

# THE WORKFORCE DIVERSITY IN TVS SRI CHAKRA PVT. LTD., MADURAI

<sup>1</sup>Dr.V.M.ANITHA RAJATHI, <sup>2</sup>SOWMYA.H

<sup>1</sup>Assistant Professor, <sup>2</sup>Student

<sup>1,2</sup>Dept of Management Studies

<sup>1,2</sup>Anna University – BIT Campus, Tiruchirapalli, India

## ABSTRACT

*The workforce diversity has been identified as one of the strategic capabilities that will add value to the organizations over their competition. The diversity is increasingly recognized and utilized as a vital organisational resource in regards to whether the goal is to be an employer of choice, to provide excellent customer service, or to maintain a competitive edge. The research aims to contribute the literature of managing workforce diversity in TVS Sri Chakra Pvt. Ltd., Madurai. The research focuses on workforce diversity which includes the gender, age, ethnicity of the employees. By managing diversity many advantages can be achieved by the organization notably lower costs, low labour turnover rate, greater creativity, increased productivity and staff satisfaction.*

***Kew words: age diversity, productivity, ethnic diversity, gender diversity, workforce diversity.***

## I. INTRODUCTION

The workforce diversity can generally be defined as recognising, understanding and accepting the individual similarities and differences among employees in terms of their race, gender, age, class, ethnicity, physical ability, professional qualification, religion, language, cultural background, spiritual practice and so on. The differences between employees reflect on their behaviour and contribute to building their personalities. The individuals' ways of thinking must be take into account and used for the benefit of the company. There is no company or workplace which only employs workers from similar ages. Also, the companies employ man and women, coloured or white people, as well as people with various religious beliefs or ideologies. All this diversity requires conscious management care about each category and special attention to develop them into an integrated frame with the purpose to increase the effectiveness and to gain competitive advantages. The respect for diversity so well can lead to functional stability and thus reduce costs. Productivity could be increased both at individual and department levels.

In recent time globalisation has triggered more interaction amongst people from different cultures and backgrounds than before. Now a days, people are more open-minded in the marketplace worldwide with competition coming from almost everywhere in the continent. The diversity can be a problem to some organisations but could also be a solution, it also comes with its disadvantages but also benefits and it is dangerous but also constructive. The challenge then is to extract the very essence of diversity and tactically manage it for the improvement of the people and the organization.

Organisations in their own perspective, adopt diversity at their workplace or organisation to become more creative and open to change. Increasing and improving workplace diversity has become a vital issue for management in the recent years due to the recognition of how the workplace is changing. Since managing the diversity in organisation is still remains as a challenge, managers tends to improve their managerial skills needed in a multicultural working environment and prepares them to teach others within their organisations to value cultural differences and treat all employees with dignity. From the view point of some business leaders and managers, diversity is a big challenge to them although it knows no organizational boundary and has no limitations.

## II. REVIEW OF LITERATURE

Donatus I. Amaram (2007) studied that the acceptance and management of cultural diversity have been promoted and touted as a positive tool in social and organisational engineering intended to solve and prevent group dynamics problems in both business organisations and society as well. Positive attributes of cultural integration in business organisations have received fair and significant attention in the past two decades.

Starlene M. Simons and Kimberly N. Rowland (2011) indicated that the diversity and diverse integration viewpoints into organisations are pertinent in a world of shifting demographic patterns and work practices. In organisations the implementation of workforce diversity is a challenge due to lack of clarification regarding the difference between functional and social diversity in the literature, which results in a lack of differentiation in organisational policies.

Darwin Joseph R. & Palanisamy Chinnathambi Selvaraj (2015) found that the effect of the workforce diversity in terms of age, gender and ethnicity. If the workforce diversity is properly managed, it will provide positive benefits. If not, it could lead to negative results. A structured questionnaire was used to collect the views of employees in both the manufacturing as well as the service industries. The experiential relationship of age, gender and ethnicity of the employees with the performance was computed using Software Package for Social Science (SPSS). The analysis reveals that these three variables do not have a statistically significant impact on the performance of employees.

Olukayode Longe (2015) investigated that the conflict was an unavoidable phenomenon in organisational life and it could contribute to or detract from organisational performance depending on the conflict management strategies adopted in the workplace.

Latif AbdulRidha Atyah (2016) studies the diversity management on two levels. The first is the virtual level and the second is the deep level. The virtual level includes age, gender, race, cultural, educational and ethnicity, while the deep level includes values, attitudes, beliefs and personality traits. The most important fact is that the diversity management has become a necessity and not an option, especially in the light of the global environment.

## III. CONCEPT OF DIVERSITY

The term diversity has not been wildly used until the mid eighties and through administrative review of the literature (Edelman, et al, 2001) the attention to the term diversity has began in the year 1987 and it reached its peak at the beginning of the nineties. Before embarking to recognize the dimensions of the diversity it is important to provide a definition, as the concept of evolution focuses some basic characteristics as race, gender, age, diversity tends to focus on definitions which takes into account a wide range of human differences. Table 1 provides some important definitions of the concept of diversity.

Table 1 – The concept of diversity

Year	Authors	Definition of diversity
2004	Ferlenius	Diversity is the noticeable heterogeneity referring to identities among people existing in social surroundings.
2005	Potratz	Situation that includes representation of multiple (ideally all) groups within a prescribed environment, such as university or workplace.
2007	Kinicky	Diversity is the sum of individual differences that make people different from and similar to each other.
2007	Buga	Any attribute that another person may use to detect individual differences
2010	John	Diversity is a total of differences associated with race, sexual identity, ethnic, age and religion, level of education, the economic and social situation, physical ability, class and many others.
2010	Mazur	Diversity is what differentiates one group of people from another along primary and secondary dimensions. Primary dimensions of diversity are gender, ethnicity, race, sexual orientation, age and mental or physical abilities and characteristics. It will shape our basic self-image as well as our fundamental world views.
2011	Ehimare	Diversity encompasses all the possible ways people can differ.
2012	Munjuri	Carrell (2006) defines workforce diversity as the ways that people differ which can affect a relationship within an organization such as age, gender, race, education, religion and culture.
2012	Kogleroeet al.	A characteristic of a group of two or more people. It typically refers to demographic differences of one sort or another among group members.

#### IV. DIMENSIONS OF WORK FORCE DIVERSITY

##### 1. Gender diversity

Most of the researches indicate that there are differences between men and women which affect the work performance. Those studies have shown that there are differences between men and women in the field of the ability to solve problems, the analytical skills, motivation, learning ability and social adjustment. Some researchers also indicate that the absenteeism rate among women is higher than men, which requires the development of initiatives to manage diversity to overcome these problems, such as flexible working hours initiatives and telework. The latest statistics indicate that the labour force of women became 76% of the current workforce, compared to 1975 when was up to 59%. Magoshi (2002) also points out the fact that, according to certain researches, only up to 5% of managers are women, because of the length of the career path through which women access to positions.

##### 2. Age diversity

Research results indicate that the 50 years and over worker force represent up about 85% of the labour force. The challenges among this age group are generally the inflexibility and unwillingness to experiment with other ways to work. Especially by the younger

generation, this age group is sometimes not shown enough importance and appreciation, or is required more experience and skills, even though they perform their work well. This phenomenon creates a distinctive age. On the other hand, small companies appreciate older workers because of their long experience and career stability, as well as lower labour turnover rate. Many researches were consistent with these findings. Some researches show that there is a relationship between long working experience and performance, as the most experts have long working experience, low rate of absence and turnover rate.

### 3. Ethnic diversity

Most of the researches indicate that the ethnic component is increasing dramatically in the labour force. US latest statistics (Bureau of Labour Statistics) indicate that these groups constitute 27% of the labour force and the expectations are that they will make up to 32% by the year 2020. The organisations need to develop programs in which these minorities can progress in their careers and opens professional opportunities for them. The United States is an American country which consists of white workers and black workers. Race is another factor. This creates significant challenges for business organizations. Researches indicate that companies paid the equivalent of 61.1\$ million to resolve ethnicity or racial related problems.

## V. CHALLENGES OF MANAGING DIVERSITY

The challenges faced by organizations when trying to develop a diversity management strategy are numerous: (Kinicki, 2007)

- Inaccurate judgment about diversity

Many researchers have identified the fact the workforce diversity is seen as a weak point at organizational level. Management diversity programs in this case have the purpose of reducing these negative outlooks.

- Ethnic superiority

At times, the opinion of individuals is that of superiority. Also, they believe that their own habits are the best.

- Poor career planning

In some cases, the companies lack career opportunities for employees with diverse backgrounds, especially in senior leadership positions.

- Hostile work environment

At times, the work environment is non-supportive for employees with diverse backgrounds, such as racial differences, age or gender.

- Lack of political safety for workers with diverse backgrounds

At times, people with diverse backgrounds are discouraged to aspire to advance positions within the company due to their lack of knowledge of the rules of work, thus making them unable to protect themselves.

- Fear of reverse discrimination

Some employees believe that managing diversity could lead to the opposite of excellence. This belief leads to strong resistance because of a feeling that there are some people who gain, while others lose.

- Resistance to change

According to Muniuri (2012), the implementation of diversity management can also be expensive for the organization or may cause disruption in the work. Sometimes, it creates a hostile environment. Also, the communication can be affected.

Most employees may suffer from the change, making them resisting any initiative for change. Therefore, the active management of diversity may include operations and personal change.

Note to the point above, there are significant challenges facing an organization, such as inaccurate judgment on managing diversity, racial superiority, poor carrier planning, resistance to change and many other points. These represent an impediment to reaching the goals of the organization.

An organization must take into account these basic points and plan in a positive and effective way for the purpose of meeting these challenges and thus achieving effective management of diversity, which will positively reflect on the organizational performance for all the employees.

Many organizations are facing difficulties in communication because of the language barriers, knowledge or culture among the individuals in case of the diverse workforce. At times, messages fail to be delivered to all workers, which may cause weakness and create a barrier in the communication system of the organisation.

## VI. DISCUSSION

Research has provided important insight that can help workers in human resources management to achieve the benefits and avoid diversity problems in the future. The world is undergoing tremendous changes and the cultural changes are accelerated by the process of globalization. In the near future there will not be a company to perform work without the implementation and thoughtfully managing cultural diversity.

The researcher found that the ability of the organization to polarize, motivate and retain employees with miscellaneous cultural backgrounds leads to the achievement of competitive advantages and the ability to survive in a multifaceted and fast changing environment. We also found that creating a work environment that respects and appreciates diversity in the workforce has great benefits, namely competitive advantages, lower costs, better allocation of resources, a great capacity for creativity, speed in solution finding and great flexibility. Managing diversity is not without problems, especially difficulty in communication, low satisfaction of employees, low level of cohesion between the teams and possible conflict and tension. The real motivation on the part of the organisation is to create a favourable climate for diversity. The companies must be aware that managing diversity is not just a program, but is a work lifestyle and for everyone to live and accept reality.

The implementation of diversity management includes the need to adapt to the new reality of the labour force, which has a diversified increasingly. The focus on commercial feature is a very important factor, which is a new incentive for companies to include diversity management programs. The use of balanced employment, the creation of awareness, training of staff, assessment and reward of good performance, equal opportunities form the solid basis for the diversity management in the workforce that leads to achieve a competitive advantage for the organization.

The increasing attention given to diversity management in human resources management practices reflects the inevitable result of the global economy. The increasing diversity in the workforce often involves problems such as satisfaction issues and conflicts.

## VII. CONCLUSION

There is a growing interest by organisations about managing diversity. This growing interest is illustrated by the intense research in the field and by the diversity management practices included by the organizations in their strategies, reflecting the fact that diversity

management has become a necessity, not an option for organizations, especially in light of the economic and social international changes. Most research indicates a large gap in the field of knowledge as well as the application in managing diversity. It also points out the absence of integrated models for the management of diversity, and, in consequence, the lack of strategies designed to manage diversity.

Future research should be focused on managing diversity, from the perspective that there is a need to effectively manage diversity, to achieve the best financial results. The study can include demographic factors, socio-cognitive factors and organisational factors to understand the workforce diversity of the organisation. Structured questionnaires must be applied to collect primary data. The diverse labour force is nothing but a reflection of the world and the changing marketplace. Diversity management contributes to creating a fair and safe environment, where every person has the right to access to the same opportunities and challenges.

## REFERENCES

1. Allen Richard (USA), Gail A. Dawson (USA), Kathleen Wheatley (USA), Charles Whith (USA) – *Linking diversity practices and perceived diversity in management. Problems and perspectives in management; volume 6, issue 2, 2008*
2. Biga Andrew – *University of South Florida. Measuring diversity management skill: development and validation of a situational judgment test. 2007*
3. Cox, Taylor H. - *Managing cultural diversity, implications for organizational competitiveness; Academy of Management Executive 1, 91 vol 5 no 3; 1991*
4. Cox. T. H. Jr – *Cultural diversity in organization – Theory, research and practice; San Francisco, Berrett-koehler, 1994*
5. Cox, Taylor – *Creating the multicultural organization – A strategy to capturing the diversity, San Francisco, USA, Jossey- Bass;2001*
6. Darwin Joseph R. & Palanisamy Chinnathambi Selvaraj – *The Effects of Work Force Diversity on Employee Performance in Singapore Organisations. International Journal of Business Administration, vol. 6, No. 2; 2015*
7. Donatus I. Amaram – *Cultural diversity: Implications for workforce diversity. Journal of diversity management vol.2, no. 4; fourth quarter 2007*
8. Ehimare, Omankhanlen Alex & Ogaga-Oghene Joshua – *The impact of workforce diversity on organizational effectiveness. A study of a Nigerian Bank; Annals of the University of Petrosani, Economics 1, (3), 2011*
9. Jayne Michele E.A and Robert L. Dipboye – *Leveraging diversity to improve business performance; research findings and recommendations for organization; Human Resources Management, winter 2004 vol.3 N 4*
10. John D. Gerhart Center for Philanthropy and Civic Engagement. *Magazine Fortune Human Resources Management Association. 2011.*
11. John Wrench (2007), *Diversity management and discrimination immigrants and ethnic minorities in the EU.*
12. Kogler Marina, Craschke Daniela, Astrid Podsiadlowski, Cornelia Springer, Karen van der Zee - *Managing a culturally diverse workforce: Diversity perspectives in organizations; International Journal of the Cultural Relations 37 (2013)*
13. Kundu Subhash C – *Managing cross-cultural diversity- a challenge for present and future organizations; Delhi. Business Review vol. 2, no. 2, July – December 2001*

14. Mazur Barbara - *Cultural diversity in organizational theory and practice; Journal of intercultural management vol 2, No. 2, November 2010*
15. Munjuri Mercy Gacheri – *Workforce Diversity management and employee performance in the banking sector in Kenya; DBA African Management Review 2012, vol. 3*
16. Nagoshi Emiko, EnuniZhong – *Diversity management and the effects on employees' organization commitment: evidence from Japan and Korea; Journal of World Business 44; 2009*
17. Olukayode Longe – *Impact of Workplace Conflict Management on Organizational Performance: A Case of Nigerian Manufacturing Firm. Journal of Management and Strategy Vol. 6, No. 2; 2015*
18. Podsiadlowski Astrid, Craschke Daniela, Kogler Marina, Springer Cornelia, Zee der van Karen - *Managing a culturally diverse workforce: Diversity perspectives in organizations; International Journal of the Cultural Relations 37; 2013*
19. SaniaUsmani, KumariKalpina and Hussain Javed – *Diversity, employee morale and customer satisfaction. The three musketeers; Journal of Economics, Business and Management vol. 3, no. 1; January 2015*
20. Starlene M. Simons and Kimberly N. Rowland – *Diversity and its Impact on Organizational Performance: The Influence of Diversity Constructions on Expectations and Outcomes. Journal of Technology Management & Innovation vol. 6, Issue 3; 2011*