

DIVERSITY MANAGEMENT IN GLOBAL WORK PLACE: A STUDY

LEELA VIJAYA LAKSHMI

Assistant Professor, T.K.R.College of Engineering & Technology, Meerpet, Hyderabad-35.

INTRODUCTION

Diversity refers to the differences between people. Differences between individuals could be either visible or non-visible. Examples of differences are gender, age, sexual orientation, race, culture, skills, tenure, learning styles etc. Every work place has these differences though some of them are not considered relevant or of importance. Differences between people lead to variety of experience and perspectives that influence their behavior, and also influence their style of work. Organizations should take all these differences into account to make optimal use of capacities/capabilities in their workforce that would result in positive influence on productivity and quality of work. This will also help to build a healthy environment and reduce attrition. This is the basic goal of Diversity Management. Diversity Management? "Diversity Management" is a strategy to promote the perception, acknowledgement and implementation of diversity in organisations and institutions.

Diversity Management can be defined as all the activities that are aimed at dealing with and optimizing the diversity in work force. Diversity Management is a comprehensive process for developing a professional work environment that suits all employees. This process encourages management to empower, enable and influence employees to reach their full potential. It ensures that defined policies and practices do not give undue advantage to one group over other. Inclusiveness is central and key factor to Diversity Management. It helps in understanding differences and addresses workplace behaviors while focusing on organizations culture and climate. Diversity management is not just a soft skill dealing with the moral refinements of fairness. It is not an action programme driven from top rather it means professional work place, inclusive and healthy work environment, new markets, new customers and new users of products. Purpose of this document is to collate the experience, knowledge and share the same with people who are interested in integrating diverse groups into the workplace. We aim to encourage organizations to develop proactive approaches to diversity, so that they can achieve the benefits of having a diverse workforce. This also benefits their employees: it will ensure that they are fully integrated into a workplace and that their talents are fully recognized and used.

DIVERSITY MANAGEMENT PRINCIPLE:

Globalization leads to rapid changes in markets and customers. Currently organizations are not only competing locally and regionally, but also worldwide. Different infrastructure, labor, production costs are driving diverging investment environments to gain cost advantages. Whether it is in production, sales, marketing, services or HR, corporates are increasingly being forced to act and think globally. Customers as well as staff are becoming more internationally, culturally and biographically diverse. Every region namely AMER (Americas), EMEA (Europe, Middle East, Africa), APAC (Asia Pacific) has an increasingly diverse working population, with people of many different backgrounds playing a greater role in the world market. This diversity reflects not only population changes due to immigration and mobility between regions, but also an increasing recognition of the problems and issues facing a range of marginalized groups in the work force, such as women, people with disabilities and older workers. Due to different reasons like economic instability, difference in economy and standard of living, law and order, distributed opportunities are driving this tendency towards greater heterogeneity to rise. It seems clear that the Global market of the future will contain larger numbers of older workers, women, immigrants and people with special abilities. The prospect of a diverse workforce and market demands a response which is integrated, proactive and effective. Policies for a diverse workforce must be

supported by training and tools for managing diversity at the workplace; tools that enable employers and employees alike to gain the greatest benefits of a diverse workforce, while avoiding the pitfalls. Pro-actively managing diversity in the workplace will provide business benefits and will help organizations to meet the obligations of social justice.

WHY DIVERSITY MANAGEMENT?

Globalization refers to the increasingly global relationships of culture, people, and economic activity. It is generally used to refer to economic globalization: the global distribution of the production of goods and services, through reduction of barriers to international trade such as tariffs, export fees, and import quotas and the reduction of restrictions on the movement of capital and on investment.

The United Nations Economic and Social Commission for Western Asia defines globalization as:

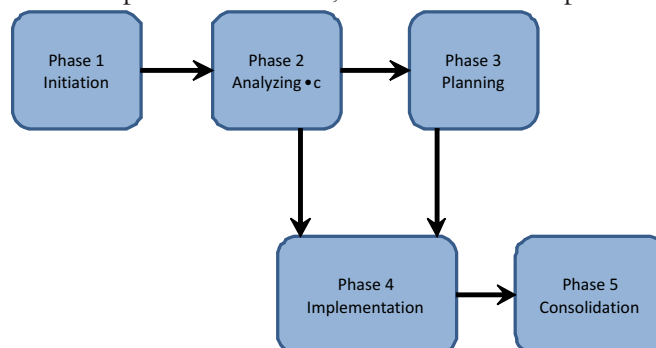
"a widely-used term that can be defined in a number of different ways. When used in an economic context, it refers to the reduction and removal of barriers between national borders in order to facilitate the flow of goods, capital, services and labor... although considerable barriers remain to the flow of labor... Globalization is not a new phenomenon. It began towards the end of the nineteenth century, but it slowed down during the period from the start of the first World War until the third quarter of the twentieth century. This slowdown can be attributed to the inward-looking policies pursued by a number of countries in order to protect their respective industries... however, the pace of globalization picked up rapidly during the fourth quarter of the twentieth century..."[6]

Since early 1990s Globalization has become one of the driving force of world market and evidence has been mounting to suggest that there are numerous benefits associated with the adoption of sound diversity management programs by employers. Over the last number of years, a variety of researchers have detailed the benefits of adopting a diversity management approach such as:

- Improved performance/productivity (Agocs and Burr, 1996; Richard, 2000)
- Increased creativity/flexibility (Cox and Blake, 1991; Robinson and Dechant, 1997)
- Higher quality problem-solving (Cox and Blake, 1991; Hubbard, 1999)
- Improved understanding/penetration of markets (Cox and Blake, 1991; Robinson and Dechant, 1997)
- Increased staff morale and job satisfaction (Agocs and Burr, 1996)
- Improvements in staff retention/less absenteeism (Agocs and Burr, 1996; Robinson and Dechant, 1997)
- Less law suits (Robinson and Dechant, 1997)

IMPLEMENTING DIVERSITY MANAGEMENT

The process is described in terms of a set of phases of activities, each of which has specific aims and each of which is supported by a number of tools.



A 5 Stage Process for Implementing Diversity Management

- **Initiation** - Initiating the process This is the first step and this is to recognize the necessity of having a diversity management process. This phase involves creation of diversity management project charter, marketing the program, developing support for the program, setting up a project team, scoping the project and developing reporting relationships.
This would include identifying all relevant stake holders, Identifying the scope, review the existing activities, identifying and documenting the assumptions/obstacles/risks, creating of DM team, creating communication strategies, creation of check list for tracking the progress, Identifying the management members for decision making and creation of change process if required to change the tasks in the project
- **Analyzing** - Analyzing existing problems and opportunities
This phase involves assessing the needs and opportunities for diversity management in work place. We need to identify the existing issues and analyze the reason for existing issues. This would also help us to identify the areas of improvements which could be converted to opportunities while implementing Diversity program
This would include creation of Checklist to identify existing data sources, creation of demographic/ geographic profile of the company, creating interview/discussion guidelines, creation of feedback mechanism, identifying the sample for analysis, identifying the audit group and training the audit group, document the guidelines for interview, feedback and recording the accumulated data.
- **Planning** - Program plan
This phase involves reviewing the collected data, prioritizing the problems/issues to be handled, creation of problem solving groups, guidelines for generating solutions, creation of solutions to identified problems, review of proposed solutions, baseline the proposed solution, creation of communication strategy for implementing and institutionalizing for solution, creation of program plan, creation of tasks/ checklist to track the progress of plan, guidelines for tracking the of the plan
- **Implementation**
This phase involves the activities undertaken to implement diversity management programme. It deals with creation of workplace policy in identified area, the development and implementation of training and improving employee awareness on diversity management.
- **Consolidation** This phase involves integration of diversity management program into general HRM policy and practice. This is achieved through establishing auditing/ monitoring mechanism at each stage of the process implementation. This enables the program to be improved from one level to other and for better integration into general organizational practice. This involves monitoring different phases like initiating the process, analyzing the existing problems and opportunities, Program plan, Implementation and evaluating the diversity management improvements.

DIVERSITY AS AN ASSET

Diversity in the work place was previously thought to lead to unclear communications, conflict, and a less efficient workplace. Today, many organizations realize that diversity can actually enhance effectiveness like

- 1) New Opportunities, Products and Services: Diversity generates ideas in geometric progression fuelling greater

creativity and innovation. It can generate new ideas which are less obvious alternatives. This results in new products and services to meet the specific customer's expectation and needs.

- 2) **Better teamwork:** Work in organizations need collaboration between different teams with diverse backgrounds and most times spread across different geographies. Interacting with diverse workforce is leads to different ideas that enhances motivation and morale in organizations
- 3) **Better Image:** Companies with diverse workforce are having comparatively better image and reputation than those who do not encourage diversity. This has huge impact on expansion of business as it can increase the chances of getting better talent from wider options
- 4) **Productive and Effective workforce:** Adept handling of diversity can improve motivation and enhance productivity due to higher levels of satisfaction employees enjoy on being treated fairly, valued and recognized equally at workplaces. It reduces the chances of absenteeism and attrition too as the undue stress, unnecessary frustration or low morale due to being insensitive, discriminatory etc. gets drastically reduced. Hence, many organizations are charting diversity initiative not merely to comply with legal obligations but reap the business benefits especially in term of better recruitment and higher retention among the talented workforce
- 5) **Expansion of Markets:** Globalization has brought together heterogeneous teams to enhance the problem solving capabilities and produce creative solutions leading to expansion of business.
- 6) **Encourage Employee participation:** Encourage all employees to embrace diversity. Provide required diversity training to help all employees understand the value in diversity and encourage flexibility to accommodate employee requests Organizations should also be ready to face challenges with diversity such as mistrust, miscommunication, and lack of cohesiveness, attitudinal differences and stress Diversity Management became so important that multinational companies have their own teams, managers to manage diversity at work place.

EXAMPLES:

Apple Computer Inc.: Apple Computer Inc. has a strong Diversity policy. They have a team of multicultural specialists who help the organization to adhere to the *Equal opportunity and Diversity Policy*.

Apple Computer Inc.'s manager for multicultural programs Santiago Rodriguez was formerly the affirmative action officer at Stanford University and served as the director of intergovernmental relations, Office of the Commonwealth of Puerto Rico, in Washington D.C. According to him "Diversity is a fairly new term which was started around mid '80s. Previously it was known as equal opportunity which started in late '60s. Diversity means the assumption that human beings are indeed different, as we were all told as children. Rather than have people conform to the same standard, because no one in reality can or does. People try, but it is hard. See how that difference brings value to what you need done. Make sure the part of that program you identify as diversity is a different concept from equal opportunity and affirmative action. Don't invalidate the EOA or affirmative action. They have validity in their own rights, but they are different concepts. I think that to achieve diversity you also need to address equal opportunity and affirmative action. Diversity is different.

Legitimize the confrontation -- as much as possible, try to develop an environment for people that allows them to express difference. People would describe this as a safe haven. People should feel safe to have conversation.

From a business perspective there are three items that any business needs to do. You need to think of how difference, or the absence of difference, diversity, if you wish, affects product design and development; how it affects marketing and how it affects customer satisfaction. The fourth is how you manage it, how do you harness the diverse talent you have in your work force, in school or wherever, so that you can meet those objectives? That's the technique.

Microsoft: Microsoft a Global IT giant, has a very strong Diversity and Inclusion Policy.

Executive Commitment to Diversity at Microsoft

Microsoft has a comprehensive plan to promote and integrate global diversity and inclusion at every level within our organization and in everything we do. Microsoft's executive staff are committed to ensuring that diversity and inclusion are a part of our everyday business, from acquiring and retaining great talent to serving customers and developing innovative products. They see diversity and inclusion as a long-term business strategy that will help enable the future success of the company.

Bill Gates on Diversity and Inclusion The collaborative energy that is created when talented people from different backgrounds come together to focus on innovation has helped fuel Microsoft's success for more than 30 years. As we bring our innovations into more and more markets around the world, and as we strive to bridge the digital divide so that people at all levels of society can benefit from the opportunities of the global knowledge economy, we recognize that it's more important than ever to honor diversity, both inside Microsoft and in the communities where we live and work.

- Bill Gates, Microsoft Chairman

Steve Ballmer on Industry Leadership in Diversity

By providing access to technology, Microsoft strives to help all people realize their potential. This means that diversity and inclusion are not just words on paper for us; they are core values and business imperatives. We promote diversity at every level within our organization and strive for inclusiveness in everything we do. We believe that employing the world's top talent from all groups within our communities-from many backgrounds and with varied experiences-helps us to better serve our customers and gives us a competitive advantage in the global marketplace.

- Steven A. Ballmer, Microsoft Chief Executive Officer

Bob Muglia on Executive Commitment

Diversity and inclusion are part of Microsoft's long-term business strategy. Because our leadership team is deeply committed to this effort, we've developed a comprehensive plan to promote and integrate diversity at every level within our organization and in everything we do as a company. We broadly promote Diversity and Inclusion worldwide by encouraging multicultural perspectives and conversations among key Microsoft publics - current employees, perspective employees, customers and partners. - Bob Muglia, President, Server and Tools Business

As per *Gwen Houston, Microsoft General Manager of Global Diversity and Inclusion,*

Diversity "is not just a moral imperative. It's a business reality." Like many companies of its size and scope, Microsoft sees tremendous opportunities in emerging global markets. That also happens to be where the newest and most exciting inclusion opportunities exist today. Microsoft has a best-in-class reputation for its external outreach programs in communities all around the world, and its technological innovations give it the ability to truly change the world.

I believe that unless we work to build inclusive environments - organizational cultures where all are truly valued and encouraged to fully contribute their talents - diversity gains will not be sustained. I place at least as much emphasis on the qualitative aspects of diversity as I do on the quantitative. Building an inclusive organization is not just about the diversity scorecard data we track to measure our progress. It is as much about our attitude and behaviors as leaders and having a sense of empathy for the different experiences that people go through. The ability to effectively engage and work with others who are different from us is not necessarily an innate skill; it must be learned.

CONCLUSION

A diverse workforce is a reflection of a changing world and marketplace. Diverse teams bring high value to organizations. Diversity management provides fair and healthy environment with equal opportunities and challenges to all individuals. Management should create trainings and tools to educate everyone about diversity and its issues, including laws and regulations. Diversity is especially crucial in today's global marketplace, as companies interact with different cultures and clients. Properly managed diversity results in increased creativity, increased productivity, improving new language skills, global understanding, understanding new processes, understanding new solutions to difficult problems, greater agility, better market insight, and improved employee recruitment and retention.

REFERENCES:

- HRM Review, The Icfai University Press, Managing Diversity, Nov(2007) Luthans, Fred ; Organizational Behavior www.mindtools.com Aswathappa K & Dash Sadhna;
- International Human Resource Management Robbins, Stephen; Organisational Behavior Rao V.S.P; Human Resource management Mejjia L, Balkin D.V and Cardy L;
- Managing Human Resources www.Financialexpress.com U.S. Labor Review 24
- http://www.diversityatwork.net/EN/en_policy.htm
- <http://www.acas.org.uk/services/equality.html>
- <http://www.diversityintl.com>
- <http://www.work.asn.au>
- <http://www.diversitycentral.com>
- <http://www.diversityinc.com>
- <http://www.diversityworld.com>
- <http://www.shrm.org>
- <http://www.diversityatwork.com>
- <http://www.wisegeek.com/what-is-diversity-management.htm>
- Gloria Gordon "This man knows what diversity is - Apple Computer Inc.'s manager for multicultural programs Santiago Rodriguez - Interview". Communication World. FindArticles.com. 01 May, 2012.
- <http://www.apple.com/recruitment/EqualOpp.asp>
- <http://www.microsoft.com/about/diversity/en/us/default.aspx>
- <http://www.microsoft.com/en-us/news/features/2008/jul08/07-29gwenhouston.aspx>