A Study on Workforce Diversity in India

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Abstract: The issue of workforce diversity has been gaining the attention of academicians and practitioners alike. Due to rapid business and economic expansion, globalization and aspects of a volatile business environment have necessitated the need to understand the effectiveness accrued in utilizing this diverse pool of talent. The adage "shrinking world' is apt in the current context with increased immigration leading to an amalgamation of culturally diverse ethnic communities and religious groups fabricated into the societal arena impacting business firms and their performance levels. This paper attempts to understand the meaning of 'workforce diversity" for organizations based in India.

I. INTRODUCTION

The term 'Diversity' has been used in a different context by researchers (Awbrey, 1997; Richard, 2000; Kochan et al., 2002), generally based on understanding this aspect through factors like race, gender, and age. There are two different aspects or views to 'Diversity' in organizations first is demographic diversity which refers to visible diversity with the inclusion of visible differences related to race, ethnicity, gender, and age; the second one is invisible and relates to religious beliefs, national origins, and differences based on personality, learning process, lifestyle, or social framework (socio-economic parameters)

Research related to understanding the perspectives of managers and management toward a diverse workforce and their cooperative aspects towards understanding and managing such employees has increased manifold in the past decade (Smith et al., 2002). There is a lot of comprehensive research work that has been done by western countries but there has been less research on understanding specific aspects or factors that impact workforce diversity in relation to the Asia-Pacific region, especially India. Budhwar and Debrah (2009) in their research paper on future directions for research in the Asia-Pacific region critically outline cross-cultural studies and diversity aspects to be the major focus for organizations that operate on a global platform specifically those that incorporate a multicultural diverse workforce within their organizational fabric. They have identified 'research on diversity management in Asian organizations as one of the challenges for firms given their demographics and ethnicity.

India has ever been a land of paradigm and fascination. People from the West had previously envisioned the country as a land of spiritual gurus and snake charmers – a concept that has taken a long time to erode even with globalization and economic liberalization (Rai 2012). Today India stands tall with its diverse culture, considerably huge population, and economic disparity as one of the fastest-growing developing nations. It is a nation with the largest English-speaking population and the world's largest base middle class that has led the spur of growth. It is a country representing every major religion, almost two thousand ethnic groups, four major language families containing a total of 1,652 languages and dialects, and a strong social hierarchical structure unparalleled by any country other than the continent of Africa in terms of linguistics, and social and cultural diversity. Indian work organizations respect and exhibit this vast diversity through their employees wherein every organization in itself represents a mini India with its cultural flavors as people from varied religions, ethnic groups, caste and language work together for a common organizational goal.

There are lot of reasons and types of diversities in workforce in different parts of world. In context of India it is being observed that the Indian workforce is diversified due to these prominent factors.

- Religion
- Caste
- Gender
- Cultre
- Age
- Race
- Disability

Reviews on Indian organizations by prominent researchers have addressed major issues related to Indian values and its unique value system(Sinha 1980, 1988, 1990; Singh 1990), Indian leadership context (Sinha 1984), and specific practices in the domain of employee performance management (Amba- Rao et al 2000; Rao, 2007) or has been based on understanding evolution of Indian unions and its related issues in the domain of the industrial relation (Deshpande and Flagan 1996) (Ramaswamy and Schiphorst 2000) (Bhattacharjee 2001) (Bhandari and Heshmati 2005) (Bhandari 2010). The majority of the studies have focused on the underlying dominant theme of cross-cultural management (comparative studies with western nations) with limited views on understanding organizational issues, management factors, and the impact of specific factors like cultural diversity on HRM practices specifically related to Indian work organizations managed either locally or as subsidiaries of MNE's (Rai 2012). This lack of focus may be attributable to the fact that diversity in terms of ethnicity is not considered a major aspect in the country wherein even the Government Census survey doesn't give any data on ethnic races in India (although India is home to about two thousand ethnic groups). Historical data on India accounts for consequent invasions, colonization and subsequent impacts of globalization as factors influencing Indian traditional values and beliefs. Indian nationals born and brought up in the country learn to understand and respect this diversity in the early stages of their lives as part of their social upbringing, assimilating ways of relating and managing to survive in a land of a burgeoning population, diverse religions, languages, castes, and traditions (Rai 2012).

Ratnam and Chandra (1996) conducted a research study on case based review of selected organizations across the spectrum of Indian firms, detailing the varied aspects of diversity in the Indian context (like age, gender, caste) and further highlighted related challenges of equity and equality for both employers and HR practitioners in the backdrop of managing these diversity factors. Their paper detailed broad challenges of HRM related to coping with issues of workforce diversity while strategizing its resources to deal with issues of employment and sustainable development for the organization. Cooke and Saini (2010), through an in-depth case study of 24 Indian firms of different ownership patterns tried to understand the concept of diversity and its meaning in context of HRM. They found that there existed a differing viewpoint in which diversity is viewed by either Western MNC managers or their Eastern counterparts – the Indian managers. Interestingly in the study of organizational behavior related to Indian organizations, most researchers have agreed upon Indian employees display a mixed set of values and characteristics adapted from both Western and Indian culture and traditions (Rangnekar et al 2009; Sinha et al 1990, 1997), which may again be attributable to the adage 'Western style, Indian roots'.Women comprise one-third of the Indian workforce with about 40% of graduates in the country belonging to the fairer sex. However, in terms of gender equality index (GEI), India with an index value of 0.748 ranks 122 out of a total of 168 countries in 2008.

Budhwar (2005), conducted a research study on Indian women managers at management levels in the new economic order of business, detailing perspectives and challenges being faced by women management professionals at the higher echelons of management (Rai 2012). He presents his viewpoint in relation to India, wherein women have generally been deprived of responsible roles at managerial levels due to cultural factors and societal viewpoint. Contrary to the traditional viewpoint that women are not capable of undertaking managerial roles, this study summarizes the strengths of Indian women managers in the context of adaptability to situations, collaborative work style, crisis management capabilities and sensitivity in managing work relationships making them better and capable candidates for leadership in the new economic order of a volatile business environment (Rai 2012).National culture by way of influence through factors like learning experiences, beliefs, religion, language and geographical diversity is said to deeply impact human values or managerial perception related to work characteristics, in turn impacting organizational values and work framework. Studies in this aspect have deeply delved on understanding the influence of national culture on organizational practices (Child 2002a, 2002b) (Tayeb 1987, 1997, 2000). India is a unique representation of a land where diversity flourishes in all aspects through an amalgamation of language, religion, caste and beliefs amongst varied individuals from different communities and strata of life. This diversity impacts their learning process, attitude, perceptions and relation to work (Rai 2012).

Rao (2012) relates the impact of religion in the Indian workplace, outlines the presence of employees from major religious faiths (Hindus, Muslims, Christians, Sikhs and Buddhists) working alongside with varying interpretations of 'value of work' based on their religious beliefs. However her study finds that most organizations operating in India only considered the impact of religion in the workplace at surface level, with both expatriates and locals (Indian managers) unable to cite instances wherein this aspect of religious diversity might have truly impacted their organizational processes; other than instances of more religious holidays or specific customs adopted by members of certain religious communities for observance of their faith.This means while the Indian workforce incorporates members of varied race, caste, religion and language into its organizational framework, this aspect of diversity does not have a major impact on the processes of the organizations, neither does its necessitate the need to carve out specific inclusion policies for 'Equality' as is the norm in western countries.

II. Conclusion

This study found that there seems to be lack of research in aspects of gender or generational diversity in the context of India, as the bulk of previous research on the country had steadily been focusing on cross-cultural differences and national cultural impact on the Indian workforce. There is thus an urgent need to come out of the aspect of treating the Indian workforce as a culturally homogeneous workforce and understand the aspect of heterogeneity in relation to age and gender differences that have more impact on the behavioral aspects of the workforce. (McGuire, Todnem and Hutchings 2007) argue that generational differences in the process of socialization and learning have more impact on organizational performance than the factor of national culture, which deems more appropriate in a globalized world wherein national boundaries are shrinking and virtual boundaries are steadily replacing physical frontiers of demarcation. The need is for organizations operating in India, to understand these winds of change and work towards creating processes across organizations that value diversity related to age and gender than having a myopic view of the country and creating processes that address issues related to the western outlook of 'diversity'. The realization that today's Indian employees are part of a global workforce with global perspectives, rooted to Indian values will help MNE's and international managers go a long way in creating diverse inclusive workplaces.

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