Diversity Dimensions of India and Their Organization Challenges: An Analysis

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Abstract:
Purpose: The benefits accrued from diverse workforce largely depends on how well it is strategically managed for the effectiveness of organization. Diversity management decisions in the organization cannot be viewed as an independent event – it is closely related to the diversity dimensions prevalent in a country context. In different settings, management of diversity needs different approach. The dimensions of diversity vary from country to country, a close insight about country-specific diversity dimensions and their implications is almost essential for developing strategies for managing diversity. The purpose of this paper is to discuss overall fundamental diversity dimensions of India, categorize them and understanding their organization challenges.

Design/methodology/approach: The major task is to identify specific diversity dimensions of India and understanding their organization implications in a diverse workforce set up. In this backdrop, an attempt has been made in this paper to discuss overall fundamental dimensions of Indian diversity. Based on the discussion and empirical evidences from past research on Indian organizations, an analysis is made to understand the organization challenges of each dimension of diversity with an objective to help managers to address those diversity dimensions at the time of developing strategy for managing diversity in India

Findings: The major socio-cultural and demographic dimension of diversity in Indian context are identified as Caste, language, religion and Gender, age, physical disability, region of origin, sexual orientation. Further, in light of changing legal laws towards transgender, sexual orientation is identified as an emerging dimension of diversity at workplace in coming years. Constructed on Harrison, Price and Bell (1998) categorization of diversity dimensions, the demographic and socio-cultural diversity dimensions of India are categorized as visible, partially visible, partially deep and deep. Based on the analysis of literature, the major challenges of each dimension to organization are discussed and summarized.

Practical implications: The discussion about the fundamental diversity dimensions in India, and their analysis to understand organization challenges, facilitate global managers in developing diversity management strategies in India.

Originality/value: This paper presents a country-specific approach that may be useful to global managers to understand organization challenges of various dimensions.

Keywords: India, diversity dimensions, organization challenges

I. Introduction

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 in-groups and out-groups, discrimination towards few groups, conflicts between various groups etc. reducing the efficiency of organizations.

To maximize the benefits of workforce diversity, organizations are inclined towards developing strategies for inclusion and acceptance. The strategies developed to manage diversity in an organization cannot be made independent of considering the diversity dimensions of a particular country. And these dimensions shape the workforce mix at organizations. The political and cultural context of India is different from the western countries and moreover, the characteristics of diversity dimensions vary from country to country. This gives rise to need of different approach in managing workforce diversity. A close insight about country-specific dimensions of diversity and their challenges in organizations is essential for building strategies for managing diversity. There is an increasing number of MNCs in India since 1991, further with the “MAKE IN INDIA” program of ruling party; the number is expected to increase. Therefore there is a need to analyze Indian dimension of diversity at workplace. This would develop an understanding for the global managers and Indian managers to manage and harness the benefit of diversity.
Researchers e.g., Agocs & Burr, 1996; Ferner, Almond, &Colling, 2005; Healy & Oikelome, 2007; Nishii & Özbilgin, 2007) are apprehensive about utility of similar diversity management concept in different societal context and therefore have called for more attention to intra-national diversity and the dynamics of cultural changes (Tung, 2008). To date, limited studies (Venkata Ratnam and Chandra, 1996) are available discussing all major dimensions of diversity of India in detail. Although, this exploratory study discusses major dimensions of diversity, but challenges from each dimension to the organization is not discussed in detail.

In this backdrop an attempt has been made in this paper to discuss overall fundamental dimensions of Indian diversity, including the emerging demographic changes and their organization challenges. This study seeks to contribute to the diversity literature in India by investigating various dimensions of diversity, categorizing them and understanding their organization challenges in detail. In the first part of this article, various socio-cultural and demographic dimension of diversity are discussed. Secondly, in order to be more parsimonious in our understanding different dimensions of diversity are categorized. The last section of the paper offers an analysis of the challenges of each dimension for organization.

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 (Hutton, 1980). Hindu Indian society is divided broadly into four broad varnas based on occupation and determines access to wealth, power, and privilege. Brahmans (priests and scholars), Kshatriyas (political rulers and soldiers), Vaishyas (merchants) and Shudras (laborers, peasants, artisans, and servants). Each of these varnas has several sub-groups 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 (Woodward & Saini, 2006). 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 (Census of India 2001).

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 socio-economic 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 (Venkata Ratnam & Chandra, 1996).

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
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 (Rao, 2012, Gebert, 2011). Harassment on the basis of religion or bias due to faith is more or less unheard in corporate India (Seth, 2006). 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 accord to the multilingual nature of India. In terms of linguistic diversity, it has a variety of languages and dialects. Most languages the 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-Burmanese 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 8th Schedule (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 associated 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 (Budhwar, 2003).

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; 10 of them, i.e., Bodo-is an official language in parts of the Assam state. 6 of these 122 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 & 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 one mother tongue. Moreover, language has been basis for many of the ethnic movements in the country.

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) to 33.3 per cent in 2010 of the total number of applicants 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 (Statistical Profile on Women Labor, 2009-2011). 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 & IT sector with 15.75% (Statistical Profile on Women Labor, 2009-2011). Women are playing a significant role in the expansion of the Indian software industry, constituting 45 per cent of the workforce (Budhwar, Saini, and Bhatnagar, 2004). Similar trends can be noticed in education sector and the BPO (Business Process Outsourcing) industry where women are employed in sizeable numbers (Woodward & Saini, 2006). 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.

Further, on account of better education, health facilities and increase in life expectancy, the percentage of elderly population (60+) has gone up from 5.3 to 5.7 percent during 1971 to 1981 and 6.0 to 8.0 percent during 1991 to 2011. Most retirees being as physically and mentally active, and with ample time available are looking for another alternative source of earning. Moreover, due to dearth of talent in market, companies have come forward to hire them tentatively to get an advantage of their skills, talent and maturity for low cost to company. Job portal give a long list of jobs for the search “post retirement job” for ex., naukri.com shows 78087 Post Retirement Jobs, 226 vacancies on jobisjob –a job portal, and Talent58 is a portal only focusing on jobs post-retirement, this indicates that the market has good demand for this post retired 60 plus workforce, which is prepared to break the grey-ceiling.

The contemporary Indian organizations have interesting mix of baby Boomers (most of those would be holding top positions and leadership roles or joining post retirement), Gen X (most of those would be senior professionals and managerial positions) Gen Y (the youngest workforce at all entry levels), would be working side by side.

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 &D categories). However, with India adopting the Persons with Disability Act of 1995, the reservation was extended to higher ranking (A & B) categories. The categories of persons with disability benefited by this scheme are the visual impaired, the mentally disabled, the physically disabled and the orthopedically disabled.

A Study by Society for Disability and Rehabilitation Studies (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 (NCPEDP) 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.

This portrays that the scenario is changing, corporate India has, in recent years, followed in the public sector's footsteps and hiring people with disability for various economic and social reasons not just as a token gesture but as a business imperative. Private companies in IT, Manufacturing, Hotels, Food & Beverage outlets have started hiring disabled people for several reasons such as corporate social responsibility, increasing diversity in workplace, to be viewed as equal opportunity employer, tap a larger talent pool. Further it makes them business sense, as the disabled exhibit higher degree of focus and concentration, higher retention rate,
more dependable, greater value in certain roles; they bring value to our customers, more loyal to an organization and increases workforce morale. The percentage of people with disability in the population is steadily increasing, and it is impractical to continue to ignore this segment of our population (Shinoy, 2011).

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 (Bhattacharya, 2005) due to cultural differences.

These regions are unevenly developed. This disparity has caused the feeling of relative deprivation among the inhabitants of economically neglected regions. After independence regional feelings has very much thrived in India (Gochhayat, 2013). Moreover, the regional political parties exploit the regional sentiments to develop their support bases. The breaded regional feeling has strongly manifested into demand for separate states such as Bodoland, Jharkhand, Uttarakhand, Chhattisgarh, and Telangana.

The phenomenon of regionalism has its roots in the hearts and minds of Indian. Singh & Bhagel (2013) states that every Indian carries a split personality—he is in part rationalistic and in par nationalistic, there is always a natural tendency towards the primacy of the rationalistic element over the nationalistic one. People identify themselves with their regions as Punjabi, Rajasthani, Guajarati, Marathi etc. portraying their strong emotional attachment to their states.

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., (1998) 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 socio-cultural 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 eg. 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 and it is impractical to continue to ignore this segment of our population (Shinoy, 2011). Keralsites 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, Jew Muslims keep beard and wear cap, Hindu brahmins wear a thread around their shoulder and all hindu women were 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.
The socio-cultural dimensions such as language and caste are identifiable by some interaction and are categorized as partially deep. As language is the medium of communication and incidences of informal communication could identify the mother tongues. Most of the Indian castes are identified by the sir names of an individual, which could be known by the initial interactions and further interactions could identify better.

Discussing sexual orientation, still not common in Indian society, due to the stigma. Therefore it is considered deep and underlying as compared to other demographic and socio-cultural dimensions.

**Fig 1.** Categorizing Demographic and socio-cultural diversity dimensions of India

**Challenges of diversity dimensions at workplace**

The Socio-cultural and demographic diversity dimensions would lead to informal processes and activities, and if they bear negative connotation, may impede individual and organization effectiveness (Sia & Bhardwaj, 2003). Moreover, the negative impacts would be wavering by the nature of each dimension. This would demand understanding challenges of each dimension, to develop appropriate strategies.

**Caste**

Despite the laws, urbanization, industrialization and mass education, caste system has survived in Indian society and mindsets of Indians. Caste has become a means for competing for access to resources and power in modern India, such as educational opportunities, new occupations, and improvement in life chances (Sekhon, 2000: 45). India is a country with a very long commercial history where jobs are doled out in a nepotistic fashion, first according to personal ties, second according to village ties and finally caste affinity (Jodhka & Newman, 2007). Nepotism, based on caste may lead to discrimination which results in not hiring, unfavorable working conditions or denial of opportunities for upward mobility, lower wages to members of particular social groups despite their formal qualifications, and favoring members of their own group who may be equally or less qualified. This discourages and lowers the self-confidence of excluded groups resulting in their poor performance and hindering their upward mobility. In several large public enterprises it is not unusual to find different departments being dominated by people belonging to a particular region or caste (Venkata Ratnam & Chandra, 1996). Further, Jodhka & Newman (2007) study provide evidences that the sole proprietors, starting their own business, looked for people of their own caste. Caste dimension is a ground for continued discriminatory barriers in the formal, urban labor market even for highly qualified low caste members (Thorat & Newman, 2007).

The last name in Indian society often represents the caste or jati of an individual. Based on the stereotypes associated with few castes, a candidate may be discriminated, without actually evaluating their performance, based on the inferences derived from their last names. Throat & Aatewell (2007) observed that there was a statistically significant pattern by which, on average, college educated lower caste applicants fare less well than equivalently qualified applicants with high caste names.

Although, the private companies, have the main criteria as merit for selection and evaluation, due to the competition, and are convinced that there is no problem of caste or religious prejudice in modern India (Thorat & Knewman, 2007). But caste-based stereotypes are so endemic in Indian society and can lead to incidences of discrimination. As Jodhka and Newman (2007), presents the results of their qualitative interview based study of human resource managers, focusing on hiring practices. Their research suggests that managers bring to the hiring process a set of stereotypes that make it difficult for very low caste and very high caste applicants to succeed in the competition for positions, while advantage falls to the middle.
Many general category members, who are deprived of reservations, consider that the reserved category members are engulfing their job opportunities in educational institutions and public jobs. This feeling was fired further with the introduction of reservation for OBCs. There were nationwide strikes by doctors and others belonging to the higher castes (Woodward & Saini, 2006). General category employees perceive that minority and socially disadvantaged employees are less competent and productive (Vijayalakshmi et al. 2006). This feeling spills over to work places and impacts their work relations.

Religion

People are directly affected by the religious beliefs, norms and practices of others and need to develop awareness of the issues, and processes to manage religion at work. Religion determines the work culture and behavior of individuals too. For e.g. Indians are high on power distance and being oriented (Gupta, 2002) as Hindu mythology stresses on being obedient to the elders, parents, teachers, so is for the bosses and seniors at workplace (Scarborough, 1998). This respect for superiors stifles brainstorming and creativity (Rao, 2012). The understanding and perceptions about ethics and social responsibility too is derived from religious values. Therefore religion will have interface with management decision and policy making regarding ethics and social responsibility.

Religion as a dimension of diversity is a source of various forms of discrimination due to the rooted stereotypes about people from different religions. Religion as a dimension of diversity can be a source of direct discrimination which means that workers or job applicants must not be treated less favorably than others through selection criteria, policies, employment rules for ex. Not to employ someone, dismiss them, deny promotion etc. or it can lead to indirect discrimination when the policies of organization though applicable equally to all employees can be disadvantage for few for ex. no headwear could be a disadvantage to Sikhs and few Muslims who wear cap or dress code stating men should not wear pony tails could be a disadvantage for Hindu pundits who wear shikha (a small knotted tuft of hair).

Further, religion dimension may be a source of harassment which would include behavior that is offensive, frightening or in any way distressing. It may be intentional or subtle like name calling, nicknames, teasing connected with the religion with which the individual associates. Religious jokes though not targeting an individual also can be offensive. Alluding to the world events, like those of terrorist attacks, regional riots, religion can take ground of harassment informally in organizations and stereotypical, pejorative and hurtful comments in the workplace about followers of that religion.

The Constitution of India forbids any (negative) discrimination on grounds of religion but the observances derived from religion such as dressing and appearance, symbols, schedules and calendars, festivals, and the concept of the workweek can be issues for clashes.

Deep rooted religious values can have an implication on the surface behavior. Hence, religious observances need to be understood which may trigger conflicts in organization. For e.g. Hindus often follow Vaastu Shastra to have preferences about their arrangement of seating and physical facilities (Ananth, 1998), such preferences may not be able to satisfy all.

Some religions have their own symbols of faith such as male facial hair in Muslims and wearing scarves, caps and turbans in Muslims and Sikhs, veils worn by Muslim women. Bindi worn by women and mana or the holy ash mark on the south Indian men applied on religious days. Hindu women wear mangal sutra as a symbol of marriage.

Different religions have their own significant days as festivals, and workers would expect holidays to celebrate festivals. Religious festivals for the Hindus, Jews, Buddhists and Muslims are determined by the lunar calendar and do not occur on same dates. Moreover, there are a number of different traditions in Hindus and Buddhists arising from different cultural and ethnic backgrounds. Different traditions will celebrate different festivals. In addition there are a number of holy days of obligation, for ex. Christians wish to attend church on Sundays, Friday mid-day prayers in congregation are important to Muslims. Some religions such as Muslims requires to pray at specific times during the day and wash before prayer, they may require an appropriate quiet place and facilities.

Food habits are also determined by religion. Many Hindus are vegetarian and would not prefer to eat in cafeteria where the kitchen cooked meat because it went against religious principle (Rao, 2012). Vegetarians may feel uncomfortable to store their lunch in a refrigerator where non-vegetarian food stored. Some religions have specific dietary requirements for ex. Muslims will ensure their food is not in contact with pork. Similarly Hindus avoid beef. Muslims eat meat that must be slaughtered by halal method, whereas Sikhs do not eat halal meat. Islam prohibits alcohol. Holding meeting and gatherings in hotel bar may pose particular difficulties for those whose religion forbids association with alcohol.

Further religions require extended periods of fasting such as Muslims fast during period of Ramadan and Hindus during Navratri. Such periods require some particular food requirements and prayer timings.
Rao (2012), in her exploratory study through interview with CEO and HR managers of 7 US and Indian MNCs found that religious observances, festivals, appearances do have an impact on the workplace.

An exploratory study on discriminatory practices in Indian companies by Vijayalakshmi et al (2006) in their exploratory study found that religion was not found to be significant discriminatory factor in organizations and their decision process, but they gave reason for the discrimination was likely under reported as their sample was predominantly of Hindus. Another study by Gebert et al. (2011) in public schools at Kerala posits that religious affiliations in an organization is unrelated to intergroup conflicts however differences in members belief to follow religious rules at organization leads to intergroup conflict. Therefore, to understand the dimension of religious diversity further research on and moderating and mediating the outcomes and other intricacies are needed.

Language

Language plays an important role in communication in an organization. It enables employees to express their opinions, share feelings and convey messages and knowledge. Language is the greatest mediator that allows employees to relate and understand each other (Imberti, 2007).

By the virtue of high variety of languages, Indian organizations are also multilingual. According to Kachru (1986) “multilingualism is linguistic behavior of the members of a speech community which alternately uses two, three or more languages depending on the situation and function”. Multilingualism in Indian society is non-conflicting type, in which different languages are allocated different functions (Pattanayak, 1990). Like, English is the most commonly used among Indians as a “link” or an “official” language at organization (Hohenthal, 2003). But most of the Indians prefer using their mother tongue in most situations, whenever possible. For e.g. when it comes to share personal problems or for transactions such as at in shops, at the railway station etc. It shows that Indians have the tendency to use their mother tongues in informal situations.

The most spoken language Hindi has also limited usage regionally. Languages spoken in North India are basically alike and have similarity with Hindi, due to common origin that people speaking one of them can communicate relatively easily with those speaking the other language. Hindi is less popular in south India. Further, there are few people like Tamilians and Bengalis who have high liking for their own mother tongues over Hindi and are very proud of their own language (Hohenthal, 2003). In the South, whereas Tamil, Kannada and Telugu have the same roots, they are different enough to make it impossible for people to understand others. Although there are so many languages in India, most of the people do not know any other Indian language than their own (Spolsky, 1978). Thus, mother tongues gains popularity instead to interact with fellow speakers of their own native language during informal contacts like at breaks, meals, cafeterias, hallways and social events. Informal communication in organizations plays an important role in developing new interpersonal relationships, awareness of others’ activities, trust (Jarvenpaa & Leidner, 1999) and information exchange (Kraut et al., 1990).

At Indian organizations people may be fluent enough to work in a multilingual organization with the usage of English for all the formal communication yet may be limited in their comfort at informal situations with colleagues of other natives, at informal situations. This splintering or clustering effect could create barriers to relationship development, awareness and information exchange between speakers of different native languages (Yuan et al., 2013). However, mother tongue is an expression of primary identity and of group solidarity (Pattanayak, 1990), therefore people speaking similar language may develop group representation. Thus the language as a diversity dimension may generate in-group versus out-group categorization. Consequently, the understanding of the link between language and social identity patterns is of great importance to the international business community.

Gender

The constitution of India prohibits discrimination and gives equal rights to women (Article 14, 15, 16, 39), provision for ensuring just and humane conditions of work and maternity relief (Article 42), renounce practices derogatory to the dignity of women [Article 51(A) (e)] and many laws have been passed to safeguard some important rights for women such as Equal Remuneration Act 1976, Maternity Benefits Act 1961, Factories Act 1948 restricting working hours etc. But in practice there are still barriers and unfair practices towards women restricting their opportunities, contributions and career paths in organizations.

There is an increase in the number of females joining work force in all sectors with men. Indian women are rather more aspiring to a job with higher responsibilities than Indian men (Catalyst, 2011). Moreover, public and private sector organizations in India are beginning to recognize that women are as capable of working as men (Haq, 2012). But research has indicated that their representation in decision-making roles continues to be low (Patel, 1994) and their progress up the ladder continues to face barriers (Bhatnagar and Nair, 1988; Gupta, Koshal and Koshal, 1998; Patil, 2001; Khandelwal, 2002; Kulkarni, 2002; Mehra, 2002; Budhwar, Saini and Bhatnagar, 2005).
The traditional Indian society is characterized by inferior role of women, as she was not earning, daughter being considered as a liability, women should be in parda (veil) as in orthodox Hindus and Muslims, no widow marriage, women are not encouraged to work outside home, her role been defined as care taker and home maker etc. Though such barbaric practices are gradually disappearing from surface and the position of women in many spheres has been becoming better due to social and economic development, but their roots still have a grip on the mindsets of Indians. These deeply entrenched traditional religious and socio-cultural demands and patriarch attitude towards women in India are particularly challenging for the potential working women. Indian women have different needs embedded in socio-cultural aspects of Indian society. They handle dual responsibility of managing home and their career. Their career often suffers while maintaining a balance between work and family responsibilities. To keep their career going they have to make a lot of person sacrifices and female professionals in India are unwilling to make this personal sacrifice, leading to drop out. This would be more common with those professional who do not have a support system back home to take care of their children. Moreover, many female professionals in India are first generation to work, where the families do not understand the role of career and the very concept of female working sacrificing personal obligations. In such case the families and in-laws after marriage may not support to continue their career. And many females may drop in junior management level at the age of 26-30 years, when they marry or start a family. High rate of attrition at lower level lowers the number of female employees who can be promoted to higher levels. These reasons create challenges for the employers to manage the ‘leaking pipeline’ (drop-out or decline in the number of women at lower to upper levels in an organisation).

Career oriented female professionals do face many barriers at organization which hinders their growth and makes work-life balance still a tougher task. The socio-cultural factor of Indian society has developed stereotypes about women such as they are suitable only to work predominantly in HR, public relations, administration, at subordinates/junior levels, and in soft fields like fashion/clothing, beauty products; they are not good bosses or decision makers; cannot take risk or handle challenges etc. These stereotypes adversely affect women’s career prospects. Khandelwal (2002) reports from his study that due to prejudices and stereotypes the female respondents were not given requisite credit were, which had an adverse impact on their performance. Moreover such stereotypes, leads their exclusion from the organization networks, proves to be a limitation for them in handling the dynamics of organizational politics (Woodward & Saini, 2006). Men are least comfortable in being supervised by women (Punia, 2005), therefore would not allow to raise up. Further, they are assigned secondary and routine jobs and had to do better than men to get equal professional recognition despite their high education and skill levels (Parikh and Sukhatme, 1992).

Despite the Equal Remuneration Act, 1969, women employees are often paid lower as compare to their male counterparts. Women and Men in India 2013 15th Issue of Central Statistics Office under the Ministry of Statistics and Programme Implementation, Government of India shows that: In 2011-12, the average wage/salary received by regular wage/salaried employees of age 15-59 years was Rs. 201.56 per day for females compared with Rs. 322.28 per day for males in rural areas. For urban areas, it was Rs. 366.15 and Rs. 469.87 per day for females and males respectively. These figures represent the discrepancies of pay found in India.

Budhwar, Saini, and Bhatnagar, 2004 posits from their study that, the considerations of sexual favors are becoming important in appointment and promotion matters. According to a survey titled Nimbuzz - Pulse of the Nation, conducted by Nimbuzz, a cross-platform mobile calling & messaging app, Indian women don’t feel safe at their workplace and they reveals that “47% of women feel their top issue at work is sexual harassment vis-a-vis inequality in pay and unequal opportunities (Shika, 2014). And in most of those cases of sexual harassment, the perpetrator is the woman’s supervisor or seniors.

They do not raise voice due to that lack of confidence in the organization and fear that they won’t get their due promotions or appraisals if they would raise their voice in the so-far-male dominated hierarchical organizations.

Sexual harassment is a huge, inadequately addressed problem at organizations. Despite Supreme courts guidelines (known as the Vidisha judgment) that must be followed by all public and private sector organizations and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, the incidence of covert and unreported sexual harassment in India is quite high (Woodward & Saini, 2006). However, many women are not even aware of these guidelines (Sophia Centre for Women’s Studies and Development, 2003). These hurdles lower the confidence and demotivate the female employees impacting their performance. Organizations need to address these issues related to gender diversity to maximize the benefit as business case. Further, studies have shown that organizations embracing gender diversity are more likely to succeed than those which do not.

The Middle class urban women in India are more career oriented and stepping out of their traditional family-oriented providing them more personal, social and economic independence (Nath 2000; Chadha 2002; Jhabvala and Sinha 2002; Das 2003). Moreover women movements have increased awareness of their personal needs and selves, and are demanding greater equality and status both within home and outside. Therefore
organizations has too address their familial issues as business issues and accommodate them through female employee-friendly policies such as flexible work policies, child care facilities, parental leave, in addition to statutory maternity, sexual harassment redressal committee, day care facilities and various training and awareness programme etc.

Age

Each of these age groups have their own unique attitudes, ambitions, views, motivation tools, mind-sets, communication styles and approach toward work and career. This makes it an important dimension of workforce diversity to give attention and a challenge to create a harmonious workplace. The current workforce has the largest pool of young generation, which has highly differentiating characteristics particularly in India as they are grown in the era of liberalization from 1991 and has seen abundance options and affluence early in life due to globalization. Further technology in India and this generation are growing together.

A study conducted by NASSCOM titled “Managing a Multigenerational Workplace” reports that more than 60% of the employees in this sector are less than 30 years of age and the need to build skills and competencies, freedom and empowerment are the topmost priorities, followed by recognition and appreciation. These evolving preferences of the current generation pose perplexing challenges for organizations looking at attracting, engaging and retaining them.

Mellahi & Guermat (2004) found in their study that the young and old managers differ in managerial values and preferences. They have different emphasis on different managerial practices. Young managers are departing from old practices and looking for new ones suitable for global economy.

The high power distance cultural dimension of Indian society raises more complex situation in organizations. Age is symbolic of the value and power (Hofstede, 1980). The older mangers by the virtue of their age and power try to control the younger ones by force and create policies without understanding the mindset of new generation. But young workforce doesn’t have a hierachical outlook (Mukundan et.al, 2013) i.e. they respect competencies and knowledge and not the authority that simply comes with age or position. They expect mentorship rather than supervision and don’t like being micromanaged (Alexandria, 2011). This mismatch may cause misunderstandings, complicated relations, lower engagement rate, loss in productivity and a higher attrition rate.

Further, there is a growing trend in India, of hiring Gen Y for top management positions, greater risk-taking appetite and out-of-the-box thinking to their management and business practices esp. in business where the target customer is youth like IT, media, advertising, fashion and lifestyle sectors, while aviation and e-commerce. Sanket Akerkar (MD,Microsoft at 37), Ajay Srinivasan (Aditya Birla group's financial services, CEO at 34), Anant Goenka (CEAT's MD at 30), VR Ferose (MD of SAP Labs at 33), Francisco D’Souza (CEO and president of Cognizant at 38), Sandeep Murthy (partner in Sherpalo Ventures at 28) are few examples of young executives in India. These young executives would be finding themselves managing older workers, some of whom may be resentful of the fact. Further, it would be challenging as their leadership styles differ.

Age related stereotypes such as Gen Y are stereotyped as lazy, poor work ethic, little respect for authority, too self-centered, unrealistic expectations, lack social skills, not loyal to employer etc. may result in unconscious bias and unfair judgments based on such preconceptions may generate intergenerational tensions. Results of a study by Upadhya (2013) suggests that popularly held belief about Gen Y that they have low job involvement, less committed to organization were contradicted. Generational mix at Indian organizations is an inevitable phenomenon and need to be addressed to remain competitive.

Region of Origin

Regionalism and the regional sentiments are powerful vehicles of identification and categorization in social group as in-group vs. out-group. Person from a particular state favor another person from the same state. Such favoritism would occur in any practices such as recruitment, job allocation, performance review, transfers and promotion. A study by Vijayalakshmi et al., on discriminatory practices at Indian companies (both public and private), reported that most of the respondents pertain region of origin as the largest discriminator compared to others dimensions of diversity. They also found incidents where transfers were guided by similar places of origin of the boss and the subordinate in question than by the merit of the case. Sometimes, transfer was also a punishment posting for an “out-group” employee.

The different regions in India are identified by different culture ranging from eating and dressing habits to values and perception about work and work related aspects. People in minority based on region of origin in an organization would feel as outsider as they do not have understanding of language, culture and traditions of that region. Many such cases are reported about Indians from Northeast (Saurav & Guha, 2014). They face prejudice and have to make lot of adjustments for social acceptance. Such prejudices may stem from ignorance, which leads to taunts and subtle discrimination.

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Moreover, each region/states in India have their own lifestyle emanating from their history, politics and topography. Based on their life styles there are many cultural stereotypes associated with Indians from different regions such as people hailing from Haryana would be violent and aggressive, Guajarati as money minded, Bihari as uncivilized etc. Such preconceived notions often create labels to bully others. Further making pre-performance judgments based on their social group than as individual would generate a feeling of being discriminated.

Regional diversity is a source of diverse views and ideas to an organization but a challenge to be addressed through culture sensitization to accommodate employees from different regions.

Physical disability

Many companies hire a few persons with disability as a part of corporate social responsibility (CSR). But unless these companies’ makes business or commercial sense, the initiative will not be sustainable. Companies hiring disabled people need to address the special needs to accommodate physically disable. It’s essential to make efforts to create a suitable working environment for differently-enabled people. It would range from design of the building, arranging transportation to using bathrooms. Ignoring such physical infrastructure facilities would not bring out the talents of the disabled.

Building such infrastructure is the challenge for companies in managing their budgets. To tap the maximum potential of physically disabled requires a huge investments in technology, such as spending on the Jaws software, which helps the blind use computers.

Moreover, there are many stereotypes and misunderstandings associated with potential and capability of physically disabled people. Such as if persons with disability can cope with the high targets required by the competitive work environment and disabled will only be suitable for a very narrow set of job roles. Resorting to stereotypes can lead to immense waste of talent and these preconceived notions of what they can and what they cannot makes it difficult to entice employers to look at the disabled as viable employment profiles.

Companies are composed of individuals with their own attitudes and beliefs about people with disabilities. And employees with stereotypes can have negative attitudes toward employees with disabilities. This negative attitude stemming from stereotypes and misunderstandings can result in discrimination. They may be treated differently making them uncomfortable to socialize. Low integration may make, people with disabilities often feel avoided by their co-workers. This is a major concerned with inclusion of people with disabilities. Therefore it is critical to sensitize other employees, supervisors and CEOs through training and workshops.

Sexual orientation

Today the open and inclusive approach towards is LGBT is being seen at slow pace but the increasing awareness indicates that LGBT would be a reality at Indian organizations. But understanding the relevance of LGBT issues at workplaces is crucial for Indian firms due the cultural factors of India.

Family values and religion are important component of India’s culture. Indian families are conservative and do not discuss sexuality in open and further any deviation from the two accepted sexual orientation disregarded. Indian religions too do not support marrying same sex. The failure of Indian society to accept LGBT is evident from the condition of Hijars; the most discussed transgender community of India. They has been discriminated from education, jobs and housing. Family values and religion has strong roots in Indian society making it challenge for Indian firms to make it acceptable by all their employees.

As sexual orientation is not openly discussed, the companies may find challenge to find and attract this group. Homophobic comments and bullying of this group due to the traditional thinking of Indian society can lead to demotivation, stress and anxiety resulting in high attrition rate. And the organization has to face the cost of low staff morale, increased absenteeism, decreased productivity, recruitment.

The acceptance of this group may be higher in Gen Y, as they are at the helm of increasing awareness of this group, but with other generation it may not be that high. And, as most of the Gen X and baby boomers hold the supervisory roles, it is highly essential to sensitize them.

Moreover, though, homosexuality is decriminalized, there is no directly applicable anti-discrimination law to protect LGBT employees in the workplace. Compliance with the law is therefore not a key driver for companies in India to address the needs of LGBT employees, making it more challenging.
Managerial Implications

Conclusion

India is a multidimensional society. And each of these dimensions has a strong influence on the identity of individual and impacts their work style, work values and their other habits at workplace. Each of the dimensions of diversity brings in various challenges to the organization.

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**Table 1. Indian Diversity Dimensions and their organization challenges**

Each diversity dimension is a factor of discrimination and impacts the decisions in the organization. These dimensions impact the decisions at various levels such as recruitment, promotions, transfers, work-life balance, group communication, team work, social acceptance by colleagues etc. Further the emerging dimension of diversity such as sexual orientation adds to complexity and calls for attention. The challenge for strategy makers to manage diversity in Indian context is to understand the multidimensional aspects of diversity. Research is needed to unravel which dimensions has more impact on workplace and the cause and effect relation of each dimension in detail.

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