Cultural Diversities in Indian Industries

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Abstract:

With a lot of human movement taking place around the world, issues of migration, assimilation, adaptation and the politics associated with them is being discussed vociferously in world forums. Diversity and how to manage it has become a tricky subject today.

The contemporary Indian organizations are characterized by diverse workforce. Moreover, a more number of Multinational corporations (MNCs) are attracted to India to explore its diverse markets. These organizations are voluntarily making efforts towards inclusion of various groups of society to fill the skill gap and derive the benefits of workforce diversity as business case. However the changing demographics brings in various challenges such as generating ingroups and out-groups ,discrimination towards few groups ,conflicts between various groups etc. reducing the efficiency of organizations.

Key -Words: MNC, SWOT, PSU, BPO.

Introduction:

Diversity dimensions of India

India is one of the diverse countries in the world. Its diversity aspects are rooted in the socio-cultural factors and emerging trends in demography. The diversity dimensions are discussed under two heads: socio-cultural dimensions and demographic dimension.

Socio-Cultural Dimensions

Caste

Caste has always been a major source of diversity in Indian society and therefore in Indian organizations. There are about 3,000 castes in India and each one is a social unit in itself, its structures differing in each case. Indu Indian society is divided broadly into four broad varnas

based on occupation and determines access to wealth, power, and privilege. Brahmins (priests and scholars), Kshatriyas (political rulers and soldiers), Vaishyas (merchants) and Shudras (laborers, peasants, artisans, and servants). Each of these varnas has several subgroups as Jatis (representing group deriving its livelihood primarily from a specific occupation). The castes belonging to the first three varnas are known as the upper castes, and Shudras as the lower castes. Shudras are further divided into many castes and few among them are Dalits. Historically, they have been victim of discrimination in most social matters. They were considered untouchables and debarred from social places. Socially, Shudras had for a long time been facing utterly inhuman treatment, which spilled over into their role as employees as well . They are also known as the Scheduled Castes (SCs, who make 16% of total Indian population as per 2001 census) by Indian Constitution. Further, the constitution identifies people of tribal origin as STs (Scheduled Tribes). They are not the part of varnas; however are people who have primitive way of life and habitation in remote and less accessible areas. Although caste is associated with Hinduism, caste division also penetrates Sikhism, Muslims, Buddhism and even Christianity. Under the Constitutional Order 1950, as amended in 1990, the SCs can only be Hindu, Sikh or Buddhist while the STs can be from any religion.

To protect the discrimination arising from the caste, the Constitution of India prohibits discrimination on the grounds of religion, race, caste, sex or place of birth (Article 15); promotes equality of opportunity in public employment (Article 16); abolishes 'Untouchability' (Article 17) and protects the SC, ST and other weaker sections from social injustice and all forms of exploitation (Article 46). And passed Protection of Civil Rights Act, 1955 (PCRA) and the Untouchability Offences Act (UOA) in 1955, Scheduled Caste/ Scheduled Tribe (Prevention of Atrocities) Act 1989 (SC/ST Act).

To uplift disadvantaged sections, the Constitution of India, allows affirmative action through positive discrimination (reservations) in education and employment, which is based on caste plus socioeconomic backwardness for STs and SCs. Later this was extended to other backward castes (OBCs). These reservations are restricted to government run or government-aided institutions and not the private sector as such. The Central Government has fixed 15 per cent reservations for scheduled castes (SC), 7.5 per cent for scheduled tribes (ST) and 27 per cent for other backward castes (OBC). States can vary formulae while staying within the 50 per cent limit. A sizeable proportion of scheduled castes which have embraced Buddhism and Christianity also qualify for such reservations .

Religion

Religion is one of the key facets of diversity, along with race, gender, disability and age. India is a secular, multi-religious and multicultural country. It's a land from where important religions namely Hinduism, Buddhism, Sikhism and Jainism have originated at the same time have flourished and survived the influence of religions like Islam and Christianity and is home to several indigenous faiths tribal religions. Census 2001 highlights the rich social composition of India. Hinduism is professed by majority population and comprises 80.5%, and the second major religion comprises 13.4% of Muslims (Islam), moreover India is the third largest Muslim country in the world . 2.3% as Christians, 1.9% as Sikh, 0.80% as Buddhists, 0.4% are Jain. Other than these six religions there are many tribal religions.

Indian work places are as well multi-religion, demonstrating the population from various regions of India. Further, given the centuries of assimilation and accommodation, diversity in religion is acceptable in Indian workplaces and does not create conflict Harassment on the basis of religion or bias due to faith is more or less unheard in corporate India . However, recent global events, incidents like Partition, Babri mosque destruction, Godhra train burning, Gujarat violence, Assam violence, Muzzafarnagar riots has left deep scars between the peoples of different religions and leading civil unrest which may spill over into the workplace. Further, the incidents of religious conversions and rate of change in the composition of minorities (Muslims), demonstrated by the results of census 2011, may change the dynamics of religious composition of India and Indian workplaces, triggering a greater awareness of religious differences. Such differences may contribute to the development of informal networks among employees and spells in-group vs. out group affiliations of an employees.

Language

India is a multilingual country and the constitution accords to protect the multilingual nature of India. In terms of linguistic diversity, it has a variety of languages and dialects. Most languages in India belong to one of the four language families: Indo-Aryan (spoken by 75% of population, of which Hindi is the most widely spoken language in India), Dravidian (spoken by 20%), Tibeto-Burmese and Austro-Asiatic.

According to the 2001 Indian Census there are a total of 122 major languages and 234 identifiable mother tongues. Of these, 29 languages have more than a million native speakers, 60 have more than 100,000 and 122 have more than 10,000 native speakers. However, many languages which are spoken by less than 10,000 speakers are not reported in Census. Many among the unreported languages are spoken by tribal communities.

Out of the 122 major languages 22 languages are listed under 8thSchedule (this was included in the Constitution in order to provide official status to many Indian languages). The Constitution of India does not give any language the status of national language. Hindi is the official language and English the associate official language of the Indian Union. English is not included in the 8th schedule but is the official language or associate official language in several states like Nagaland, Arunachal Pradesh, and Meghalaya. India has one of the largest English speaking populations in the Asia-Pacific region .

Out of 22 scheduled languages: 15 are official languages of different states Hindi, Urdu, Punjabi, Gujarati, Marathi, Bengali, Assamese, Oriya, Konkani, Kannada, Malayalam, Nepali, Tamil, Telugu and Manipuri; one of them, i.e., Bodo-is an official languages in parts of the Assam state 6 of these 8th schedule languages have no official status-Sanskrit, Sindhi, Maithili, Kashmiri, Dogri, Santhali but are taught in schools but 4 non-scheduled languages are associate official languages of Northeastern states-Mizo in Mizoram, Khasi and Garo in Meghalaya, Kok Borok in Tripura. Language is one of the principal powerful symbols of identity in India. States in the Indian Union are demarcated on the basis of the principal language spoken. People are identified with certain linguistic, ethnic, religious or cultural groups through ones mother tongue. Moreover, language has been basis for many of the ethnic movements in the country.

Case study of Indian Industries:

Women in Google's Global Workforce

► Google released 2017 diversity data for their workforce. It shows that while the percentage of women employees at the company is increasing, men are still overrepresented, especially in tech and leadership roles.

31% WOMEN

OVERALL

69% MEN

20%

TECH

80%

25%

LEADERSHIP

75%
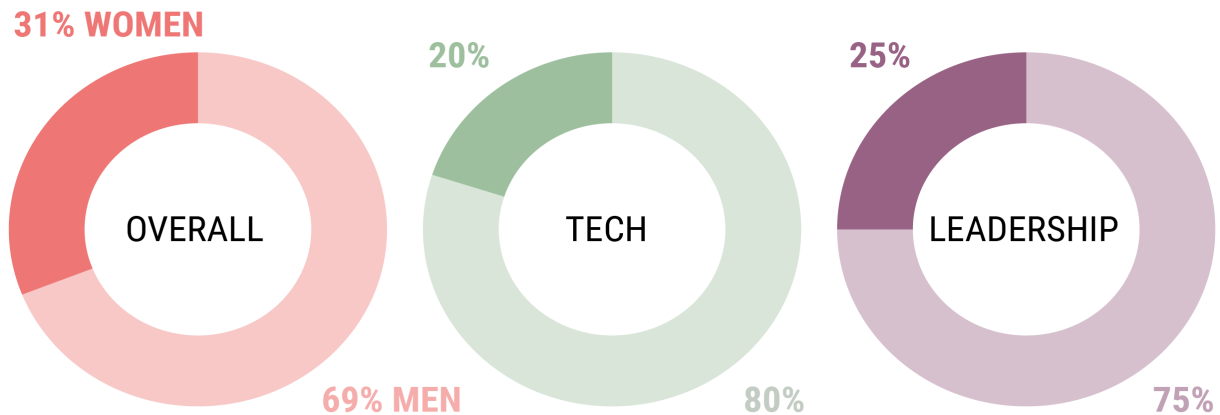
Source: GOOGLE'S EEO-1 DATA
GRACE DONNELLY/FORTUNE

Demographic Dimension of Diversity

Gender

Women, constitutes nearly 50% of India's population. According to the provisional population totals of Census 2011, women make 48.46% (586.5 Million) of Indian population. The sex ratio has increased by 7 points to 940.The women constitute an important segment of the work force in India and their participation in the workforce is gradually increasing in the market. The literacy rate of women in India has increased from 53.67% in 2001 to 65.64 % in 2011, which has outnumbered males. The total job seekers registered with employment exchanges has increased from 26.95% (as in 2005) to33.3 per cent in 2010 of the total number of applicants on live register. Moreover, percentage of placement to registration of women job-seekers has increased from 2.7 per cent in 2009 to 5.3 per cent in 2010 . With increasing literacy rates women in India is developing a potential talent pool to be explored.

More women are entering the organized labor market. A total of 20.5%women are employed in the organized sector in 2011 with 18.1% working in the public sector and 24.3% in the private (Women and Men in India 2013 15th Issue). Among the Private sector, percentage of women is highest in communications and IT sector with 15.75% . Women are playing a significant role in

the expansion of the Indian software industry, constituting 45 per cent of the workforce . Similar trends can be noticed in education sector and the BPO (Business Process Outsourcing) industry where women are employed in sizeable numbers . MNCs in India are increasing the number of women in their organization and recruiting higher number of women exclusively concerned as business case. Further, the new company law 2013 has a mandate to, have at least one woman on the board. The second provision of sub-section 1 of Section 149 of the new Indian Companies Act 2013 compels every listed Company and every other Public Limited Company which has paid-up share capital of one hundred crore rupees or more; or turnover of three hundred crore rupees or more to include a women board member. This would, force companies to rope in gender diversity at top level.

Age

According to Census 2011, the proportion of economically active population (15-59 years) has increased from 53.4 to 56.3 percent during 1971 to 1981 and 57.7 to 62.5 per cent during 1991 to 2011. Of which 19.2% of population is in the age group of 15- 24 years. And India's median age has risen from around 22 years in 2001 to over 24 years in 2011. However the proportion of those in the 15-19 and 20-24 age groups has risen over 2001. There is a raise in young population, which in turn leading to more number of youngsters joining organization and making a significant proportion of the workforce. Employees born between 1980-2001 (Gen Y) making this young workforce.

The retirement age in the private sector in India starts from 55 years with the statutory age for retirement as 58 while that in the public sector starts from 58. Except in rare cases (such as profit-making Central Public Sector Enterprises), the normal age of retirement does not exceed 60 years. Therefore Baby boomers would be getting closer to their retirement age and Gen X would be in their mid-career.

Physically disabled

According to the Census 2011, there are 2.21% (i.e. 26,810,557 Crores) persons with disabilities in India. In India, government departments and public sector undertakings (PSUs) have taken the lead and had been important employers of disabled people. The Govt. of India has reserved 3% reservation of jobs for persons with disability in 1977; the reservation was only in the lower ranking jobs (C and D categories). However, with India adopting the Persons with Disability Act of 1995, the reservation was extended to higher ranking (A and B) categories. The categories of persons with disability benefited by this scheme are the visual impaired, the hearing impaired

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and the orthopedically impaired on 1% reservation for each category in the Central Govt. services, Public Sector Banks and Govt. Undertakings.

A Study by Society for Disability and Rehabilitation Studies in 2008, on public sector reported that 80% of the respondents got the employment within 1 year of applying for the job. And 90% of the disabled employees were in their respective profession for more than 5 years.

Further, to motivate private sector, the Persons with Disability Act of 1995 provides employment incentives for public and private sector companies that have at least 5% of their workforce comprising of disabled persons. In a survey conducted by National Centre for Promotion of Employment for Disabled People on top 100 companies in 1999, the rate of employment of disabled in private sector was a dismal 0.28% and in multinational companies, it was 0.05%. In 2001, NCPEDP conducted a survey on 'top 100 IT companies', the rate of employment of disabled people was 0.58%. A recent study titled "'Indian IT/ITES Industry; Impacting Economy and Society 2007-2008' by NASSCOM and Deloitte in April 2008 indicates that "64% of IT/ITES companies employ persons with disability.

Region of origin

India is a large country having continental dimensions and comprising 29 States/regions and 7 Union Territories. Regionalism in India has roots pre independence when it was used as tool to keep India divided. After independence the provinces were reorganized on the basis on language recommended by States Reorganization Committee (SRC) of 1953, headed by Fazal Ali.

These regions vary by languages, topographic and climatic variations along with differences in the settlement pattern. Each of these regions is a distinct cultural region with distinct cultural heritage, folklore, myths, symbolism and historical traditions. These are the areas with distinct geographical boundaries and have common cultural elements. Moreover, the other dimensions of identity such as religion and caste are also regionally specific, plural in beliefs and practices. Followers of similar religion vary in their practices in different regions due to cultural differences.

Sexual orientation–An emerging dimension of diversity

LGBT were not on the list related to diversity issues in India, but in the recent years, Indian Inc. esp. MNCs and IT companies with global representation are moving forward at the policy level and cultural engagement level to consider this section of society as part of their workplace diversity. Though LGBT has always been observed as stigma in Indian society, but post decriminalization of homosexuality and efforts of NGOs and media, the acceptance of this group

is increasing. Moreover, the Supreme Court of India, in April 2014, recognized the transgender as "third gender "and said that they would be allowed admission in educational institutions and given employment. They would be considered as OBCs. LGBT is the new dimension of diversity of emerging India and its acceptance by Indian government is evident from inclusion of transgender on Aadhar cards and "others" in election ID card.

Categorizing the demographic and socio-cultural dimension of Indian diversity

Grounded on the familiar typology of Harrison et al. and contextual understanding of dimension in Indian society, the most identified demographic and socio-cultural dimension of diversity are categorized as visible, partially visible, partially deep and deep. They categorized different dimensions of diversity as: surface-level diversity and deep-level diversity. Surface level diversity is defined as "differences among group members in overt, biological characteristics that are typically reflected in physical features" (p. 97). These dimensions are visible and easily perceived by individuals. Whereas, deep-level diversity refers to more subtle attributes that cannot necessarily be perceived right away.

The demographic dimensions such as gender, age and physical disability (moving and seeing) are easily identified by the biological characteristics and are categorized as visible dimensions. The sociocultural dimensions such as religion and the demographic dimensions such as region of origin and physical disability (hearing and speaking) are partially visible. Though these dimensions are not readily visible but a little observation, can lead to identification. India has 29 states and each state, due to variation in topography, climate and history has differences in culture, lifestyle and physical appearance, which are indicators of region an individual belongs to. For ex. North Indians are fairer in complexion whereas South Indians are a shade darker. Further, Kashmiri and Himachli are very fair with sharp features. Tamilians were chandan mark on forehead. Keralites have dark curly hairs. North eastern Indians are generally short and have small eyes. South Indians are more traditional in dressing than north Indians and north eastern Indians. Similarly different religions , has their own symbols of identification , Sikh wear turban ,few Muslims keep beard and wear cap, Hindu brahmins wear a thread around their shoulder and all hindu women wear a bindi, and physical disability (hearing and speaking) could be identified by their aids or the signals they use. Readily visible and partially visible dimensions are identifiable without any interaction.

SWOT Analysis

S
i. Natural and cultural diversity
ii. Demand-supply gap
iii. Government support
iv. India as a global player

O
i. Booming Health tourism
ii. Commercialization of sports
iii. Increase in deposable income
iv. Open sky benefits

W
i. Prevent gaps in the existing Marketing Mix
ii. Slow implementation
iii. Poor support infrastructure

T
i. Increasing competition
ii. Political conditions
iii. Terrorism
iv. Increase in pollution

Review of Literature:

Saini & Cooke (2010) [1] the authors study explored the societal context of managing diversity at workplaces in India. It assessed how the notion is understood and operationalized in a number of leading business organizations across different ownership forms and industrial sectors. Their findings revealed that majority of the organisation have not adopted a strategic approach to diversity management to enhance their performance. Their study further found that younger and knowledge- intensive multinational operations are more likely to take a comparatively more proactive approach to DM to leverage competitive advantage than long-established, domestic firms in traditional industrial sectors. The latter firms are more likely to implement DM policy as legal compliance and less likely to adopt DM initiatives as HR interventions because of their relatively low level of awareness of strategic HRM.

Som (2007); **Venkata Ratnam Chandra** (1996) [2,3] suggests that India must address a range of diversity issues including age, education, religion, caste, socially disadvantaged (e.g. scheduled castes, scheduled tribes and other depressed classes), gender, language, regional, background, ethnicity, economic well being and lifestyle (e.g. vegetarian vs.

Non- vegetarian).

Kundu (2003) [4] India is a multi religious country with Hinduism being the dominant religion practiced by 81% by the population (so in addition managers and other categories of employees especially those belonging to the higher castes, recent reservation policies and concessions through which socially disadvantaged people may enter organizations).

Budhwar (2003) [5] India is a large country comprising 29 states and 6 union territories. Linguistically speaking it has a variety of language, dialects and cultures. The cultural diversity is the hallmark of Indian society vary few other countries in the world might be as diverse as India. The constitution recognises sixteen languages including hindi & English that are the two official languages. India has one of the largest English speaking populations in the Asia pacific region. One of the key hurdles in the way of managing diversity is plural India is strong feeling for regionalism, casteism & stereotypes based on these beliefs. Managing in the new scenario therefore involves taking strategic direction as well as planning and implementing a performance improvement agenda through more effective management of systems, process and people.

Kundu (2007) [6] in his research study the author explored reactions and perceptions of male and female employees about workforce diversity status in Indian Organizations. The research includes survey of 1,083 employees from eighty companies from different sectors in India. The study reveals the prevalence of gender and racial discrimination in Indian organizations. Male employees rated female employees less qualified, less competent and less productive than females rated themselves. Female employees believed that they had less chance of receiving work facilities, promotions, salary increases than male employees.

Vidu Soni (2000) [7] According to an article on the reception of diversity in public sector he says that concept of diversity management suffers from similar disagreements. The advantage of managing diversity has been met with considerable backlash. He further added that staffs do not have the clear understanding of diversity initiative programs or activities that enhances the diversity. Different groups have different perception about diversity. Also, organisation understands the importance of diverse workforce. More competition and output has been seen in result of workplace diversity. As far as programme or initiatives to enhance the diversity management is concern it is closely link with rules, regulations and companies policies.

Dhillon (2009) [8] suggested that diversity is about getting the right mix of people with

the right set of skills and competencies. Making sure the mix of people we have works best for the organization, members feeling a sense of belonging, respected, valued and accepted for whom they are and the way they are welcomed into the organization.

Singh and Point (2004) [9] opines that globalisation was the key driver for multinational companies. The ability to work and learn trans culturally was seen important for all sectors and levels. They further suggested that communicating on diversity has a positive effect on employees and employers, being proactive would offer some benefits. However, even though there are serious reasons to strongly communicate about diversity it often defaults. In addition, the author answers the questions of what to communicate on diversity. The first aspect to consider while communicating about diversity is to define the concept itself because of the complexity of the concept. Such advises make sense when it is known that only 30% of the companies asked in a report from the society for human resource management have an official definition of diversity. Secondary, he advises to gather the stakeholders around the concept is narrowly focused on only one stakeholder group, the employees and recommends extending it to other stakeholders such as suppliers and shareholders. Since communicating on diversity has positive effect on employees and employers being proactive would offer some benefits.

Conclusion:

Diversity management is an effective tool for an organisation to gain competitive advantage both externally and internally. Internally by strengthening company's moral, expanding talent pool, attracting and retaining quality employees thus promoting healthy work culture by effective communication, minimising conflicts, giving equal opportunity and no discrimination. Externally it reduces cost associated with litigation, grievances, labour turnover, training and recruiting new employees etc. The objective of the research paper was to study about achieving organisation excellence thorough effective diversity management at their workplace and how an organisation present diversity management as a value added tool to improve their bottom line. A well managed diversified work culture have a better grip on understanding of legal, political, social, economic and cultural environment. The research suggests that diversity management reduces unwelcomed turnover and reduce absenteeism, thus aiming at bringing best out of the workforce. It contributes in effectively forming a structure and designing best guideline that all workers from different background could fit in some way, accept and follow irrespective of their belief. Also acknowledging how exploring effective methods, developing new diversity solution and strategies to manage diversity at workplace is the biggest challenge a leader encounters. It also recommends few suggestions that can be applied in order to build a healthy working environment within the circles of workforce diversity.

Therefore, it can be concluded that whether the goal is to be an employer of choice, to provide excellent customer services or to maintain a competitive edge diversity management is increasingly recognised and utilised as an important organisational source for achieving excellence through increased productivity.

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