

Managing workforce Diversity in an Organization: an Emerging Challenge to HRM

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Abstract

One of the main challenges human resource managers facing is workforce diversity. The increasing heterogeneity of organizations with the inclusion of workers from different groups such as women, physically disabled persons, retired defence personnel, backward classes, ethnic groups etc. act as a challenge for human resource manager and organization at large. Thus, workforce diversity has significant implications for the management. It is desirable to recognise and value such differences by adapting management practices to different life and work styles etc. of the diverse groups. Managing diversity is a subject of great concern as it can bring many challenges with benefits. This paper tries to explore various aspects of diversity including diversity dimensions, diversity consequences and proper management of diverse workforce. The paper is based on secondary sources of data which have been collected from various published articles and reports. The finding of this paper will help the progressive organisations in realising the need for valuing diversity in the workforce, so as to ensure strategic utilization of human resources for the accomplishment of strategic goals.

Key Words: Challenge, HRM functions, Human resource, Organization, Workforce diversity,

1. Introduction:

We live in times when global corporations and their reach across the world bring benefits in terms of innovative HR policies as well as challenges in terms of managing the workforce are concerned. The rise of such corporations means that the workforce is composed of diverse races and ethnicities. Further, the issue of gender diversity in terms of more women participating in the workforce has been a trend that has accelerated in the last two decades in India and much earlier in the developed countries. This article looks at the reasons for managing workforce diversity and the issues that such management brings to the fore.

According to Moorhead and Griffin “Workforce diversity is basically concerned with the similarities and differences in such characteristics as age, gender, ethnic, heritage, physical abilities and disabilities, race and sexual orientation among the employees of the organization” As we enter the 21st century, workforce diversity has become an essential business concern. In the so-called information age, the greatest assets of most companies are now on two feet (or a set of wheels). Undeniably, there is a talent war raging. No company can afford to unnecessarily restrict its ability to attract and retain the very best employees available.

Generally speaking, the term “Workforce Diversity” refers to policies and practices that seek to include people within a workforce who are considered to be, in some way, different from those in the prevailing constituency.

2. Why is Management of Diversity Important?

When an organization has people of different ethnicities and a greater proportion of women than the industry average, naturally the question arises as to how to reconcile the differences between these employees without causing too much friction in everyday interactions. Managing diversity is important as otherwise the performance of the organization takes a hit and worse, there can be possible lawsuits and legal tangles from disaffected employees who feel aggrieved because of instances of discrimination and harassment based on their ethnicity or gender.

Most people believe in the golden rule: treat others as you want to be treated. The implicit assumption is that how you want to be treated is how others want to be treated. But when you look at this proverb through a diversity perspective, you begin to ask the question: what does respect look like; does it look the same for everyone? Does it mean saying hello in the morning, or leaving someone alone, or making eye contact when you speak?

It depends on the individual. We may share similar values, such as respect or need for recognition, but how we show those values through behavior may be different for different groups or individuals. How do we know what different groups or individuals need? Perhaps instead of using the golden rule, we could use the platinum rule which states: "treat others as they want to be treated." Moving our frame of reference from what may be our default view ("our way is the best way") to a diversity-sensitive perspective ("let's take the best of a variety of ways") will help us to manage more effectively in a diverse work environment.

3. Issues in Managing Diversity

One of the central issues in managing diversity is to do with the majority and the minority perspective. Usually, it is the case in organizations that there is a predominant majority of a particular race or ethnicity and various others in minority groups. And considering that the most pressing issue in managing diversity arises out of the treatment of women, we get a sense of the issues of race and gender as the primary drivers in managing diversity. In recent times, these issues have come to the forefront of the debate because of greater awareness among the minority groups about their rights as well as stricter enforcement of laws and regulations that govern workplace behavior.

Hence, it is in the interest of the management of any firm to sensitize their workforce towards race and gender issues and ensure that the workplace is free of discrimination against minority groups as well as women.

4. Challenges related to workforce diversity

Hiring practices and policies

Hiring practices and policies may be outdated and a potential hindrance to increasing diversity at your company. Set increased diversity as a goal, then – with that goal in mind – review all of your hiring practices and policies. Do they promote or discourage diversity? Are they compliant with current legislation and case law? Revise policies to eliminate any possibility of discrimination.

Inclusion

Simply increasing the diversity of your workforce does not mean you have successfully integrated various individuals into your company culture. Develop specific processes for inclusion. Diverse groups have diverse needs. Consider how to provide work schedules, incentives, and growth opportunities that give employees choices, affirmation, and motivation.

Training

Sustaining an inclusive and productive workforce requires ongoing training for all employees. Make sure employees understand and embrace the company's commitment to diversity. Offer adequate support to managers so that they can maximize performance and employee satisfaction and minimize resistance or conflict.

Communication

As diversity increases, communication becomes more complex ... and more crucial. HR professionals need to create opportunities for dialog – both formal and informal. Devote time to employee brainstorming sessions that include a variety of viewpoints. In addition, set aside social time at the workplace. Encourage employees to visit with and learn about each other. Once the channels of communication are open in non-threatening settings, resolving difficult employee relations issues will be easier.

Gender Sensitization

Gender sensitization is the most pressing issue because of the preponderance of women in the workforce as well as recent trends that point to the emergence of this single issue as the dominant issue that is taking the mind space of managers. The worrying aspect about this issue is that despite policies and rules governing gender specific issues in most organizations, there is little evidence to show that they are being followed. Hence, what is needed is a mindset change rather than more policies and this can only be done if the workforce is sensitized to the needs of women.

5. Benefits related to workforce diversity

Recruiting

Companies that value diversity have a larger labour pool from which to draw. When unemployment is low, being known for valuing diversity is a competitive advantage. Be sure that your job postings reflect your company values.

Customer Satisfaction

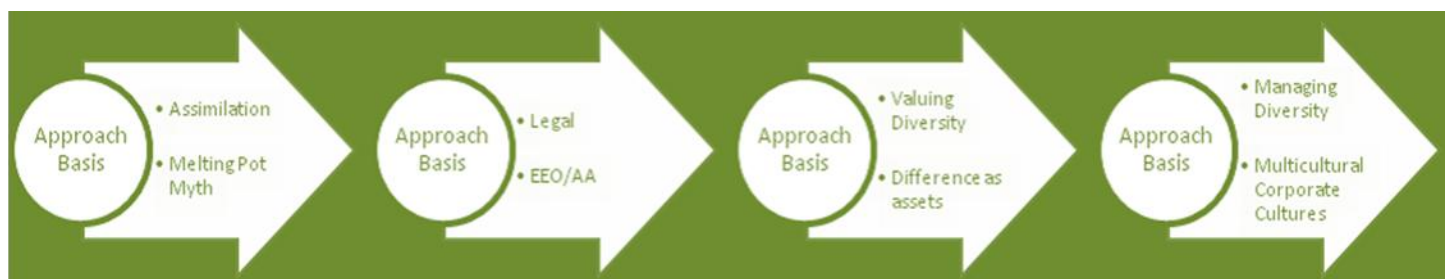
When your diverse workforce represents your diverse customer base, your products and services constantly evolve to better match client needs and preferences. Building a diverse workforce can help you expand your market reach.

Innovation

With a diverse workforce, HR professionals focus on building effective teams that meld varied languages, backgrounds, and ages. Such teams draw on a broad base of experience. With the variety of experience and viewpoint, such teams tend to invent more options and offer more creative solutions.

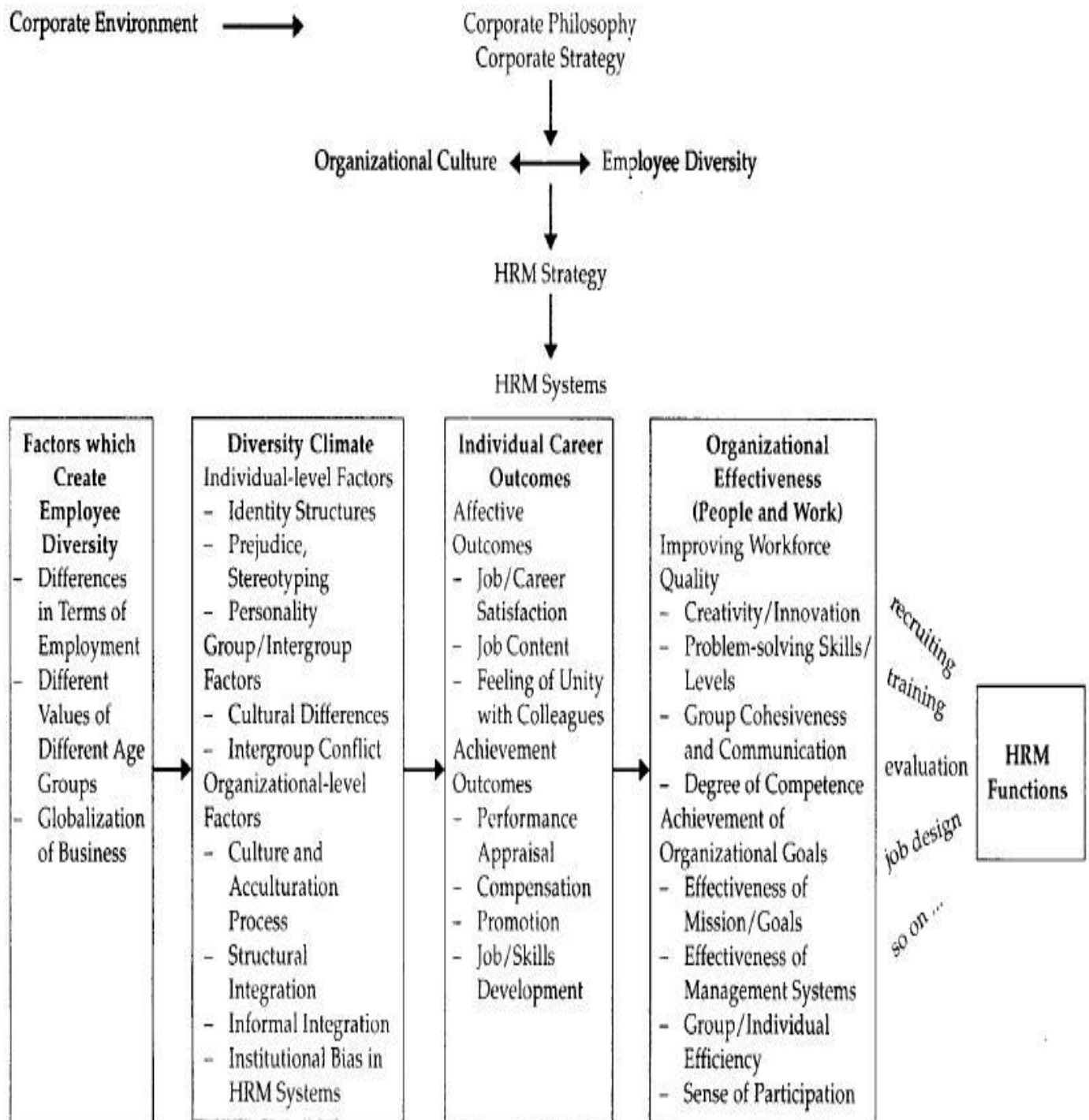
6. Evolution of Approaches to Workforce Diversity Management

In assimilation approach melting pot was the basis which means people of different races and ethnicity should blend together and assimilate into a common national culture. After that by implementing Equal Employment Opportunity (EEO) and affirmative laws anti discrimination was legalized by government. Then employers started recognizing diversity and started considering diversity an important asset.



Managing diversity is the modern approach to diversity management which is based on multicultural environment. According to this approach different ethnic groups should retain their cultural patterns and coexist .

Figure 1
A Model of the Role of Diversity in HRM Systems



Source: Based on Cox (1993) with modifications by Hanaoka (1999) and changes by author.

7. Conclusion

Workforce diversity represents both a challenge and an opportunity for business. No organisation in this world of globalization would survive without workforce diversity. It is believed that organizations should put in place strategies to enhance workforce diversity. In terms of organizational learning, organizations are still stuck on the problem of getting people to value diversity and have not yet determine the ways to utilize and exploit it. A growing number of progressive organisations are realizing the need for valuing diversity in the workforce , so as to ensure strategic utilization of human resources for the accomplishment of strategic goals. The extent to which managers recognize diversity and its potential advantages and disadvantages defines an organization's approach to managing the diversity. Hence, the onus is on the management, senior and middle, to ensure that they follow the norms that is required of them. It is the approach to diversity, not the diversity itself which determines the actual positive and negative outcomes. Finally, creating a diverse workforce takes time and even longer to reap the benefits. The management and leaders must not lose focus and interest in creating a diverse workforce due to the lack of immediate returns.

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