

A Study of Barriers and Challenges in Managing Workforce Diversity: Based on Literature

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Abstract

Diversity Management is one of the key factors of success in any organization. The management of Workforce Diversity can be in the form of exclusion or inclusion. But recent scenario demands inclusion instead of exclusion activities. The purpose of this paper is to understand various dimensions of diversity and to go through the barriers and challenges in managing this diversity. After reviewing existing literature it is clear that most of the organizations focusing only on gender diversity. It is good to empower women at workplace but to limit diversity issue only to one or two dimensions is not correct for having competitive advantage. There are visible dimensions (age, gender, education, culture, race etc.) and invisible dimensions (attitudes, belief, perceptions, prejudice, ethnocentrism etc). It is seen that even political belief is also creating diversity not only to among the employees but among the students also. LGBT (Lesbian, Gay, Bisexual, and Transgender) is one of the emerging dimensions of Workforce

Diversity. So it is quite challenging to manage such heterogeneous workforce at workplace. The purpose of this study is to understand the barriers and challenges the organizations are facing to manage diverse workforce and to get maximum productivity & efficiency.

Key Words : “Diversity”, “Inclusion”, “Competitive Advantage”, “Perceptions”, “Prejudice”, “Ethnocentrism”, “Heterogeneous”

Introduction

“We all should know that diversity makes for a rich tapestry, and we must understand that all the threads of the tapestry are equal in value no matter what their color.”

Maya Angelou

“Diversity: the art of thinking independently together.”

— Malcolm Forbes

Workforce is defined as a group of people who work for a particular organization or business and today diversity has been identified as one of the key factor for sustaining competitive advantage. Organizations are experiencing success through diversified work culture by identifying innovated ways of problem solving and facing challenges.

Management practices usually refer to the working methods and innovations that managers use to improve the effectiveness of work systems. Common management practices include: empowering staff, training staff, introducing schemes for improving quality, and introducing various forms of new technology. It is an entity of instruments to support implementation of concepts and ideas at all levels of conceptualization and realization of concepts, ultimately aiming to support organizational processes.

In general, workforce diversity includes gender, age, religion, race, education or it is heterogeneity with mix of people, where every person is different from another. In this era of globalization, the organizations are far more varied in its composition than ever before. So dimensions like gender, age,

religion, race, are not enough to study workforce diversity management. Several other dimensions are added like sexual orientation, disability (mental or physical), beliefs, attitudes, values, emotions, personality, lifestyle, family background, caste, economic class, work style and many more in different researches. It is also observed that a well managed diverse organization can easily sustain, on the other hand an unmanaged and chaotic organization is not able to sustain in competitive environment. The organizations must involve the best practices to manage workforce diversity, e.g. top leadership commitment, diversity linked to performance, measurement (qualitative and quantitative), accountability, succession planning, diversity training etc.

Relevance and Scope of the Study

As there are different types of employees working in various organizations with different age group, educational background, gender, physical disabilities, regional differences, language difference, social background etc. Hence, when diversity is present in the environment it creates a healthy and professional image. But if diversity is not appreciated in any

organization then it has a huge impact on the productivity and efficiency.

It is necessary to study different managerial practices of workforce diversity in global and Indian context. It is also important to find out importance and initiatives taken by different organizations regarding to manage diversity and various types of diversity that affects and plays a major role in the workforce, then the creation of ideas, skills is easy to evaluate and make it happen.

Further this study can provide a rich literature about Workforce Diversity as well as Human Resources Practices. The researcher has an opportunity to fill those identified research gaps from existing literature.

Need and Significance of the Study

The world is becoming a global village due to globalization. Geographical barriers are not anymore a challenge because of increased transportation and telecommunication techniques. In this interdependent global economy, an Indian might have a mobile designed in Europe, assembled in Japan, Components made in US and china. So in this type of competitive environment, it is necessary to hire

employees from different parts of the world. To hire diversified employees is not just enough to sustain competitive environment. It is so much important to manage and maintain diversified workforce. Another important thing is to identify different dimensions of diversity. Diversity is not just focused to culture, it has many more aspects. The significance of this study is to analyze many more dimensions and adapted managerial practices which are related to diversity.

Another importance of this study is to analyze the techniques which are adopted by global and Indian companies to manage workforce diversity. It also brings an issue of research gap in this particular study. It also focuses on the fact that a well managed organization can improve efficiency and rate of return on investment.

Objectives of the Study

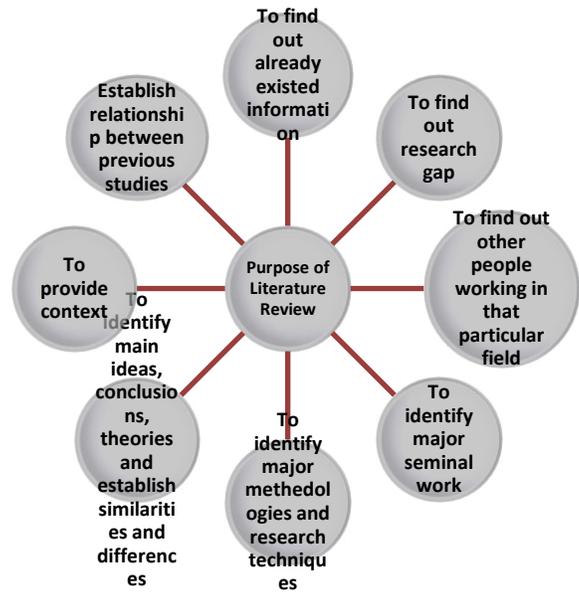
In this report various aspects of workforce diversity are studied, in which the main objectives of the study are following:

- To study the importance of diversity management in organizations.
- To study the policies required for workforce diversity management.

- To analyze reviews of various researchers on workforce diversity management.
- To study initiatives regarding workforce diversity management in India.
- To study barriers and challenges in managing Workforce Diversity

Review of Literature

A literature review is a search and evaluation of the available literature in a given subject or chosen topic area. It documents the state of the art with respect to the subject or topic. A literature review is both a summary and explanation of the complete and current state of knowledge on a limited topic as found in academic books and journal articles.



Purpose of Literature Review

Barriers and Challenges in Managing Workforce Diversity

In this part researcher focuses on barriers, challenges or negative impact of managing workforce diversity in organizations at global, national and regional level.

(Lorbiecki & Jack, 2000) argued that the increasing frustration and disappointments within employees because of different implemented policies in the name of diversity management, most notably in the USA. Instead of creating an atmosphere of tolerance and respect within the workplace, diversity management intervention would

appear to have engendered responses of antagonism and resentment on the part of managed diverse. Diversity management initiatives can be seen to perpetuate rather than combat inequalities in the workplace. Diversity should be theorize in a philosophically and socio-politically different manner, then the discourse of diversity management will mark just another colonizing moment of other.

According to **(Bergen, Soper, & Foster, 2002)** the goal of managing workforce diversity is to create a positive work environment for all employees. However, attempts at managing workforce diversity have potential to produce negative results. If workforce diversity is handled poorly it can easily turn into a losing situation for all involved, leading to devaluation of employees who are perceived as culturally different, reverse discrimination against members of the majority group, demoralization and reinforcement and increased exposure to legal risks.

(Syed & Ozbilgin, 2009) argued that the mainstream single-level conceptualizations of diversity management within the territory of legal or organizational policy fail to capture the relational interplay of structural- and agentic-level concerns of equality. They

developed a relational framework of DM that can help international transfer of diversity management policies and practices. They argued that such an approach is vital to overcoming the traditional criticisms of local non-compatibility and cultural inequality.

(Pitts & Wise, 2010) Found in their study that existing research has little usable knowledge in the field of public administration (US). Their study indicates that publication of diversity-related studies tends to be limited to a subset of public administration journals, a couple of diversity dimensions, and a few organizational frameworks. The pool of research on workforce diversity is too shallow that is hardly useful for human resource managers. This study also shows the link between diversity and organizational performance that falls short because of disability to give sound suggestions to human resource managers. They have insisted that only through empirical research can the relationships among diversity, diversity management, and organizational outcomes become clear. Also more data is required for better understanding in public administration for workforce diversity.

In the opinion of **(Alca ´zar, Ferna ´ndez, & Gardey, 2013)** work force diversity is a

major challenge in modern organizations. They explained that to manage a diverse and cross cultural workforce, it requires a holistic transformation of human resource strategies. They highlighted four limitations of previous literature about SHRM and workforce diversity:

- Deeper analysis of the concept of diversity: Every organization has so many diverse factors of workforce and each factor has its own diversity. So before creating HR practices for managing diversity, it is necessary to analyze and defined clearly the kinds of differences that the organization needs to manage.
- Opening the “black box” of the effects of diversity: The studies have not clearly explained effects of heterogeneous workforce so an integrative approach is required.
- Rethink performance variables to measure the effects of diversity: There is a need to construct new performance measure to understand diversity completely.
- Develop diversity-oriented SHRM typologies: By developing a diversity oriented strategies, organizations can overcome the limitations.

(Wambari, 2013) focused on Workplace Diversity Management Effects on Implementation of Human Resource Management Practices in the Ministry of Health, Kenya. The study targeted a population of 168 employees from various departments in the Ministry with a study sample size of 34 respondents from all cadres of employment. He used stratified random sampling to come up with the study sample of 20%. The findings of the study depicted majority of the workforce in the organization are in Gen X (48- 34 yrs) with a minority of the young generation between 22-37yrs having a mean of 42 yrs. A positive diversity management is reflected by adherence of policies in recruitment, equitable and fair implementation of other HRM practices and provision of conducive and enabling environment for employees.

The study projects a growing number of Generation X and upcoming Gen Y in the workforce who are facing out the experienced and skilled baby boomers. The upcoming future generations may also include skilled and culturally unacceptable workforce of gays and lesbians thus raising emerging concerns to implement flexible work policies and work practices to accommodate the changing workforce needs and to accommodate female employees who

have heavy domestic responsibilities of bringing up and caring for young children and consist of the largest number of skilled working mothers in the workforce. He recommended organizations to train and mentor their upcoming generations to overcome such challenges for future top executives and maintain successful businesses in the phase of globalization and challenging evolving technology and culture.

(Shaban, 2016) stated diversity as a major challenge for all managers in the world is to lead and treat a diverse workforce in an equitable and fair manner. Qualitative data collection and analysis is used in this research through the collection of secondary data to answer the research question. They concluded following points in their study:

- Steps in Managing Diverse Workforce
- Leadership Theories to manage Diverse Workforce

Effective managers can better manage diversity through providing training programs for the team members. Such programs should provide formal approaches for understanding diversity problems. Additionally, they should also highlight the importance of tolerating cultural

differences, and provide ways that explain how members can respond to these differences. Moreover, managers should always try to make the most of the team differences. This could be done through identifying first the differences among the members of the teams. Further, managers should help the team members to accept, and understand these individual differences. Afterwards, they should maximize the potential of the group by finding ways to capitalize on diverse skills, viewpoints and backgrounds. Through following the precedent mentioned steps leaders would be able to leverage the diversity in teams as an asset.

According to **(Woodard & Saini, Diversity Management Issues in USA and India: Some Emerging Perspectives, 2006)** focused on the ongoing global demographic changes; shifts in DM concept from equal opportunities to valuing diversity as a business case; and content and context of contemporary diversity issues in the two countries, USA and India. While highlighting the dominant DM issues in the context of the US corporate world, it is argued that sooner or later many of the DM issues are likely to be of critical significance in developing countries like India, as well to the extent business management realities

converge through the influence of the globalization syndrome.

According to **(Cooke & Saini, 2010)** strategically managing workforce is a value adding HR function. It is quite daunting to manage workforce in India because of its diverse culture, religion and the legislations to tackle inequalities. They have conducted in-depth case study of 24 firms of different ownership forms in a number of industries in India. They concluded that managers hold various views towards diversity management as an HR activity. The managers see diversity as already embedded in the society, view diversity as a low management priority, and are doubtful of diversity management.

(Patrick & Rajkumar, 2012) examined the potential barriers to workplace diversity and suggested strategies to enhance workplace diversity and inclusiveness. It is based on a survey of 300 IT employees. Convenience sampling technique was adopted to select the sample respondents. The sample was drawn from the top 15 IT companies in India. The results of the study provided considerable insight on present diversity management practices in the IT industry. Most of the employees are positive that they can cope with diversity (diversity realists),

while a few of the employees have understood, adjusted, and are enthusiastic to work and leverage positive workplace diversity (diversity optimists).

Discrimination was the most frequently encountered barrier for accepting workplace diversity, followed by prejudice and ethnocentrism. The study clearly emphasizes that organizations should take measures to manage diversity to harness and leverage the potential of employees for competitive advantage. Discrimination was the most frequently encountered barrier for accepting workplace diversity, followed by prejudice and ethnocentrism. The study clearly emphasizes that organizations should take measures to manage diversity to harness and leverage the potential of employees for competitive advantage by training employees to be sensitive to cross-cultural differences, encouraging employees to accept overseas assignments, and offering foreign language training.

(Jindal, Bagade, & Sharma, 2013) Consider that if Indian companies have to flourish in today's shifting global market place, it has to learn to manage diversity, both within the company and without. Because of anti-discrimination laws, an increasingly multicultural world and

recognition that different perspectives are important, DM has become an important aspect. Due to the diversity and diversified work culture organizations will stand as High Performing Organizations (HPOs), over the other companies which do not possess people from different backgrounds.

In the opinion of (**Buddhapriya, 2013**) awareness and recognition for diversity management have increased in IT industries of India. They found the reasons behind focusing of organizations towards diversity, e.g.: global operation, dynamic business environment, dependence on knowledge and talent shortage etc. Gender diversity and diversity of nationality have received greater attention than other issues like diversity of the differently abled, underprivileged, race, ethnicity and age-group. The real challenge they found to develop a healthy attitude towards minority including women and employee from different culture, religion, geographical area, LGBT etc. The researcher concluded that organizations will have to revise and customize their HR strategies to address the issue of diversity– age, gender, capability, caste, ethnicity, and other such important categories that may require progressive inclusion.

According to (**bedi, lakra, & Gupta, 2014**) the biggest challenges for accepting workforce diversity are following:

- *Prejudice*: an unfair and unreasonable opinion or feeling, especially when formed without enough thought or knowledge; an unjustified negative attitude toward a person based on his or her membership in a particular group
- *Ethnocentrism*: a tendency to regard one's own group, culture, or nation as superior to others this tendency of the work force prove a big barrier in accepting a policy of diverse work force.
- *Stereotypes*: a fixed idea about what a particular type of person is like, especially an idea that is wrong; a set of beliefs about a group that is applied universally to all members of that group .
- *Blaming the victim*: making incorrect casual attributions linking aggressions with perceived characteristics of groups .
- *Discrimination*: barring an individual from membership in an organization or from a job because of his or her membership of a particular group. Discriminating behavior of work

force restrict them to adopt new environment.

- *Harassment*: consciously shunning verbally or physically abusing an individual because of membership in a particular group
- *Backlash*: negative reaction to members of previously underrepresented groups gaining power and influence.

In the opinion of **(Dixit & Bajpai, 2015)** India is the most diversified country in the world so managing workforce diversity in this type of competitive environment becomes very important. They have explained dynamics of workplace relationship in an organization characterized by a highly diverse workforce. According to their study Indian organizations recognize the benefits of a diversified workforce, but many still do not include LGBT candidates in their corporate diversity agenda. Many organizations of India are now including women advancement in diversity management practices but PWD's are still an untapped area.

Synthesis of the Study

After reviewing so many articles and literature, it is clear that Diversity cannot be limited to one or two dimension. In this era

Diversity not only include age, gender, sexual orientation, occupation, race, culture, education, geographic background, language, physical disability but perception, attitude, prejudice, ethnocentrism, stereotypes also. Some of the studies also indicate that even political belief can create Diversity among people. Hence, this concept is very much linked to the organizational effectiveness. Because ultimately the people who are from diverse background are working in a team and there should be a common goal within the organization.

Initially Diversity concept was in the form of exclusion but today's win-win approach is inclined towards inclusion. But to implement managerial practices of Workforce Diversity is not easy because it is facing many challenges and barriers internally and externally. Some leaders and managers are doubtful about Diversity concept and view as low management priority. To manage it effectively deeper analysis, to rethink performance variables and to develop diversity oriented SHRM typologies are required.

It can be concluded by reviews of researchers, is that workforce diversity is a multidimensional concept. Generally dimensions of diversity depend on the

location of industry or organization. If diversity is well managed it can improve organizational effectiveness but if it is not very well managed, it can go against productivity and effectiveness.

India is the most diversified country in the world. So it is quite challenging to manage diversity because of its diverse culture, geographical factors, religions, legislations etc. The other reason why India is facing diversity issue, because of more and more global companies are showing their interest in locating their operations and business in India. Some leading Indian companies like Infosys, TATA, Wipro, HCL Technologies are focusing on dimension physical disability, gender diversity, Gender, disability, nationality, cultural sensitivity, under privileged employees and Gender diversity respectively. Initiatives like ‘ASCEND’, ‘Stepping Stones’, ‘iBelieve HCL Women Connect’, ‘Feminspiration’, ‘BlogHer, WoW(for gender diversity), CREATE(For disabled employees),NGOs/Foundations LEAD and MOSAIC etc are taken by these companies. But it is observed that in India, people are still stick to the old beliefs and still not focusing on diversity management as a critical factor in success of businesses.

Managing diversity in multinational companies is becoming a strategic issue but diversity at international level has not been studied effectively. It is observed that some of the MNC’s are using cloud based web meeting platform to diminish any kind of discrimination regarding to the diversity issue.

Organizations must create an inclusive environment, where employees can feel included. Employees also need to be aware of diversity issue and it can be increased with the help of training, mentoring, counseling, socio-culture awareness program, minimizing miscommunication, clear goals, open door policy, educating oneself etc.

Limitations of the Study

The researcher has identified following limitations in the proposed field of study:

- On the basis of review of literature it was found that despite researchers conducted extensive research on Workforce Diversity, but somehow it was limited to one or two dimension that is gender or cultural diversity. So it will be useful to include other untouched dimensions of diversity in this study.

- The proposed topic gains prime relevance in the context that the history of Managerial Practices of Workforce Diversity in Rajasthan is nil. To the best of researcher's knowledge no study has been done in Rajasthan in this particular field so far.

Conclusion

Organizations are experiencing success through diversified work culture by identifying innovated ways of problem solving and facing challenges. Hence diversified workforce brings both challenges and opportunities. A well managed diversified organization can easily sustain the competitive environment.

The organizations must involve best practices to manage workforce diversity like leadership commitment, diversity linked to performance, measurement, accountability, succession planning, diversity training etc.

The organizations should have to revise and customize their HR strategies to address the issue of diversity: age, gender, caste, capability that requires progressive inclusion. Managers and employees need to be aware of diversity, advantages of its management and inclusion.

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