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**STRENGTH IN DIFFERENCE: DIVERSITY-MANAGEMENT  
IN THE INDIAN WORKPLACE**

Feroze Sarna

**ABSTRACT**

The paper presents a crucial discussion of Diversity Management in India, to understand the correlation between diversity and productivity or efficiency in the workplace. It hopes to firstly define diversity, and then to underline the uses of diversity management in India, with a usage of international comparisons to prescribe the potential advantages of adopting DM as a widespread Human Resources practice in businesses and corporate environments across the country. By doing so it hopes to provide HR policy prescription as well as establish the strength that companies have in inclusive work environments, hiring practices, and functioning that is cognizant of the nuances of such differences. Conversations regarding women- and LGBTQ-friendly workplaces will be incorporated with those regarding mental health, religion, age, class, caste, disability and ethnicity. The paper hopes to inspire further conversations in this domain that translate to actionable business policymaking.

**INTRODUCTION**

India is a diverse country with a multitude of ethnicities, religions, languages, dialects, castes, sub-castes, regional caste relativism, races, genders, cultural notions of genders, political orientations, and body norms. With these many categories of identity, there is a large probability for conflict, as well as for potential for cohesive growth. In particular, the workplace is the basic unit of the economy that functions much as the family functions as the unit of a community. Further in this era of immigration politics, there has been discussion about the ill effects of illegal migrants -- with diversity being portrayed as only resulting in greater chaos and conflict in both the society and the workplace. However, studies have arisen in the past five to ten years that have clearly demonstrated the exact opposite -- that, in fact, it is diversity that increases productivity in the workplace, as well as the functioning of both the society and the economy, if such diversity is managed properly.

Diversity Management (DM) hence arose as a field of study, where particularly in countries such as India, doing so was almost assuredly going to provide companies a competitive edge in their products and services. It was seen that diversity management increases the ability of companies to reach large audiences, accommodated people from different cultures, traditions and identity groups efficiently, and improved productivity. Thus, this paper will perform a crucial discussion of Diversity Management in India, to understand the correlations between diversity and productivity or efficiency in the workplace.

The paper hopes to firstly define diversity, then underline the uses of diversity management in India, with a usage of international comparisons to prescribe the potential advantages of adopting DM as a widespread Human Resources practice in businesses and corporate environments across the country. By doing so it hopes to provide HR policy prescription as well as establish the strength that companies have in inclusive work environments, hiring practices, and functioning that is cognizant of the nuances of such differences. Conversations regarding women- and LGBTQ- friendly workplaces will be incorporated with those regarding mental health, religion, age, class, caste, disability and ethnicity. The paper hopes to inspire further conversations in this domain that translate to actionable business policymaking.

## **BACKGROUND**

How does one define diversity, firstly? A popular definition with respect to the workplace context is one that states diversity to be an act as opposed to a state. This definition views diversity not merely as that of being different, but the active process of “acknowledging, understanding, accepting, valuing, and celebrating differences among people with respect to age, class, ethnicity, gender, physical and mental ability, race, sexual orientation, spiritual practice, and public assistance status.” (Esty, et. al., 1995) Taking up from this definition, diversity management grew as a concept, as a people management technique that can increase the efficiency, overall productivity, delivery of services, team cohesion, and improve organizational competitiveness (Green, Kelli A., et al., 2002).

The argument made is that the understanding of cultural differences promotes the ability for team leaders and employers to value diversity through organizational policy changes, to hence reduce the occurrences of micro-aggressions due to discrimination experienced by members of various vulnerable and marginalized communities (Cox, 1993; Soni, 2000). Doing so allows these members to reach their maximum potential without the various kinds of inhibitions that otherwise act as stressors limiting the full capacity of employees. Diversity management as a discipline states that there are three factors for managing diversity in the workplace -- improving corporate reputation, effective people management and tackling market competition (Konrad et

al., 2006). The primary school of thought aside from DM is that of equal opportunity (EO) -- however, DM is regarded as a better practice as it “focuses on valuing people as unique individuals rather than on group-related issues covered by legislation” (CIPD, 2007, p.6).

It is firstly crucial to understand the specific context of India as a diverse country with a variety of intersecting identities that are of a more complex nature than most European countries due to the sheer breadth of identity categories that come into play (Sowell, 2002). Within the caste system itself, for example, there exist a multitude of sub-castes, and sub-sub-castes, whose upward mobility is extremely limited and the discrimination faced is further influenced by the religion they belong to as well as their social class and geography. Between region to region, the Brahmin (upper caste) power waxes and wanes, with some rural regions seeing even OBC (Other Backward Castes) of a particular religious orientation being considered as the uppermost social category of the region. Even if one was to limit themselves to a rural context, it is important to note that the degree of gender discrimination, lack of access to employment to persons with mental as well as physical disabilities, discrimination of minority religions, systemic lack of access to employment for Dalit and lower caste individuals, and the inherent racism that exists creates a number of factors that weigh in with respect to diversity in the workplace.

Other categories of discrimination include those of age, education, social disadvantage, language, lifestyle (vegetarian vs. non-vegetarian) and even the geography within the country (the dichotomy of the generalized “North Indian” versus the “South Indian”, and beyond this, with the “East Indian”) (Venkata Ratnam & Chandra, 1996). With Hinduism as the dominant religion, with about 80% of the country being so (Society for Human Resource Management, 2007), and further only 18 of the thousands of languages and dialects spoken being recognized by the Constitution, with a specific discrimination against non-Hindi and particularly non-English speakers in the country there exists even more factors to worry about (Venkata Ratnam & Chandra, 1996).

Further, the intersectionality of identities such as those between gender and education are visible since due to the family structures and societal norms in the Indian community, particularly in the rural and urban poor demographics, it is seen that women are either dissuaded or provided limited access to education, or further confronted with a significant time poverty that reduces their ability to participate in formal employment. Further, dowry payments and the loss of return on human capital investments post marriages results in a situation where women are left financially dependent on their husbands or parents, and there exists an unwillingness to invest in their education or skill development (Kingdon, 2002; Patel & Parmentier, 2005). A mere 20% of the workforce in urban areas is comprised of women, and due to the aforementioned societal pressures, a large proportion of these women will quit the workforce by the age of 30. Diversity,

thus, is not a matter of statistics and demographics, but rather about the complex construction of identity and their intersections. These identity categories are the sources of social diversity, and feature prominently in most workplaces.

## **DISCUSSION**

One of the first thoughts that arise when one thinks of inclusive workplaces in India is that of affirmative action and reservations suited to benefiting the marginalized communities who are systemically disincentivized and disadvantaged from receiving equal access opportunities in a fair manner with respect to employment. However, when one views managers, business owners, bosses and other members of business administration, it is seen that they firstly have a high correlation with belonging to the higher castes, and secondly that they possess an unsurprising disdain for reservation, resenting the policies and concessions through which socially disadvantaged individuals may enter their companies and organizations (Kundu, 2003). This is directly linked to the in-group and out-group psychology where the subconscious mind feels threatened, creating therefore an 'Other' in these marginalized identities of different kinds. Furthermore, while there have been three waves of anti-caste legislation in India post-independence from 1955 onwards, there still persist dominant caste discrimination and divisive politics surrounding caste from a political standpoint that further crystallize and solidify the social stratifications and hierarchies of caste that attempt to dissolve with time (Foster, 2007).

This internalized discrimination pattern is structurally ingrained and reflects within corporate climates and workplaces -- a survey by Kundu in 2003 of 1083 male and female employees across different class, caste, and identity categories found that their perception of diversity in the workplace in Indian companies was that there was a "prevalence of gender and category (racial) discrimination" in workplaces (Kundu, 2003, p. 225). This finding demonstrates that there very much exists workplace inequality and potential discrimination is a reality which is understood and observed by groups of employees across identity categories.

In this context, findings and research has revealed there to be a strong correlation between good diversity management practices and increased growth and productivity in the workplace. Studies have revealed that growth-oriented diversity-management strategies can "positively moderate the effects of organizational diversity on performance" (Guillaume, Yves RF, et al., 2017). These strategies help change the employee perception towards diversity to promote a view that there is a strong value in diversity, that thus helps increase the ease of functioning and leads to better innovation and decision-making (Guillaume, Yves RF, et al., 2017). A diversity management strategy however, combined with a downsizing strategy causes conflict and undermines

performance due to it bringing these demographic differences into focus and fostering further intergroup bias and lesser social integration (Guillaume, Yves RF, et al., 2017).

There are a variety of strategies to increase the inclusiveness in companies and implement diversity management. This primarily involves awareness raising and learning about the ways in which cultural differences exist and manifest in the workplace, and through incentivization in certain workplaces through overseas assignments. Such assignments allow both employees to learn about different cultures, and also allows individuals of different cultures to identify and feel comfortable in certain spaces. Promoting that employees accept overseas assignments and further providing them with sensitization and language training helps further increase the tolerance and acceptance of diversity in the workplace. Such assignments also double as situations where employers can now assess the efficacy of the employees and their flexibility towards accepting and understanding different identities. It is important in such circumstances however to not unintentionally elicit a perception from the employees that there is any kind of discrimination in the selection for such assignments, particularly without discrimination towards ethnicity and religion.

It is important that there is a systemic learning practice within businesses and workplaces to understand inclusiveness and culturally sensitive behavior. In this fashion, overseas assignments once more become applicable due to their improval of the employees' ability to work in starkly different cultural environments which also leads to a further appreciation of certain other similarities with their co-workers which would otherwise not be observed. This further allows for a diverse workforce that is better equipped and aware of reaching a diverse demographic in different parts of the world, with minimal miscommunication with other individuals from different demographics. Further, through the encouragement of peers to openly discuss and participate in free yet respectful opinion-sharing regarding cultural differences, productivity has been observed to increase.

## **CONCLUSION**

It is thus seen that organizations who have diversity inculcated as a practice in their workplace and have diverse employees are more suited to reach out to diverse customers in a globalized market. It is seen that diversity management strategies when effectively combined with growth-oriented models improve productivity in the workplace and help foster team cohesion and improve the market outreach to more demographics. Further, organizations with a diverse workforce and good diversity management mechanisms are well suited to have a good comprehensions of socio-economic, political, legal and cultural environments in their specific context, in this case India. The study has shown that strategies adopted to improve inclusiveness

are not only effective but rather the need of the hour, yet must be in consideration of identity categories and their complex intersection with one another, such as the example elucidated with respect to gender, class, and access to employment. Existing structural biases need to be combated along with an inclusive hiring practice in order to remove all boundaries to the pool of potential workforce and skilled labour in the country.

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