is more mobile now. People from many states and cultures are also present in the organisations. The organisations can benefit from using cultural variety. In order to service consumers from various cultural and racial origins, it is necessary to teach the staff about and appreciate other cultures, languages, orientations, etc.

Conducting a workforce analysis: This is the most important step in the workforce planning process. It takes into account details like job categorization, competencies, experience, eligibility for retirement, diversity, turn-over rates, education, and trend data. In this stage, the work that will be necessary for an agency to accomplish its goals and objectives is reviewed, along with the knowledge, skill sets, and workforce levels required to complete that work. The workforce analysis is conducted in two stages:

An organization's future manpower requirements are determined by the workforce demand forecast. This stage should put the organization's work and its employees front and centre. required to do the task. Determine the present work functions being carried out and the staff members required to carry out that job in this stage. Determine the tasks that must be completed now, those that will need to be performed in the future or in new ways, and how they will be carried out in order to fulfil the strategic plan's objectives. We could also find existing tasks that, because of advancements in technology or the need to fulfil certain obligations, will no longer be required in the future.

The Workforce Supply analysis focuses on an organisation existing and future workforce supply. It answers the question, "What is the existing profile of the current workforce, and what does it need to be in the future to accomplish the organisation goals and objectives?" Once the work functions that must be performed have been focus on defining the staffing, or workforce, needed to perform those functions, possess to successfully perform the work, determine the number of staff with these competencies that the organisation will need to accomplish its functions.

Step 3 – Gap analysis: It is the process of comparing the projected workforce supply to the anticipated workforce demand. An analysis should take into account the workforce's demographics, geographic location, size, and degree of employee capabilities. The findings of this research will be used by the agency to develop workforce plans.

One of the following might be shown by analysis results:
1. Having a gap means that there will be a future scarcity of the essential employees or abilities; it is crucial to identify which critical jobs will experience gaps so that the necessary training or hiring may be planned for.
2. A surplus (occurs when expected supply is higher than anticipated), which suggests a potential future surplus in specific worker categories and may call for action. The excess data might include job categories or skill sets that are no longer needed or at least only partially required in the future.

Step 4 – Develop Plans: After identifying a workforce deficit, an organisation must create and put into action efficient strategies to close the gap. Critical gaps should be assessed with attention to ensure that prompt action is done before these gaps become

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an issue for the company. There are many different approaches to filling in future gaps and surpluses, including policies, procedures, and programmes that help businesses find, develop, and keep the key personnel they need to carry out their programmes.

Strategies can fall into broad categories of:

1. Position classification activities include redefining title series, establishing new job classifications, moving job classes around, and revising position descriptions to better match upcoming functional needs.
2. Strategies for staff development to discover and employ skilled individuals from a variety of sources, such as other businesses or professions.
3. Strategies for recruiting and selecting qualified people from a variety of sources, such as other organisations or the private sector.
4. Retention tactics to persuade staff to remain with the organization.
5. Organizational changes like personnel redistribution or restructuring.

Step 5 – Implement Strategies:

The organization's workforce plan is put into action through implementation. To handle the implementation of each strategy in the workforce plan, an agency could require a different action plan.

Before adopting the strategy, organisations should:

1. Make sure the workforce strategies have the backing of the executive branch.
2. Set aside the required funds to determine workforce plans.
3. Establish roles and responsibilities for carrying out strategies. This involves determining who is responsible for putting what into practise and where collaboration with other organisations or departments of the same

organisation is required.
4. Identify deadlines.
5. Establish performance benchmarks, deliverables, and milestones.

Step 6 – Monitor, Evaluate and Revise: Planning for the workforce should include ongoing assessments and modifications since they are essential to continual progress. An organisation runs the risk of failing to recognise and adapt to unforeseen developments if it does not routinely assess its workforce planning initiatives.

Organizations should set up a procedure that enables an ongoing evaluation of their workforce planning activities in order to:

1. Review the data on performance measurement.
2. Analyze what is effective and what is not.
3. As needed, modify the strategy and plan.
4. Address any concerns with the new staff and the organisation.

Consequences of Ignoring Diversity in the Workforce:

The management of an organisation must recognise worker variety in the age of globalisation and manage it for the organization's benefit.

Below are some negative outcomes that may occur if this is not done:

1. Many talented, competent employees may decide to quit a company that doesn't respect diversity. It will result in a high rate of staff turnover,
2. Due to high staff turnover, significant funds will need to be spent on personnel recruitment and retraining,
3. The improper management of diverse staff is likely to give rise to discrimination accusations from smaller groups.
4. A joke, gesture, or phrase made without intent to offend but interpreted as such may cause conflict amongst employees.
5. Some employees may grow to feel

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like second-class workers and may endure stress at work as a result of unfair treatment.

6. When workers are under stressful circumstances, absence rates may be increased.

7. There could not be enough communication and trust amongst different groups and subgroups. It's possible that communication inside the company is ineffective.

8. Understanding the importance of diversity and managing it as an advantage can assist to reduce the aforementioned negative impacts and have a positive impact on workplace collaboration. Only in an atmosphere where all employees, not just a select few, are free to perform to their full capacity can businesses prosper.

Management Techniques for Workforce Diversity:

1. **Individual Tactics**: To deal with the variety of cultural conditions that arise at work, people with a broad perspective might develop strategies based on the circumstances, ego states, and cultural backgrounds of others. The management of cultural diversity by individual initiatives excludes. We do, however, talk about certain key tactics as follows:

1. Recognizing others' cultural heritage
2. A belief in the goodness of all cultures;
3. Consider others' viewpoints
4. The philosophy of "not conquering" another culture;
5. Effective communication.

2. **Group approaches to addressing cultural diversity:** A group of employees who share a common culture are able to comprehend the cultures of other groups and the distinctions between them. They are also capable of creating effective plans for handling cultural diversity. The group tactics comprise:

   1. Information exchange

2. Recommendations and warnings Programs for socialization that promote cultural exchange offer a variety of advantages, including:

1. transcend cultural differences and comprehend one another;
2. Prevent potential misunderstandings between cultures at work;
3. Establish connections amongst family members of employees, which will serve as a "shock absorber" at times of cultural or employment-related disputes;
4. Recognizing and appreciating the cultures of others;
5. the intriguing or pertinent aspects of other civilizations. Others, whose cultural habits are modified, find enormous joy in this activity;
6. cultivate a culture of near uniformity at work;
7. Avoid cultural misunderstandings at work; and
8. These initiatives serve as lubricants for cultural understanding's kinks.
9. If certain cultural disagreements can't be avoided, it helps by offering a platform for resolution.

These applications have several drawbacks, such as conserving time and resources. However, compared to other approaches, these programmes handle cultural diversity the most effectively. We will now talk about organizational strategies.

3. **Organizational Strategies to Cultural Diversity:** In addition to the techniques adopted by people and groups, organisations can develop successful strategies to handle cultural diversity at work.

Organizational tactics comprise:

1. Strategies for recruitment and selection
2. Corporate Policies and Procedures
3. Cultural Education
4. Shattering Glass Ceilings
5. Programs for Formal Socialization
6. Setting Up Work Teams
7. Employing counsellors

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4. **National Strategies:** The following are some national strategies for managing cultural diversity:
1. Legislative Strategy for Equal Employment Chances
2. Cultural Associations' and Societies' efforts
3. Diplomatic missions' efforts.
4. For businesses, workforce diversity is both a burden and an opportunity. In order to ensure the strategic utilization of human resources for the achievement of strategic goals, an increasing number of progressive organisations are becoming aware of the necessity to value diversity in the workforce.

Businesses that effectively manage diversity have the following strategic advantages:

1. A group or business with well managed diversity would be able to resolve problems brought on by divergent points of view by coming up with more comprehensive and creative solutions.
2. An organisation will often do better at attracting and maintaining talent from all backgrounds, hence growing a pool of qualified workers, if it actively supports fair employment opportunities for different groups. People differ in that they have a wide range of skills and viewpoints. The more the employees' diversity of skills and viewpoints, the greater the likelihood that the company will prosper.
3. Business with workforce from varied backgrounds can more effectively serve the customers, who are themselves diverse. Such employees can interact with local customers in an effective manner and pay careful attention to their customers' sensitivities and expectations,
4. Companies with diverse workforce are able to present their product and services in a better way.
5. Companies with effective diversity programs can avoid damage to their corporate reputation or costly lawsuits from charges of discrimination or cultural insensitivity.
6. The global market place of today demands a workforce with language skills, cultural sensitivity and awareness of national and other differences across the market in order to be successful. For example, the multinationals operate in different countries, where the cultural practices vary radically. Workforce which can fit in the cultural understanding of the country where the multinational is operating is a must.

Workforce Diversity in India: -

Due to a varied workforce with a range of socioeconomic, racial, and linguistic makeup, human resource managers in Indian organisations must address a wide range of diversity challenges.

The following are some of the several categories of employees in Indian organisations:

Scheduled Tribes and Scheduled Castes (SCs and STs):

For positions in government agencies and public sector businesses, candidates from scheduled castes and tribes, as established by a notice from the Central Government, are granted priority to the extent of 15 percent and 7.5 percent, respectively. Recently, certain political parties have demanded that the scheduled castes and tribes receive job reservations in the business sector as well.

Other Backward Castes (OBCs):

The National Government has set up provisions for reserving positions up to 27.5% for members of other backward classes in government agencies and public sector organisations. Even though private businesses are not subject to this requirement, OBCs are already represented within their workforce. Disabled or Physically Handicapped Persons: Employees whose physical capabilities restrict their ability to do

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their jobs have historically been labelled as "handicapped" or "disabled." These days, the more politically correct word for those with hearing, speaking, vision, orthopedic, or other health issues is "physically challenged." For those who are blind, deaf, or have orthopedic disabilities, the Central Government has made provisions for job reservations in Group C and Group D positions. Physically disabled people can find employment with socially conscious private sector companies.

Ex-Defence Personnel:
Jobs in the organisations may also be made available to ex-defence personnel or ex-servicemen who have received training and discipline. The organization's staff would be more diverse as a result.

Displaced Persons:
People who have been uprooted due to the purchase of land for public use or due to other reasons like a flood, militancy, etc. may be given preference for positions in government organisations for humanitarian reasons.

Female Employees:
The proportion of women working there is increasing. This has been linked to issues with sexual harassment and discrimination. The organisations must take action to address these issues.

Conclusion: -
A varied workforce is an indication of how the globe and the economy are evolving. Multicultural work groups are very valuable to organisations. Respecting individual variations will enhance workplace efficiency and provide employees a competitive edge. By fostering a climate where everyone has access to opportunities and challenges, diversity management helps employees. Everyone should be educated on diversity and its challenges, including rules and regulations, using management techniques in a varied workforce. Organizations need to learn how to adapt if they are to succeed

because the majority of workplaces are made up of varied cultures. Workplace conflict and lack of collaboration have frequently been connected to demographic variations within groups. With its cross-level approach to examining the effects of diversity in work teams, this chapter sought to further our understanding of cooperation and collaboration in companies. We have argued that through strengthening the bonds between the team and its surrounding environment, team diversity is likely to be advantageous to both work teams and their individual members. Despite the fact that there isn't much research that explicitly tests this claim, the results of various studies are intriguing. The incentive and chances for team members to forge relationships beyond the team's confines are created by both relationship- and task-oriented variety.

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