CULTURAL DIVERSITY IN THE WORKPLACE

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Abstract

Cultural diversity simply means that people of many cultures (and often many countries) interact regularly. Global companies are the custodians of multiculturalism. Rarely these national companies have such diverse cultures. Domestic firms may also have employees of different nationalities. Taking example of Infosys where foreign employees constitute almost 9% of the total employed workforce. Local businesses multiculturalism can be by choice, but by design with multinational companies. A multinational company needs to maintain a unified culture that weaves all subsidiaries. Each subsidiary is becoming an independent unit if there is a unique culture.

Keywords: Cultural Diversity, Impact, Workplace, India

1. Introduction

India has always been a land of paradigm and fascination. We have witnessed that people from the West previously envisioned the country as a land of spiritual gurus and snake charmers – a concept that has taken a long time to erode even with globalization and economic liberalization. Today, India stands out for its cultural diversity, considerably large population and economic disparities as one of the most dynamic developing countries. It is a nation with the largest population of English-speaking and the largest base of the middle class in the world and has been witnessing stimulating growth. It is a country that represents all the major religions, nearly two thousand ethnic groups, four major language families containing a total of 1,652 languages and dialects and strong hierarchical social structure unprecedented in a country outside the African continent in terms of linguistic, social and cultural diversity.

Indians organizations pay due respect to its workforce and honour the diversity through its employees, in which all organizations in itself are like a mini India, with their different cultural tastes as people of mixed religion, ethnicity, caste and language of work together for a common goal of the organization. However it is quite interesting that in the study of organizational behavior related to Indian organizations, most researchers have agreed upon

them displaying a mixed set of values and characteristics adapted from both Western and Indian culture and traditions.

2. Research Objectives

- To understand the aspects of Cultural diversity in the context of the Indian organization

- To provide recommendations as to how Cultural diversity can be taken up as strength by Indian organizations and create indigenous work culture with strong Indian values.

3. General Hypothesis

- Cultural diversity related to religion and caste does not affect the Human Resource Management practices of an Indian organization

4. Research Methodology

The researcher has adopted analytical and descriptive methodology for this report; reliance has been placed on books, journals, newspapers and online databases.

Cultural Models

In the context of the present study I propose to discuss three cultural models:

1. **Globe Project Team,**

2. **Hofstede's model and**

3. **Trompenaar's 7 D cultural model.**

It becomes extremely important for international managers to get equipped with the basic tools needed to analyze the diverse cultures in which they operate. The three approaches also offer useful in helping to understand the nuances of different cultures theoretical concepts better.

5.1 Globe Project

The **GLOBE (Global Leadership and Organizational Behaviour Effectiveness)** project team comprises 170 researchers who have collected data over seven years on cultural values and practices and leadership attributes from 17,000 managers in 62 countries, covering as many as 825 organizations spread across the globe. The research team identified **nine cultural dimensions** that distinguish one society from another and have important managerial implications: (Hodgetts et al, 2013)

Assertiveness, defined as the degree to which individuals in organizations or societies are expected to be tough, confrontational and competitive versus modest and tender. **Future Orientation** refers to the level of importance a society attaches to future-oriented behaviors. **Performance Orientation** measures the importance of performance and excellence in society and refers to whether people are encouraged to strive for continued improvement and

excellence. **Human Orientation** can be understood as the extent to which individuals in companies or societies encourage and reward people for being altruistic, generous, caring and kind to others. **Gender Differentiation** may be understood as the degree to which a firm or society resorts to role differentiation and gender discrimination. **In-group Collectivism** refers to the extent to which people express pride, loyalty, and cohesiveness in their organizations or families. **Collectivism/Societal** refers to the degree to which organizational and societal practices encourage and reward collective distribution of resources and collective action. **Power Distance** refers to the degree to which organizational members or citizens of a society expect and agree that power should be unequally distributed. **Uncertainty Avoidance** means the extent to which members of an organization or society strive to avoid uncertainty by relying on social norms, rituals and bureaucratic practices to minimize the unpredictability of future happenings.

5.2 Hofstede's Cultural Dimensions

Hofstede identified four cultural dimensions around which countries have been clustered, with people in each group exhibiting identical behaviors. The four dimensions are: (Deresky, 2012)

  ⇒ Power distance,

  ⇒ Uncertainty avoidance,

  ⇒ Individualism and

  ⇒ Masculinity

Power Distance

Power distance is the extent to which less powerful members of institutions and organizations accept that power is distributed unequally. Countries in which people blindly obey the orders of superiors have high power distance.

High power distance countries have norms, values and beliefs such as—

⇒ Inequality is fundamentally good.

⇒ Every one has a place; some are high, some are low,

⇒ Most people should be dependent on a leader,

⇒ The powerful are entitled to privileges, and

⇒ The powerful should not hide their power.

The dimension of the power of the distance can be measured in several ways. For example, the basic motivation courses in the country with a strong exercise of power are that people do not like to work and try to avoid it. Therefore, managers believe they should adopt leadership

style Theory X, i.e., must be authorized, must force workers to do and should closely monitor their subordinates.

Uncertainty Avoidance

Prasadam (2016) opines that control of uncertainty is the extent to which people feel threatened by ambiguous situations and have created beliefs and institutions that try to avoid them. There are countries with high avoid uncertainty and there are those characterized by low uncertainty avoidance. Denmark and Great Britain are examples in uncertainty avoidance cultures. Germany, Japan and Spain characterize uncertainty prevention companies.

Individualism

Sharwaila (2015) opine that, Individualism is the tendency of people to look after themselves and their family only. The opposite of this is collectivism which refers to the tendency of people to belong to groups and to look after each other in exchange for loyalty. Individualism is common in the US, Canada, Australia, Denmark, and Sweden. The people of India, Indonesia, Pakistan and a number of South American countries exhibit collectivism, specifically; countries high on individualism have norms, values, and beliefs which accept that:

$\Rightarrow$ People are responsible for themselves,

$\Rightarrow$ Individual achievement is ideal, and

$\Rightarrow$ People need not be emotionally dependent on organisations or groups. In contrast, collectivist countries believe that:

     o One's identity is based on one's group membership,

     o Group decision making is best, and

     o Groups protect individuals in exchange for their loyalty to the group.

Masculinity

Masculinity refers to a situation in which the dominant values in a society are success, money and other material things. Hofstede measured this dimension on a continuum ranging from masculinity to femininity. High masculine cultures have norms, values and beliefs that:''

$\Rightarrow$ Gender roles should be clearly distinguished,

$\Rightarrow$ Men are assertive and dominant,

$\Rightarrow$ Machismo or exaggerated maleness is good,

$\Rightarrow$ People—especially men-should be decisive,

$\Rightarrow$ Work takes priority over other duties, such as family, and

$\Rightarrow$ Advancement, success and money are important.

In highly masculine societies, jobs are clearly defined by gender. There are men's jobs and women's jobs. Men usually choose jobs that are associated with long-term careers. Women usually choose jobs that are associated with short-term employment, before marriage. (Sharwaila, 2015)

5.3 Trompenaar's Framework on Cross Culture Management

Trompenaar, an European researcher, conducted an extensive research with 15,000 managers from 28 countries, representing 47 national cultures. He describes cultural differences using seven dimensions

 (i) Universalism versus particularism,

 (ii) Individualism versus collectivism,

 (iii) Specific versus diffuse,

 (iv) Neutral versus affective,

 (v) Achievement versus ascription,

 (vi) Past versus present, and

 (vii) Internal versus external control

The first five dimensions deal with how people relate to each other. The two final dimensions deal with how a culture manages time and how it deals with nature. Each dimension is a continuum or a range of cultural differences. (Cullen, 2013)

Universalism versus Particularism

In the case of cultures of universalistic orientation, people think about abstract principles such as the rule of law, religion or cultural principles. The basic principle is that these principles can be applied everywhere without modification. (Cullen, 2013)

Individualism versus Collectivism

This is quite similar to the dimension of Hofstadter value aspects. In the cases of individualistic societies, the emphasis is on "I" or "me" and the orientation is growth itself. While in case of collectivist societies, emphasis is on groups, including the family, organization and community. Responsibility, achievements and rewards are group. In individualistic societies, people are trained from childhood to be independent, and each person takes personal responsibility for his / her success or failure. (Cullen, 2013)

Neutral versus Affective

Here Trompenaar focuses on whether to express emotions in different cultures. In neutral cultures, there is tendency of masses to control their emotions as they do not want interfere with one's judgment. In contrast, cultures emotional support to the expression of emotions. The expressions of anger, laughter, gestures and a series of emotional outbursts are

considered normal and acceptable. But in neutral companies, emotions are considered interference disorder in achieving the objectives. Achieving goals is more important than the emotional nature of the interaction.

Specific Versus Diffuse

This aspect of culture lays emphasizes on how a culture focuses on the concepts of privacy and access to privacy. In specific cultures, individuals have relatively large public spaces and private outdoor spaces. While public space is open, is kept private and only shared carefully with close friends and associates. A widespread culture does not distinguish between public and private spaces. In diffuse cultures, an executive office and home are not divided as clearly as they are in specific cultures and working relationships often extend to personal relationships

Achievement versus Ascription

This dimension method is used for obtaining status. In a culture of success, a person gets the status based on the way he/she performs his/her duties. Therefore this kind of status depends upon achievements.

Time Dimension

This aspect has two views, the initial view is same as that of Trompenaar with Hofstadter's that there is a different emphasis on the past, present and future. The later view suggests sequential as compared to supertonic cultures. This view is entirely different to Trompenaar.

Internal versus External Control

The cultural dimension of the end of Trompenaar framework provides a locus of control-their belief as to whether he or she is the master of his own destiny. When people (read managers) believe they have control over the results, which are supposed to be internal locus of control disciples. But if they believe they have no control over the results of such people (managers) consider the principles of external locus of control. Greece and Poland and Greece are the nations whose nationals have a strong internal locus of control, while Chinese and Ethiopian are said to be external. Internals emphasize authority and tend to dominate subordinates. But outside tend to be patient and prefer win-win

5. What is cultural diversity in the workplace?

Culture refers to the values, norms and traditions that affect how a member of a group perceives normally think interacts, behaves, and make judgments. It even affects the perception of time and cultural calendars, which can affect the planning and scheduling of the day. Cultural competence, in short, is the ability to interact effectively with people of different cultures. This ability depends on the realization of a vision of the cultural world of

one, to know other cultural practices and world views, attitudes tolerant towards cultural differences and intercultural skills. The more different cultures working together, training more cultural competence is essential to avoid problems. Cultural problems can vary from miscommunication real conflict, endangering any worker productivity and efficient performance.

6. Managing Cultural Diversity

The five cultural dimensions highlight the important cultural differences in organizations. To manage effectively in a global or a domestic multicultural environment, we need to recognize the differences and learn to use them to our advantage, rather than either attempting to ignore differences or simply allowing differences to cause problems (Adler, 1997). Rather managers should be taught how to respect the differences at work and how to work with them to maximize the contribution of each employee (Casio, 1998).

7. Strategies for managing cultural differences

The extent to which managers and employees recognize cultural diversity and its potential advantages and disadvantages defines an organization's approach (strategy) to manage cultural diversity. Adler (1997) has identified the following strategies for managing cultural differences.

(i) Ignore cultural differences

(ii) Minimize cultural differences.

(iii) Manage cultural differences.

Ignore differences: By following this strategy, managers do not recognize cultural differences (diversity) or its impact on the organization. This strategy is very popular in parochial type of organizations. In such type of organizations, managers and employees believe that "our way is the only way" to manage and organize. Therefore, they do not see any impact of cultural diversity on managing an organization. They consider the diversity is irrelevant. The strategy of ignoring differences precludes effective management of cultural diversity and also precludes the possibility of minimizing negative impacts and increasing positive impacts of diversity.

Minimize differences: This strategy of minimizing cultural differences is commonly adopted by ethnocentric organizations. Here managers do recognize cultural diversity but only as a source of problems. In an ethnocentric organization, managers believe that "our way is the best way" to organize and manage. They consider others' ways of doing as inferior ways of managing. In this approach managers try to reduce the problems of differences by reducing diversity. They do not think about the advantages of diversity. Such type of organizations

tries either to select a culturally homogenous workforce or to attempt to socialize all employees into the behavior patterns of the dominant culture. Ethnocentric organizations, by minimizing differences, prevent the possibility of benefiting from the many cultures present.

Managing differences: The organizations which adopt the strategy of managing differences are synergistic organizations. These types of organizations recognize the impacts of cultural diversity that leads to both advantages and disadvantages. Managers using synergistic approach believe that "our way and their way of behaving and managing differ, but neither is superior to the other". Creative combinations of our way and their way may be the best approach to organizing and managing. By adopting synergistic approach, managers and employees minimize potential problems by managing the impacts of cultural diversity, not by attempting to minimize the diversity itself. In the same manner, managers maximize the potential advantages by managing the impacts of diversity, rather than by ignoring them. Organizations which use the strategy of managing differences train their managers and employees to recognize cultural differences and to use cultural differences to create advantages for the organization.

Managing Cultural Diversity in the Workplace

Developing cultural competence results in an ability to understand, communicate with, and effectively interact with people across cultures, and work with varying cultural calendars. While there are myriad cultural variations, here are some essential to the workplace:

1. Communication: Providing information accurately and promptly is critical to effective work and team performance. This is particularly important when a project is troubled and needs immediate corrective actions. However, people from different cultures vary in their perception and expressions, for example, People from some Asian cultures are reluctant to give supervisors bad news - while those from other cultures may exaggerate it.

2. Team-building: Some cultures - like the United States - are individualistic, and people want to go it alone. Other cultures value cooperation within or among other teams. Team-building issues can become more problematic as teams are comprised of people from a mix of these cultural types. Effective cross-cultural team-building is essential for benefiting from the potential advantages of cultural diversity in the workplace.

3. Time: Cultures differ in how they view time. For example, they differ in the balance between work and family life, and the workplace mix between work and social behaviour. Other differences include the perception of overtime, or even the exact meaning of a deadline. Different perceptions of time can cause a great misunderstanding and mishap in the

workplace, especially with scheduling and deadlines. Perceptions of time underscore the importance of cultural diversity in the workplace, and how it can impact everyday work.

4. Calendars: The business world generally runs on the western secular year, beginning with January 1 and ending with December 31. However, many cultures use others calendars to determine holidays such as New Years or specific holy days. For example, Eastern Orthodox Christians celebrate Christmas on a different day from western Christians. For Muslims, Friday is a day for prayer. Jews observe holidays ranging from Rosh Hashanah to Yom Kippur. These variations affect the workplace as people require time off to observe their holidays. Cultural diversity calendars are helpful tools to ensure meetings are successful, and deadlines are met.

9. Diversity in the context of an Indian Business Organization

The diversity in many respects is closely related to another term that we see commonly used today, which is the "change". Managing diversity is an essential element of change management. If Indian companies need to thrive in today's changing global market, they must learn to manage diversity, both within the company and outside.

The workforce in India is relatively young. 52% of the total workforce is under 34 years which is very young, Indian employees can be trained easily to this end. The cultural dimensions that have been discussed previously identified some characteristics of Indian labor. Indian employees tend to show the position of the high power distance position. Titles, status and control are considered extremely important. Subordinates follow orders as a matter of routine.

Indians show a greater willingness to take risk, low stress and low levels of anxiety, because they tend to be under control in the dimension of uncertainty. Indian employees are individualists with a high level of autonomy and achievement orientation. In addition to the qualities of masculinity, where assertiveness, acquisition of money and things are these characteristics.

While the management of the Indian workforce, managers and directors of other countries India should take care of these specific characteristics, and others. Multinationals can not deal with cultural problems in some respects, India. Since this country was a British colony for a long time, people can generally understand and speak English is an international language. There is no problem of business communication regarding treating at least with the West. But it cannot be as in the case of other countries.

The two Realms of Diversity at India Inc.

Diversity exists in two key realms in an Indian Business Organization; the first is at the workplace and involves the employees of the company. The second is at the marketplace and involves the interaction of the company with three groups of stakeholders- the owners, the partners and the customers.

Diversity in the Indian Workplace

Managing workplace diversity is one of thorniest challenges for HR managers in India today. Gone are the days, when most people in the office looked the same, spoke in the same manner and had the same outlook in life. Now things are somewhat different and so are the challenges.

Kinds of Diversity at the Workplace

There are different kinds of diversity that one encounters at the workplace. These include diversity of Gender, Age, Psychology, Education, Language and Culture. We will look at how three of these, those of Gender, Ethnology & Psychology can be managed

Reasons for Diversity at the Workplace:-

There are two reasons for increased levels of workplace diversity today:

1. India has witnessed significant demographic changes in the past twenty years; many people from traditionally agricultural communities have now joined the ranks of the middle class. Also, large numbers of women are now being employed in traditionally male dominated areas.

2. Many companies in India are proactively encouraging diversity within its ranks. Some of them have adopted best practices of corporate governance from the world.

Workforce Diversity in India

- India occupies 2.4% of the total area of the world but supports over 15% of the world's population.

- Although Hinduism is the popular religion comprising 83% of the population, India is also home to one of the largest population of Muslims in the world – over 120 million.

- India has the world's largest number of professionally qualified women & has more working women than any other country in the world across skill-levels, from the surgeon to the airline pilot to bus conductors & menial labourers.

- In India there are approximately 450 ethno-linguistic people but over 2,300 ethnic people groups, when caste, religion and cultural factors are considered.

- India's population bulges in the prime working-age group (15-59) with about 35% of its population in that group, and this is expected to peak to 64% around 2020.

- The widespread diversity in gender, age, education, religion, place of birth, language, ethnicity, race and, caste puts special pressures on employers in India around finding, competing for, holding and cultivating the skilled employees they need.

A diverse organization is one that invites embraces and manages difference in the changing workforce to gain the best from its people and to provide the best service to its customers. Companies are embracing workforce diversity as a strategy to remain competitive in the face of changing demographics and the rapid globalization of business.

10. Implications for HR Managers

The approach to workplace diversity transmission has changed from equal employment opportunities for the effective management of staff diversity as an organizational imperative (Torres and Brussels, 1992). As globalization increases workplace diversity will be here. Those who recognize the globalization of labor as a positive trend and to facilitate the movement of labor will benefit more (Johnston, 1991). With this in mind our strategy should aim to create change in organizations. To succeed in this kind of new environment, managers must learn to value and respect cultural styles and behaviors differ from our own styles. Managers should be able to link the cultural differences management issues for the company's needs and be well versed in business issues, objectives and results. diversity management has to be seen by managers as an opportunity to meet the needs of best customers and enter new markets. Assessing and diverse workforce management can enhance creativity, flexibility and quick response to change. Managers, to use diverse workforce potential, to link diversity for each business function or strategy namely recruitment, selection, placement, development, planning reports, performance evaluation and rewards.

To remain competitive, companies must develop long-term intervention strategies rather than short-term solutions or strategies. Managers need to remove barriers to development organizations and a totally equitable use of systems that enable the workforce to reach their full potential

11. Conclusion

The differences between the management of cross-national human resources and the pressure to adapt to local conditions depend on several factors in the national context. The context of nations covers social institutions, corporate culture, the conditions of factors and their combined effects on the business environment.

Human resources practices that are specific to each country are: recruitment, training, compensation, performance evaluation and labor relations. When selecting employees, companies need to follow practices locally. Ignoring the local community and masses offend local cultural norms, however it may be argued that the best talent might not be available locally. Therefore, it is expected that multinational managers assess the tradeoff between the following practices at home and hire locals over the costs and benefits of following local traditions.

There are differences between countries in the needs of training and development. These needs may be less intense in countries where educational services are available. Germany has strong technical education programs. India also has a large number of engineering schools producing technically qualified people. A practice of lifetime employment, widespread mainly in Japan, also has an impact to determine the needs for training and development. Training is slower and less important in countries that practice lifetime employment. Managers acquire new skills through extensive shifts. They learn by doing.

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