Chapter 1
Introduction
Introduction

"Diversity refers to human qualities that are different from our own and those of groups to which we belong; but that are manifested in other individuals and groups. Dimensions of diversity include but are not limited to: age, ethnicity, gender, physical abilities, qualities, race, sexual orientation, educational background, geographic location, income, marital status, military experience, parental status, religious beliefs, work experience, and job classification."

–Definition by Human Resources and Equal Opportunity Office

Diversity means and includes all the differences that people bring to an organisation or group. Managing diversity should be a comprehensive, holistic process for managing these differences that people brings for the productive well being of all, especially the firm and its mission. A holistic model of managing diversity recognizes its two dimensions: the primary or Horizontal (mainly biological, usually visible: age, gender, race, ethnicity, sexual orientation, disabilities), and the secondary or Vertical (psychosocio-spiritual, usually invisible: values system, worldviews, mindsets, ethics, paradigms, core intelligences). These differences have the potential of giving rise to conflicts, but if managed well can result in a synergetic unity, where the effect of all working together is greater than the sum total of all the parts working independently.

The whole globe village has become one melting pot of common culture where diffusion has become a reality, today. In this context, one needs to understand that holding on to values does not hold good if societies wish to make a movement towards becoming a member of the global scenario. It becomes essential to examine the effects of cross – culturalism in various societies and organisations which operate within them and whether a common set of cultural norms can be devised to create a yardstick for measuring multiculturalism, particularly in organisational context. Multiculturalism is becoming a norm in the global companies. It brings some difficulties but the results demonstrated that cultural diversity does in fact add value and, within the proper context, contributes to firm competitive advantage. It is argued that diverse groups make better decisions. A diverse workforce enhances creativity and understanding of customers.
Benefits of Diversity

*Diversity is not about counting heads, but making heads count!*

Organisations that manage their diverse workforce can increase their productivity substantially through many ways. Some of which are mentioned below:

* As a Social Responsibility

Because many of the beneficiaries of good diversity practices are from groups of people that are "disadvantaged" in our communities, there is certainly good reason to consider workforce diversity as an exercise in good corporate responsibility. By diversifying our workforces, we can give individuals the "break" they need to earn a living and achieve their dreams.

* As a Legal Requirement

Many companies are under legislative mandates to be non-discriminatory in their employment practices. Non-compliance with Equal Employment Opportunity or Affirmative Action legislation can result in fines and/or loss of contracts with government agencies. In the context of such legislation, it makes good business sense to utilize a diverse workforce.

* As a Marketing Strategy

Buying power, particularly in today's global economy, is represented by people from all walks of life (ethnicities, races, ages, abilities, genders, sexual orientations etc.). To ensure that their products and services are designed to appeal to this diverse customer base, "smart" companies are hiring people from those walks of life - for their specialized insights and knowledge. Similarly, companies who interact directly with the public are finding increasingly important to have the makeup of their workforces reflect the makeup of their customer base.
* As a Business Communications Strategy

Companies are seeing a growing diversity in the workforces around them - their vendors, partners and customers. Companies that choose to retain homogenous workforces will likely find themselves increasingly ineffective in their external interactions and communications.

* As a Capacity-building Strategy

Companies that prosper have the capacity to effectively solve problems, rapidly adapt to new situations, readily identify new opportunities and quickly capitalize on them. The range of talent, experience, knowledge, insight, and imagination available in their workforces can measure this capacity. In recruiting employees, successful companies recognize conformity to the status quo as a distinct disadvantage. In addition to their job-specific abilities, employees are increasingly valued for their unique qualities and perspectives that they can also bring to the table.

* Increased Market share

Increased diversity among the workforce fosters large market share of diverse customers and those who intentionally buy from organisation that promote diversity. Therefore, a diverse workforce can tackle increased diversity in the customer base effectively.

* Reduced Costs

Encouraging diversity saves the cost of unwanted turnover by providing non-monetary reason to stay with an organisation. It reduces recruitment costs because companies with diversity policies and programmes are sought out by those who have such policies; And by reducing discrimination lawsuits. A company that makes employees of diverse background feel good could offset the decline in organisational loyalty.
* Increased Productivity

People who enjoy coming to work generally produce more. They believe that their work will be valued and leave to advancement. It’s found that diverse groups are generally more creative and innovative than homogeneous group.

* Improved Management Quality

Including all employees in consideration for managerial position improve the pool of applicants. It also unblocks some highly qualified individuals who may have been unable to advance due to written or unwritten policies that discriminated against them for one reason or another.

* Improved Recruiting Efforts

Support shortage in labour appears from time to time. Recruitment of a diverse population can offset shortage because many workers are drawn to companies that embrace diversities.

* Other Reasons

Increased Competitiveness can be achieved through ease in recruiting scarce labour, increased sale to minority-culture groups, increased creativity and innovations, enhanced problem solving, enhanced organisational flexibility, increased ability to acquire resources and enhanced social responsibility-contribution to society.

Need of Diversity Management

The concept of diversity management has been in news since the past two decades. Owing to the increasing workforce diversity which is mainly the result of the management’s acknowledgement of the fact that diverse workforce results in innovative ideas and higher overall organisational efficiency, more and more organisations are seriously considering the diversity management techniques to maintain harmony among
the workers. On comparing workforce in the present with that of the past, we see a considerable demographic shift in terms of nationalities, ethnic background, socio-economic status etc.

Although the management off-late has recognized the importance of diversity management, it has not been easy for them to implement. It calls for changing the organisation so that it is acceptable to the diverse work force. Effecting a Diversity Management program is often accompanied by resentment from the dominating group because of their perception that the new policies will make the minority dominant and will not be supportive to their interests. Also, organisational change is in itself a complex task. In the context of workforce diversity, it involves creating an inclusive work environment that is aligned with a firm’s mission and strategy. In this kind of work environment employee differences are respected. It should not be considered as a legal obligation. Rather it should be seen as machinery for increasing overall organisational productivity.

Learning as a means of inculcating Diversity Management:

For effecting Diversity Management in the system, employees should be receptive to new ideas. Learning is a continuous process which leads to change in behaviour. Learning makes the firm more adaptive to changing business environment. For starting any organisational change, the writer emphasizes on ‘Reflective Learning’ in contrast to ‘Reactive Learning’. In Reactive Learning, the organisation tackles the pressure for change by reviewing its existing policies or procedures. Organisations generally fail to think about the situations that called for the change and their implications. Engaging in Reactive Learning may not be fruitful for the company in the long run and it generally considered as a quick fix solution. The same strategy was implemented by Denmark-based Novo Nordisk. Initially it based its diversity program on the human rights and discrimination in the workplace. But later on, they engaged Reflective learning and considered diversity program as a vehicle to improve the reputation of the company, and enhance its innovativeness.
The Three Steps of Diversity Management

After considering the type of learning required to be implemented by companies, the writer suggests three major steps in Diversity Management which is called as The ABC Building Blocks…

1. Assessing and Affirming Differences
2. Building Bridges to support workforce diversity
3. Cultivating capabilities and competitive advantage.

Assessing and Affirming Differences
To begin with, the management should assess the demographics of the workforce so that every section of workers is taken into consideration. This will also ensure that resistance to change is minimized. Atlanta, Georgia, branch of Marriott Hotels failed on this front and their idea of maintaining a childcare centre for its working parents failed miserably. Later on, they had to review their plan to increase their business. Thus, their initial failure gave them a lesson that Demographics and socio-economic status should also be given due importance before making any change in the organisation.

Building Bridges to support workforce diversity
Building bridges to support workforce diversity is the second step in organisational change. The top management should be involved in the implementation for it to succeed. Many times, the indifference of the top management results in the failure of effective implementation of the change. The management should be passionate enough and assess the reason as to why there is a need for organisational change. Involving the workers also minimizes the chance of resentment.

Cultivating capabilities and competitive advantage
The third building block is cultivating capabilities and competitive advantage. This step is seen as members coming together and a brainstorming session is conducted. Every member is free to give his suggestion and the best suggestion is implemented. Thus it is disseminated in the organisation. These steps are followed by Proctor & Gamble which gained competitive advantage in South Africa by exporting the idea to use local companies in their distribution system.
Thus, for successful diversity management, Reflective Learning process should be applied rather than going for Reactive Learning. This will enable the company to ponder over some complex questions that concerns the company. There is a paradigm shift from organisational change that is Reactive to environmental changes and global economy.

Organisational change calls for the active participation of the top management as well as the visionary leaders who can motivate others. The first necessity is that the implementers should assess the need for such a change. Change without a purpose is not productive. One fact is to understood by everyone in the organisation - that for the overall success of the Organisation and for maintaining harmony among the workers, the issue of workforce diversity should be appropriately addressed. Diversity can be very helpful for the development of the organisation only if there exists coherence among everyone.

**Managing Diversity**

It is an axiom of our times that our world is rapidly changing. With change comes not only a different view of the world, but also changes in language to name that “new” world. Old words take on new meanings and new words enter the vocabulary, resulting in another way of “seeing.”

It was not too long ago that as a nation we moved from an Agrarian Society concerned with conformity, through an Industrial Society concerned with nationalism and uniformity, to our present Information Society concerned with diversity within a global context, on our way to the Global Society of the 21st century with a planetary worldview. Such cultural and political upheavals have given rise to knowledgeable players in the game of social change, while leaving most people as confused bystanders, desperately hanging on to a past, which in part is dysfunctional to the present and in many ways irrelevant to the future.

The needs of the 21st century demand a citizenry that is culturally sensitive and internationally focused, with an orientation toward the future rather than the past. Diversity is “in”, much to the dismay of defenders of the past, the likes of Arthur M. Schlesinger Jr., Dinesh D'Souza, E. B. Hirsch, Allan D. Bloom and Rush Limbaugh.
Globally the demographic landscape is changing such that more and more the corporate workplace will be influenced by People of Colour. This is that non-dominant, non-white status segment of the population, which, by virtue of the negative meaning placed on them, has been granted limited access as a group to the societal rewards of wealth, power and prestige, and whose value and contribution to society is continually minimized.

Multiculturalism, as the new paradigm for business for the 21st century, is a political ping pong term greatly misused and highly misunderstood. Since for many it is also a valueladen concept, it has come under fire from diverse segments of the population, who due to their social position view the world differently. The fact that where you stand determines what you see is a reality in most situations, and it is especially true for the concept of multiculturalism and the practice of managing diversity.

The concept of Managing Diversity has emerged within the process of globalization and its special challenges concerning diversity of cultures and attitudes in multicultural societies. Everyday life in former, more or less homogeneous social context becomes diverse in several specific parts of life, such as norms and values, distribution of work, working conditions and attitudes to work. In working life, people with different ethnical and social backgrounds as well as diverse expectations on social lifestyle work together. Under these conditions, concepts of corporate identity have been replaced by concepts of managing diversity.

Managing Diversity is a multidimensional management approach that focuses on the perception, utilization and support of diversity among staff members. Social differences (Age, Gender, Ethnicity, Class, Religion, Sexual Orientation, Lifestyle etc) should receive attention in a positive way and these differences should be integrated in a profitable and capitalized manner within companies. Profit- and Non-Profit Organisations used and developed the concept of Managing Diversity in the fields of Human Resources – and Organisational Development.

The concept of “Managing Diversity” focuses on the support of structural and social conditions that guarantee individual development, on knowledge about mechanisms of inclusion and exclusion and on a process of transformation towards “transculturality”.
Iris Koall (2002, 1 ff.) describes the framework conditions for the concept of Managing Diversity in the field of marked-economy in the following way:

- International relations require intercultural communication between companies and between certain company-fields.
- New marked-potentials should be made available through the orientation on cultural diverse customers needs (Ethno marketing)
- Workforce diversity increases for demographic reasons; therefore social competence in interaction with different cultures and lifestyles is required
- Traditional gender roles and attitudes in organisations still focus on a male breadwinner/female co-earner (resp. female caregiver) model and do not meet current developments
- Technical developments foster the process of individualisation and fragmentation of work and life.

The concept of Managing Diversity is based on the fact, that companies are increasingly short-staffed with qualified people. Therefore the management approach has to be changed towards the awareness of differences. The new concept focuses on the individual and its competencies.

There is a strong connection between managing diversity and intercultural and anti-racist-Education programs “which recognize the intrinsic value of cultural diversity” (Dietz 2007: 8). The approaches of cultural diversity in educational field differ from managing diversity because of which and how individuals and groups are addressed. The educational approach is not linked to the market efforts to the individuals like in managing diversity it is. Cultural diversity emerges as a concept in a particular phase of the multiculturalism debates. Cultural diversity could be understood as an answer to neoracism that refers on culture as mode of oppression and exclusion.

Cultural diversity discussions reflected that problem: “Essentializing involves categorizing and stereotyping and is a way thinking and acting which treats individuals as if they were essentially defined, that is their subjectivity is determined by membership of
particular category in this case their cultural/ethnic group. In multiculturalism, therefore culture plays the part of race and sex in other discourses”. (cp. Grillo 1998, p. 196). In the context of education appears the problem of identifying the presence of children from certain minorities in schools with a specific pedagogical problem and the corresponding tendency towards an ethnicization of social conflicts (cp. Dittrich/Radtke 1990, p. 28; Dietz, p 17). To counteract this tendency, cultural diversity tries to focus on processes of constructions of identities, majorities and minorities. This leads over to the term Intersectionality. The term Intersectionality refers to the idea that a person’s experiences are influenced by multitude of factors, such as race, gender, sexuality, social class etcetera. These Categories can interact or intersect in ways that can either advantage or disadvantage the person’s well-being and development. Using this rationale, Intersectionality as an analytic tool can be used to study, understand and respond to the ways in which these factors do intersect and can expose different types of discrimination and disadvantage. Intersectional research and education have different levels of understanding the different levels of power relations.

**Intercategorical Approach**

The concept of Intersectionality does not necessarily focus on the individual level. The Intercategorical approach in the concept of Intersectionality which analyses the relation of inequalities, such as race/ethnicity, gender and class, has no equivalent in the concept of managing diversity. These categories are described as internal dimensions (Four Layers of Diversity, Gradenswartz & Rowe), that “… have profound effects on our opportunities and experiences…” (Gradenswartz & Rowe, 1998: 24), but compared to the Intercategorical approach – they are described in an isolated, well-defined way, which do not have to touch each another.

“For us, there is no doubt, that the Intercategorical approach is the main aim of the concept (of Intersectionality) ….” (Klinger & Knapp, 2005)

**Social Structural Approach**

According to the question, how race/ethnicity, class and gender are interrelated within a given economy and society under national and transnational conditions, Knapp (2006)
refers to the fact that the answer has to be connected to the structural level. Although the social structural lack of the Intersectionality concept was criticised in the past, since the beginning of the nineties, the structural dimension of the concept has been focussed again in cultural disciplines as well as in social sciences.

The structural level of inequalities was never really touched in the concept of managing diversity (except in the very early “Fairness and Discrimination” approach). Managing Diversity is a marked based concept that works with profitable staff potentials. The awareness of minority-needs does not necessarily change organisational structural rules and conditions. At least, structural effects are not intended!

**Methodical Approach**

Up to now, the concept of Intersectionality can be described as an analytical method while managing diversity is implemented through applied sensitizing training methods. Although both approaches face the same staring point in black feminism, the development of the concepts led to different directions.

**Critical comments to the concept of Intersectionality (Knapp, 2006 / Klinger & Knapp, 2005).** The triad of Gender, Race & Class strongly refers to the political and social structure of the United States. Therefore Knapp (2006) asks, if there are any potentials of an intersectional concept for the European context. And: Where are the limits of transferability of the analytical perspective?

**Knapp (2006)** refers to the impossibility, that the term Race can be used in an affirmative and descriptive way in German-speaking countries. In Anglo-American countries, the categories Class Race & Gender were used as identity-categories. The question was, in which way individuals were affected by these categories and which experiences they made as people concerned. A clear definition of the structural ground was missing for a long time. Therefore Klinger and Knapp (2005) speak about the “vacuousness of the discourses”, which certainly appears when the connections and interdependencies of the categories are discussed about. And solely indication of the intersections will not do. (Klinger & Knapp, 2005)
Managing Diversity:

Managing diversity is nothing new. In fact, historic colonizing empires like Spain, Portugal and England, and modern nations like the United States, South Africa, Japan, Germany, and now newly emerged nations with their “ethnic cleansing” efforts, have managed diversity most effectively but for purposes of exclusion, at both the individual and institutional dimensions.

Various institutions in society, such as schools, Religious places, businesses, corporations as well as communities have also managed diversity well, but again, for purposes of exclusion. In part this is because as Audre Lorde tells us, “we have no patterns for relating across our human differences as equals”. Without such patterns or models, the prevailing attitude and behaviour toward persons of colour and others with biological, physical and socio-cultural differences, or those with operating out of different thinking systems, has been one of exclusion and control. Today, to reach our potential as organisations and society, that attitude has to shift to one of inclusion.

Managing diversity is an on-going process that unleashes the various talents and capabilities which a diverse population bring to an organisation, community or society, so as to create a wholesome, inclusive environment, that is “safe for differences”, enables people to “reject rejection”, celebrates diversity, and maximizes the full potential of all, in a cultural context where everyone benefits. Multiculturalism, as the art of managing diversity, is an inclusive process where no one is left out. Diversity, in its essence, then is a “safeguard against idolatry” - the making of one group as the norm for all groups. Therefore, one of the dangers that must be avoided in grasping a proper understanding of another person or group based solely on the negative meaning given to group membership due to biological, cultural, political or socioeconomic differences (such as gender, age, race/ethnicity, political party, class, education, values, religious affiliation or sexual orientation) without regard for the individual. The motivating factor for bashism is fear, arising out of ignorance of the other.

One of the backwash of a narrow view of multiculturalism, especially as espoused by some women and persons of colour, is what Audre call “white maleism.” White Maleism is the tendency of minority groups to blame white males for most of the social evil in the
world today, especially as it relates to sexism and racism, and view them as selfish, ruthless, unrepentant and unredeemable, and, as a consequence, refuse to recognize and accept the contribution that many white males have made, continue to make, and desire to make, to remove oppression. While much of oppression today has been the historical by-product of the abuse of power by white males, not much is gained in terms of creating an inclusive, caring, compassionate educational system and society, by reversing the process and excluding many white males who have been instrumental in creating the “house of abundance” and structures of inclusion. Some of us persons of colour would not be where we are today if it were not for culturally, politically and morally concerned white males, who opened institutional doors, made decisions, implemented policies, and stood in the breach to bridge the gulf of intolerance. The effective management of diversity includes, empowers and benefits all persons concerned, whites included. In an age of cultural pluralism, multiculturalism is needed to manage diversity effectively.

In essence, then, multiculturalism is nothing more than the art of managing diversity in a Total quality manner. It is the only option open to educators, leaders and administrators in an ever-increasing culturally pluralistic environment. In the business world the process of multiculturalism is best maintained through managing diversity—an intrinsic approach to business ethics and human interrelations that acknowledges and respects the contributions which the various racial/ethnic groups, as well as women, have made to society, and incorporates these contributions in an overall program of human resources management which meets the needs of an ever-changing society and its demands on business, and is sensitive to the personal and social development of all entities concerned.

Today’s diverse population pool and workforce is simply not going to go away, but increase. This is the direction of the future - multicultural, multiethnic, multilingual communities. And effective leaders, concerned with the bottom line - the maximizing of profit, whether material or nonmaterial - are recognizing this new direction. The art of managing diversity is thus of great concern to all persons charged with the responsibility of overseeing the work of others. Organisations, however, that try to force today’s reality into yesterday’s management styles will seriously jeopardize the viability of their enterprise. Beyond the challenge of creating a humane working environment where management and staff of diverse backgrounds and experiences learn to appreciate each other, lies the additional one of changing the structural arrangements.
A Model of Structural Change - Total Quality Diversity:

All human organisations have “differences”, since no two humans are alike. Diversity goes beyond this. By “diversity” is meant all the differences that people bring to an organisation or group. Managing diversity should be a comprehensive, holistic process for managing these differences that people bring for the productive well being of all, especially the firm and its mission. A holistic model of managing diversity recognizes its two dimensions: the primary or Horizontal (mainly biological, usually visible: age, gender, race, ethnicity, sexual orientation, disabilities), and the secondary or Vertical (psychosocio-spiritual, usually invisible: values system, worldviews, mindsets, ethics, paradigms, core intelligences). These differences have the potential of giving rise to conflicts, but if managed well can result in a synergetic unity, where the effect of all working together is greater than the sum total of all the parts working independently. The first dimension, focused on the individual, is the horizontal dimension concerned with embracing and valuing differences. This area is of tremendous importance, since staff and administration that do not get along, nor understand each other, are not able to maximize their greatest potential for optimal excellence. Here is where workshops on prejudice, cultural awareness, cross-cultural communication and conflict resolution are most helpful.

However, if this is all that is done such efforts will come to naught, for the individual interactional dimension is only one dimension of change. This dimension must be evaluated by the urgent question of, “Valuing diversity for what?” The purpose of valuing diversity and appreciating differences is not simply to make people feel good about each other. Businesses, like other social institutions, have a specific purpose for existing, to implement their mission through whatever product or service they provide. Thus, bringing interactional change at the individual level is only half the process. Christine Sleeter reminds us that, “A major problem with most staff development programs for multicultural education is that the unit of change on which they focus is the individual, rather than the institution as an organisation”. Such change must be paralleled by a change in the culture and structure of the organisation, the vertical dimension, since it is here where the root problems at the horizontal level often reside.
This second dimension, focused on the institution, is the vertical dimension concerned with harnessing and empowering diversity, the area that deals not only with corporate culture and structure, the way tasks are divided to accomplish the mission of the company, but also with thinking systems. This dimension holds the key to effecting the greatest change in a company, for it is here where exclusion finds it most comfortable home. But change must be more than merely cosmetic, such as adding a diverse looking population to the business. It must also examine in what ways the vision, values, mission and structure of the corporation contribute or undermine effective utilization of the assets all persons bring to a work environment. Change at both of these dimensions results in Cultural Inclusion at the centre, where “living diversity” takes place.

This holistic model of managing diversity is called Total Quality Diversity. Drawing the basic idea of quality from W. Edward Deming, who popularized the concept of TQM, Total Quality Management, the model goes beyond Deming, in that diversity was never an aspect of his model, largely because he worked for many years in Japan, a most homogeneous society. The Total Quality Diversity model shows how exclusion, the model of the past, has been replaced by inclusion, the coming together at the centre of the vision-values-mission of the organisation in Cultural Inclusion. Total Quality Diversity (TQD) is a holistic model of managing diversity that operates on two levels: The Horizontal - the individual interactional change dimension (embracing and valuing diversity); and The Vertical - the institutional structural change dimension (harnessing and empowering diversity). Both factors are driven by the bottom line profit motive, to help businesses deliver a quality product - employees prepared to meet human needs in a competitive global economy.

Diversity has two dimensions, the primary (mainly biological, usually visible: age, gender, race, ethnicity, sexual orientation, disabilities), and the secondary (sociocultural, usually invisible: language, education, values occupation, culture, learning style etc.). These various differences that inhibit inclusion at both the individual and institutional dimensions need to be examined in light of the goal of schools and communities to begin “living diversity.” This is an approach to education and communal life that views multiculturalism as integral to the very fabric of our culture, as a basic value undergirding all that is done.
Total Quality Respect is an integral part of Total Quality Diversity, in that the proper management of today’s diverse business world is not possible without respect for human beings. TQR is the process whereby the other is treated with deference, courtesy and compassion in an endeavour to safeguard the integrity, dignity, value and social worth of the individual. It means treating people the way they should to be treated. It is a lack of respect for others, no matter their position or the differences they bring to an institution, which gives rise to most of the conflicts in organisations.

Take the issue of respect and gay rights. Many people, because of their religious beliefs or social mores, feel that they should not grant equal rights to gays. Yes an important principle, that is often overlooked, is one that recognizes that respecting the humanity of another human being is not the same as condoning their behaviour or lifestyle. Thus, Samuel Betances gently reminds that, “We do not always have to endorse the things which we must tolerate in a respectful workplace in order to get the job done”. It is important to note that organisations are unlikely to embark on change initiatives unless they either are experiencing pain regarding diversity issues, or lack a vision of the challenges before them. Both factors are driven by the bottom line profit motive, to help organisations deliver a quality product or service that meets human needs in a competitive society. The main objective of the holistic model of managing diversity is to accomplish this motive. The end result of this Total Quality Diversity process of management is a lean, competitive organisation, with a multicultural, truly diverse workforce, where creativity, imagination, and intelligence operate in a democratic workplace and environment.

The key dynamic in diversity management then is to maintain the two dimensions of unity and diversity in balanced tension, without erring to either side. Erring on the side of unity results in uniformity and sameness at the expense of our human uniqueness and distinctiveness. Erring on the side of diversity magnifies differences and separation at the expense of our common, shared humanity. Unity is not synonymous with uniformity, neither is diversity synonymous with separation. The solution to the tension is to respect and value diversity while working for unity, otherwise exclusion is the result. Thus the strength of a nation or organisation lies in unity in diversity.
Two extremes must be avoided. The first is similarities where no differences between humans and cultures are recognized. This is the direction of “McWorld” - the homogenizing of society resulting in uniformity. But at whose expense? In the end it ends up being exclusive. The other extreme is differences, where, because of sociocultural differences, the different groups are regarded as having nothing in common. The solution lies in the centre, focused on unity while valuing and respecting diversity. The result is inclusion.

**Need for Gender Diversity**

*The business case for gender diversity in Technology is stronger than ever based on rigorous research findings.* Here is the latest research which demonstrates how diversity clearly strengthens the bottom line.

**The War for Talent Remaining Competitive:** Reaching out to technical women is crucial to a company’s ability to attract and retain the human capital it needs to succeed, and research shows:

- The cost of filling the vacancy of a skilled technical employee has been estimated to be as high as 120% of the yearly salary attached to that position.
- Despite popular beliefs about the impact of offshoring on hi-tech jobs, numbers show that the demand for high-level high-tech jobs such as software engineers has increased since 2000 and that offshoring has not slowed job growth in developed countries.
- Companies are looking for technology workers with more experience and a broader set of skills such as leadership and interpersonal communication skills. Competition for these employees, combined with the drop of computer science graduates and impending retirement of the baby-boomer generation, has led to fierce recruiting competition among firms; nearly 300 technology executives surveyed quoted identifying, hiring, and retaining skilled technical workers as their top concern in 2006.
- Companies with effective diversity inclusion practices benefit from reduced absenteeism and employee turnover.
Women have the skill set for the new competitive demands of technical work
Companies agree that they need more technical leaders with varied skills such as interpersonal skills and business skills. 93% of technical leaders in a survey identified the building of collaborative networks in an organisation as a crucial component of leadership. Women have the skills to meet the new demands of technological work both in terms of technical and interpersonal skills.

Women are paramount to User-Driven Innovation

• Women influence 80% of consumer spending decisions, and yet 90% of technology products and services are designed by men. Including women in the technological design process means more competitive products in the marketplace.

• The most innovative companies design products through user-driven innovation by integrating lead users in the design process. Women bring new markets and new technological applications to the design process and can market effectively to women, opening up new lines of business. Women of various ethnic backgrounds can furthermore open new international and ethnic markets.

Diversity brings benefits to an organisation’s image
Companies with a diverse workforce generally benefit from a better image in the marketplace.

Diversity makes for better decision-making at all organisational levels

• Group diversity leads to better decision outcomes, and this has been shown in a variety of settings, occupations, and organisations, and also applies to group task performance and to creativity and innovation. Diversity is beneficial because a variety of opinions, backgrounds, and thinking styles and their integration into the solution are what contribute to better decision outcomes.

• Research has found a correlation between the presence of women in higher management and financial performance of the organisation, as measured to total return to shareholders and return on equity.

• A recent industry report estimates that by 2015, teams with gender diversity will double their chances of exceeding performance expectations when compared to all male teams.
• Diversity is especially important and beneficial for problem solving and innovation tasks, such as is the case in technology.

Managing Gender Diversity

Gender diversity more than anything else is driven by a business need today. A look at the sheer number of people required by the services sector - whether IT, ITeS, financial services or retail—in the next few years will tell you why gender diversity has become a rallying cry for companies. And the numbers are not in lakhs but in millions. Companies have no other option but to look at a wider pool of talent, and women happen to be one of the most untapped talent reservoirs, not just in India, but globally, as well. They are, therefore, looking at ways and means to include an increasing number of women in the workforce.

While companies need to cast a wider net to bring in this largely untapped talent pool, they ought to do it without any preconceived notions that men are better suited for certain roles, or that women are only good at certain functions. This would be bad for business in the sense that companies would deprive themselves of skills and values that a woman could have brought to that particular function. However, if a company’s only consideration is merit, it would end up hiring as many good women as men. Once this happens, employees of both sexes should be put through the same rigorous training, set on the same career development path, given the same compensation, etc. This would ensure that only the best person wins.

In this way, organisations can be far more successful in bringing gender diversity to the workplace rather than a system which is patronizing, and therefore, demeaning or looking to recruit a certain number from each gender to bring parity.

In a meritocracy, such kind of system is bound to fail. For gender diversity to succeed and become a reality, companies need to look at issues not from a stereotypical point of view, but from an employee’s perspective. There comes a time when some employees need a break to pursue academics or attend to family needs. For instance, in one of the Technology Company, when one of the male staff was transferred to a different location,
he requested his boss to let him stay back because of certain family commitments. His request was granted. It just underlines the fact that the need for flexibility at the workplace is not limited to women. It’s true that women need longer sabbaticals for raising a family or other such commitments, but men, too, expect alternative work practices such as flexible timings, a compressed work week, telecommuting, etc. to pursue education, other interests, or just help out spouse or family.

Therefore, in a talent-scarce economy, what is required is flexible and employee-friendly HR practices and processes to get the maximum out of employees. By creating a culture of inclusion and greater employee involvement with the organisation, companies can achieve better productivity and competitive advantage. By providing better processes and facilities, organisations can create a winning atmosphere that is conducive not only to gender diversity but also to attracting, managing and retaining talent.

Most managers and supervisors at technical companies struggle to achieve and maintain gender diversity. In particular, engineering, scientific, information technology, and oil and gas companies are faced with the problem of recruiting and retaining female employees.

**Gender-diversity discussions tend to focus on three main concerns:**

1) The relationship between corporate profitability and gender diversity,

2) The problem of recruiting and retaining women professionals in technical companies where the corporate culture can be inhospitable, and

3) The number of women entering and graduating from science, technology, engineering and mathematics programs.
Importance of Gender Diversity

First, let’s examine how gender diversity positively affects the corporate bottom line in terms of profitability, return on equity (ROE), and total return to shareholders (TRS). Edith G. Orenstein of Financial Executives International reports that, “A study in 2001 by Roy Adler, ‘Women in the Executive Suite Correlate to High Profits,’ published by the Glass Ceiling Research Center, found that the 25 Fortune 500 firms with the best record of promoting women to high positions are between 18 and 69% more profitable than the median Fortune 500 firms in their industries.”

A 2004 study conducted by Catalyst, “The Bottom Line: Connecting Corporate Performance and Gender Diversity,” examined 353 Fortune 500 companies from five industries - consumer discretionary, consumer staples, financial, industrial, and information technology/telecommunications services. The study found that, “Companies with the highest representation of women on their top management teams experienced better financial performance than companies with the lowest women’s representation.

This finding holds for both financial measures analyzed - ROE, which is 35% higher, and TRS, which is 34% higher.” “Furthermore, diversity can encourage a more balanced view of problems and an increased richness of decision making through consideration of different viewpoints and perspectives,” notes Barbara J. Bowes in her book, The Business Case for Diversity (2007). “Diversity has also been shown to strengthen the overall corporate culture, enhance corporate reputations, act as a recruitment and retention tool, enhance service levels, reduce turnover, lower absenteeism rates, and improve a company’s global management capacity. Diversity creates a sense of worldliness that otherwise would not be possible.”

Technology companies invest a great deal of money to attract and train female talent. When 40% of women leave their organisation (and often their technical profession), this is a very expensive loss on investment. According to Allan Leighton, Chairman of the Race for Opportunity, a UK benchmarking system, businesses that do not include diversity in their corporate strategy will lose their competitive edge. What is more, diversity strengthens corporate brand recognition.
Hurdle No. 1: The Low Number of Women in Technical Fields
First, the number of women graduating from engineering and technical programs is lower than in other professional fields. This is a pressing issue because the number of women entering engineering programs is significantly lower than women entering other professions. According to recent research published in the article, “Why So Few Women, Still?” by Jill S. Tietjen, “In the United States, women constitute about 11% of the engineering workforce and earn about 20% of undergraduate engineering degrees. According to the Washington, D.C.-based Commission on Professionals in Science and Technology, engineering has the lowest percentage of female graduates among all the professions - lower than medicine, law, economics, dentistry, architecture, and pharmacy”. As such, it is imperative that technical companies are able to recruit and retain female engineers.

Hurdle No. 2: Difficulties Retaining Female Talent
In a May 2008 Harvard Business Review (HBR) report titled, “The Athena Factor: Reversing the Brain Drain in Science, Engineering, and Technology,” Sylvia Ann Hewlett, Carolyn Buck Luce, and Lisa J. Servon found that an inhospitable corporate culture is driving many woman technical professionals to leave not only their employer, but their field of expertise. The authors’ research indicates that “52% of this talent [female professional in technical companies] drops out. We are finding that attrition rates among women spike between ages 35 and 40 what we call the fight-or-flight moment. Women vote with their feet; they get out of these sectors. Not only are they leaving technology and science companies, many are leaving the field altogether.”

As Sylvia Ann Hewlett notes, the reasons women leave technology companies center around what the authors call “antigens.” She adds that, “The most important antigen is the machismo that continues to permeate these work environments. We found that 63% of women in science, engineering, and technology have experienced sexual harassment. Hewlett estimates that 1 million women a year in this age group leave technology companies. And, while the mainstream media claims that women are leaving to start a family, the research data does not reflect this belief. One way to define corporate culture is “the way we do things around here.” What kind of culture are these women describing? Hewlett says, “They talk about demeaning and condescending attitudes, lots of off-colour jokes, sexual innuendo, arrogance; colleagues, particularly in the tech culture, who
genuinely think women don’t have what it takes, who see them as genetically inferior. It’s hard to take as a steady stream. It’s predatory and demeaning. It’s distressing to find this kind of data in 2008.”

Some of the other antigens identified in the HBR report include:

1. The sheer isolation any women cope with daily at work.
2. The career path for many women is mysterious because so few have mentors to look out for them.
3. Most male co-workers may not be team players but may be rewarded for risky, lone-wolf behaviour patterns such as flying to another country, rescuing the system crash, and returning as a hero with a new promotion and lots of fanfare at the office; and
4. A combination of extremely long hours—in tech fields the average work week is 71 hours - emergencies, and a very family-unfriendly environment.

At 35 to 40 years of age - when this research found that many women leave technical fields - many women are having a second child, a time when even the most organized woman finds herself caught short by the demands of her life.

From a recent consulting experience in an IT (information technology) company, female software engineers reported that their male colleagues:

1. Did not listen to them,
2. Treated them as if they were useless or as housewives at work,
3. Did not understand their problems, and
4. were disrespectful to their female colleagues and enjoyed gossiping to destroy the reputation of work colleagues.

In a work culture such as this one, it is not surprising that there was a high attrition rate among female software engineers.
Hurdle No. 3: Understanding the Differences

The latest research studies show how women and men work together in corporations is a key concern. Given this, the challenges of how women and men work together become more urgent for managers, especially in technical. Faced with the facts and scenarios listed above, how is a manager to adjust his or her management style in order to thrive in a corporate environment that develops and promotes gender diversity? To explore this question in some depth, we will first examine current research on how the female and the male brain function in different ways. Secondly, we will examine techniques that both female and male managers can use to effectively manage in a more gender-diverse corporate culture. Biologically speaking, sexual differences have an impact on the way woman and men encounter and experience work. Below we will outline five ways women and men see and respond differently in their work environments.

The female brain and the male brain. First, based on more than 20 years of clinical experience and recent medical research, Louann Brizendine in her book, The Female Brain, identifies how female and male brains differ based on specific kinds and levels of hormones and brain processes. She writes that newborn female and male babies visually scan their environments in different ways. Female babies spend much more time scanning the faces around them, while male babies spend more time scanning the environment. This difference in scanning focus emerges in female-male adult interactions. A woman carefully scans another person’s face to read the micro-expressions that are on display, carefully studying the person’s facial muscles, mouth, and rate and depth of breathing. When a woman scans another person’s face, she has the ability to mimic and feel the feeling that the other person is experiencing. Brizendine defines this process as “mirroring” and that women are innately better at it than men. In effect, women have mirror neurons in their brains. Because of these mirror neurons, women can be acutely aware of how their partner is feeling based on their ability to match their partner’s breathing, posture, and facial expression. In effect, women can be human emotion detectors. Specifically, when communicating with others, a woman is searching for congruence - in the tone of voice, in the eye movements, in the facial expressions, and in the gestures of the other person assessing emotional nuance to see if the words match these other components of the message.
According to **Paul Ekman**, in his groundbreaking book based on 40 years of research, Emotions Revealed, Second Edition: Recognizing Faces and Feelings to Improve Communication and Emotional Life (2007), to genuinely communicate and understand each other, it is important to read the micro expressions on an individual’s face. Micro-expressions are only revealed on the human face for a split second. Ekman’s research shows that these micro expressions often contain the real message that the person is communicating to us. Micro expressions reveal the following universal human emotions: anger, fear, sadness, disgust, contempt, surprise, and enjoyment. Brizendine reports that most men are not adept at reading facial expressions and emotional nuance. Brain scans show that women can effectively mirror the feelings of another person better than men.

**Intuition.** Second, Brizendine notes that a woman senses information from the people around her based on her gut feelings. She can sense when a colleague is depressed, a boss is feeling overwhelmed, or a stressful and tense environment has developed in a team meeting. Brain scan studies indicate that a woman’s brain (the insula and the anterior cingulated cortex) has larger areas of sensitivity to track gut feelings. Brizendine concludes that, as such, intuitive gut feelings and hunches are grounded in biology, and “…overall, the female brain is gifted at quickly assessing the thoughts, beliefs, and intentions of others based on the smallest hints”. Given the scientific evidence, “women’s intuition” is based on solid research.

**Feelings.** Third, Brizendine indicates that for men, feelings do not trigger gut sensations, but instead increases rational thought. She says that, “The typical male brain reaction to an emotion is to avoid it all costs”. Scientists have found that it usually takes the male brain longer to decode and process emotions. Finally, researchers speculate that a woman’s tears may evoke a painful response in a man’s brain where he feels powerless to help, which can be difficult for him to tolerate. Consequently, when a woman communicates to a man how she feels, he feels the internal pressure to do something or fix something.

**Communication Goals.** Fourth, men and women have different communication goals. **Deborah Tannen** is a leading researcher on female and male communication. The results of her many years of research are presented in her book, Talking from 9 to 5 and Women and Men in the Workplace: Language, Sex and Power. From her research, she identified
the differing communication rituals of men and women. The goal for a man in interpersonal communication is to establish status, hierarchy, and power, Tannen says. This phenomenon especially occurs in conversations that tend to be asymmetrical. One person has more knowledge, more information, or experience. For a man, this gives him the feeling of having more status. For example, when men discuss sports, there is an exchange of facts and details where one person in the conversation is trying to display more knowledge of the sporting events. In one of the case studies, on an occasion at work, it was observed the following situation on a Monday morning between one woman, Linda, and several male colleagues discussing the football game from the previous Saturday. The men were discussing the facts and details of the football game. Each man in the conversation was trying to outdo the other with his knowledge of the teams and players. When Linda tried to make some comments about the game, the men ignored her and continued talking among themselves. Linda tried again with the same result. Finally, after not being acknowledged by the men, she walked away in frustration and felt excluded from the “good old boys club.” This real-life example illustrates how most women and men have differing communication goals. For most women, the primary communication goal is to create intimacy and connection by establishing rapport where everyone in the conversation is viewed as an equal. Men view conversation as an opportunity to spar with each other creating a hierarchy of one-upsmanship; women view conversation as an opportunity to share with one another to create a web of relationships and connections.

**Processing Anger.** Finally, men and women experience the same amount of anger, but men express a greater amount of anger and aggression than women. This connects directly to differences in the female and male brain. According to well-documented research, Brizendine notes that, “The amygdala is the brain center for fear, anger, and aggression, and it’s physically larger in men than in women, whereas the anger, fear, and aggression control center - the prefrontal cortex - is relatively larger in women.” While men express anger immediately in a hair-trigger fashion, the female brain is hard-wired to reflect on anger before expressing it out of fear and anticipation of retaliation. What is more, the female brain has a strong aversion to conflict due to the fear of making the other person angry and, potentially, losing the relationship. Typically, the net effect of this biological difference is that a woman will not express her anger in situations where there is a chance of male retaliation.
Five Secrets to Managing in a Gender-Diverse Environment:

It is important to recognize that the research studies cited here are scientifically recognizable patterns of behaviour in women and men. Since there are always exceptions to the patterns identified (some women try to problem solve rather than listen; some men are good active listeners), these exceptions do not invalidate the results of these research studies:

1. **Woman-to-woman mentoring.**
   One successful approach is to create a woman-to-woman networking program. In such a program, a more senior woman in the organisation provides mentoring guidance to more junior female employees. The role of the mentor is to provide advice on career paths, to help navigate organisational politics, to be a sounding board about office politics, to prevent isolation at work, and to help create a culture that better supports gender diversity. **Intel & CSC** are the two examples of companies that had implemented a successful mentoring program for women employees. This was based on the work of **Kathleen J. DeBoer**, in Gender and Competition: How Men and Women Approach Work and Play Differently (2004).

2. **Empathy vs. advice.**
   Often when a female colleague discusses a problem with a male colleague, she is seeking empathy (someone to listen to her) rather than looking for a solution to her problem. For men, remember that the primary goal for women in communication is to make a connection. Women feel connected to others when they feel their feelings are acknowledged and genuinely understood. For women, remember that male colleagues are looking for bottom-line results. Men want solutions to problems, not empathy from you.

3. **Anger management.**
   As Author **Kate Driesen** advises men, “When you lose control with anger and rage, you lose, period”. Anger is one of the primary male reactions to stress. However, when male managers blow up at work, it makes them look unprofessional to their supervisors and damages their relationships with female colleagues. For women, when male colleagues express their anger, it is important to realize that, yes, male anger does scare you. This is
part of the hardwiring of the female brain at work. After the angry incident, get out of the situation as soon as you can and go to a quiet place, take a few deep breaths, and reassure yourself that the display you witnessed is your male colleague’s inappropriate reaction to stress.

4. Working through problems.
When men hear women talk about their problems, men often hear “whining” and “complaining”. Men see this as counterproductive, because they want to solve problems and get results. When faced with difficult emotional problems at work, it is better for a woman to discuss her feelings with a trusted female colleague. For men, recognize that withdrawing and not addressing conflict is perceived by work colleagues as a sign of emotional immaturity and a lack of social awareness. It is important to communicate openly with male and female colleagues at work.

5. Creating a healthy meadow.
In the mid-1990s, Don Coyhis of the Mohican Nation was asked by his tribal elders to describe his work with corporate cultures. He was asked what would happen if you planted a healthy tree in a sick forest. Coyhis replied that if you plant a healthy tree in a sick forest, the new tree will become sick as well because it is fed by the same nutrients from the soil, the same water, and the same air as the unhealthy trees. He counselled that in order for the newly planted healthy tree to survive and thrive, a healthy meadow would need to be created, where the good nutrients and clean water and air can feed all the trees in the healthy meadow.

Thus if managers recognize that misunderstandings between women and men at work are often based on female and male brain differences with resulting displays of gender-specific behaviours, then they have the chance to practice a new set of behaviours. These new behaviours provide them with a more flexible repertoire of responses to stressful work situations.
Diversity in India

Diversity is part of India's DNA. India is the second most culturally, linguistically and genetically diverse geographical entity in the world. India's democratic republic is premised on a national belief in pluralism, not the standard nationalist invocation of a shared history, a single language and an assimilationist culture. State boundaries in India are mostly drawn on linguistic lines. In addition India is also one of the most religiously diverse countries in the world, with significant Hindu (80.5%), Muslims (13.4%), Christian (2.3%), Sikh(2.1%), Buddhist, Jain & Parsi populations.

Cities like Delhi, Mumbai, Chennai and Bangalore display high levels of multilingualism and multiculturalism, spurred by political integration after independence and migration from rural areas. It has been its manifest destiny described most evocatively thus: kafle aate gaye, karavan baste gaye, Hindustan banta gaya (convoys kept coming, caravans kept settling, India kept getting made). Indeed, India has the greatest diversities - seven major religions and numerous other sects and faiths, 22 official languages and over 200 recorded mother tongues, around 4,635 largely endogamous communities as revealed in the late K.S. Singh's monumental People of India and 15 distinct agro-climatic zones.

India's population is made up of nearly 2,000 notified castes and tribes. Three of the main Hindu castes number more than 10 million each; as many as 21 castes and tribes number more than 2 million each; 47 number more than a million and 206 number more than 100,000. Often these groups are at each other's throats, and sometimes for no discernible reason other than a belief that they were wronged at some point in history.

By the time we get through crunching numbers, the challenge of managing India's diversity becomes evident. And when we add to this abacus, elements such as poverty, illiteracy and homelessness and, most important, a centuries-old history of inequity and often of distrust, the task of managing diversity seems insurmountable.

In India, the mantra has been "Unity in Diversity". India's approach to managing diversities has been somewhat unique. In fact even as India's electoral system produces new diversities, it is precisely this approach that has kept the country together. Assimilation has certainly not been on the agenda, while integration has been pursued.
Uniformity and homogeneity have been eschewed. Individual identities have been preserved and protected.

**When it comes to managing diversity, which approach is superior?**

While the United States necessitates that we each adapt to dominant cultural norms, India, more than any other country in the world, emphasizes the adoption and promotion of the “cultural mosaic” approach. By celebrating differences and by according legitimacy to the values held by all communities, India makes it possible to negotiate and develop a synthesis.

The fact is that Americans live under constant fear: fear of terrorism, fear of different skin colours, fear of foreign language, fear of different cultures and religions, fear of deviation from dominant norms, fear of difference of any kind. Whites are scared of going into black neighbourhoods, blacks of going into white neighbourhoods. Both are scared of Muslims and individuals wearing turbans. Hinduism and non-monotheistic worship make all of them nervous.

Funnily enough, the fear that victimizes so many Americans is largely a creation of their own. If you define and project your own values, norms, and colour (or other features) as superior, then by definition you have created a world in which everyone else becomes inferior. And since you are powerful and rich, you feel vindicated both by your belief in your own superiority and the necessity to “educate” and “better” others.

This is not a real melting pot. A real melting pot would be open to including the values of all sections of society: all ethnic groups, females, sexual minorities, races, and language groups. But, at present, when we hear about “American” values, what we’re really hearing is about the values held and advocated by male WASPs (White Anglo-Saxon Protestants), the dominant group in American society. That the American “values” largely exclude the values of African-American and Hispanic communities does not surprise me much because of the historical factors and negative prejudices still widely prevalent in this country; however, the fact that even the values of “successful” ethnic groups like Indians and Chinese, for whom there is a kind of positive prejudice (model minorities: Indians are “smart” and Chinese “entrepreneurial”), pose a threat does come up as a bit of surprise.
This is a melting pot that forces newcomers to adopt dominant norms or perish. This is a melting pot that breeds resentment on all sides. Three recent, glaring illustrations should bolster my point.

First, Americans firmly believe that they are doing “good works” by promoting democracy abroad and resent Iraqis for being ungrateful for their commitment and efforts. “Did we not get our sons killed for them? Why is the government wasting zillions of dollars on the ungrateful wretches?” Iraqis resent it because a countless number of lives have been lost and millions displaced for no reason, and the rest of the world resents the United States because they perceive the war to be “misguided amateurism” at best, or “American neo-colonialism” or “anti-Islamic conspiracy” depending on how they are affected.

Despite all these imperfections, the Indian approach of managing diversity as a cultural mosaic still makes India better equipped to deal with challenges. Differences are treated as a natural and values of all communities as legitimate. By according legitimacy to all communities, India makes it possible to develop a synthesis of cultures and ideas that is not based on the values of any one group alone.

History has shown that societies decline when they become insular and closed to ideas from the outside world. This happened to India in the Middle Ages when it fell from being the richest country in the world to being among the poorest, and it is happening now to Europe. By being opening up to change, India has already made rapid strides towards its own transition.

The United States may have a lot to teach the world about promoting entrepreneurial culture, infrastructural development, and economic growth and like, but when it comes to managing its ever growing diversity, it would do well to learn from India.

- India has become a key player in the modern global economy, serving as a significant global hub for knowledge-based economic activities, both as an “offshoring” destination but also through the growth of indigenous firms.
• The country has achieved a steady GDP annual growth rate in the range of 6 to 8 percent during much of the past decade. Factors such as reformed economic policies, large-scale privatization, and the availability of an enormous talent pool, substantial foreign investment, and advances in communication technologies should continue to drive economic expansion.

• With a middle class estimated at 250 million people, India offers a large and growing market for goods and services.

• India holds incredible cultural diversity within its own borders that shapes the mindsets of Indian partners, vendors, employees, and other key stakeholders. Foreign companies that understand and know how to work with India’s internal diversity are more likely to be successful in leveraging the country’s economic potential.

India’s cultural diversity will continue to surprise and challenge foreign companies for a long time to come because the impact of globalization on cultural change for the bulk of India’s enormous population is slower than many may perceive. Whatever cultural change is visible to foreigners is taking place mostly in those large urban centers where foreign companies have established a significant presence either through their own Indian subsidiaries or through their Indian vendors. Moreover, even in these urban centers, the cultural change is slow and not uniform across all sections of the society and workplaces.

In India, there is a constant struggle between maintaining traditions that are uniquely Indian, and Western traditions, which look attractive. This is particularly true for the younger generation of Indians. On one hand, they have to adapt to Western practices in their current workplaces because of their everyday interaction with overseas counterparts; on the other hand, they are pressured by their families and society to adhere to their Indian roots and traditions. This tug-of-war is of great importance particularly to foreign companies, because they are likely to make mistakes if they ignore the diversity and the difficulty of working in the multifaceted Indian society.

It is often said that there is no country on earth that offers the same cultural diversity as India. This is indeed a unique country when it comes to diversity, with 22 official languages, 28 states and 7 UT each with their own distinct traditions and character, and a population rich with diverse religious faiths, dress, and accents. Such a level of diversity
could perhaps be found elsewhere in an entire region such as Europe; however, in India this diversity is contained within the boundaries of a single nation.

Not only is the country as a whole highly diverse, but the business environment within India is becoming increasingly diverse as well, as people are being drawn across regional boundaries by the growth of new jobs in manufacturing as well as knowledge industry services such as information technology (IT), business process outsourcing (BPO), R&D, and call centers. With job opportunities now being created rapidly through Indian private sector involvement as well as foreign investment in various sectors, it is becoming more common for people to move away from their home regions to take jobs in other states, where they join employee populations that include people from many different parts of the country. Within a team of Indian workers there may well be people who have difficulty understanding each other because of strong regional accents as well as other communication barriers and behavioural differences.

Diversity refers to any perceived difference among people, age, race, religion, profession, sexual orientation, geographic origin, and lifestyle, tenure with the organisation or position and any other perceived difference. Considering the above definition of Diversity, India becomes the most appropriate example where diversity exists. In democratic country like India, where people are given freedom to adopt the religion they want, speak the language of their choice etc. it becomes essential to acknowledge various regions religions, languages, genders, socio economic backgrounds etc. this leads to diversity amongst population of India.

When we talk about India Inc.; India Inc. is at the peak of success and progress today, this can be concluded after analyzing the growth curve of India Inc. India has emerged as the second fastest growing major economy in the world. For India to attain its full potential as an economic power, Globalization is being recognized as the driver for future growth for Indian industry. When a business goes beyond the national borders of its country, the complexity grows. This complexity is created by the sheer diversity of factors to be balanced and managed at every level. Beyond marketing, finance or production, a range of legal, political, cultural and sociological dimensions enter the picture. In Context of Globalization, Diversity is Inevitable. Diversity is inherent to India’s culture and is perfect example of Unity in diversity.
However with globalization comes one of the major challenges in front of India Inc., which is difficult to quantify and control, is cultural diversity. Thus, diversity management becomes one of the major concern for India Inc and in order to overcome this challenge, its required to have an open mind about accepting people's working style and individual tastes and performances. Cultural diversity if utilized well, enhances one's ability to generate new ideas.

Diversity management is ensuring that factors are in place to provide for and encourage the continued development of a diverse workforce by melding these actual and perceived differences among workers to achieve maximum productivity. Diversity management involves creating a supportive culture where all employees can be effective. In creating this culture it is important that top management strongly support workplace diversity as a company goal and include diversity initiatives in their companies' business strategies. It has grown out of the need for organisation to recognize the changing workforce and other social pressures that often result.

Next question which arise is why is diversity management required? Employees of any organisation are becoming increasingly heterogeneous; this is because a large number of women are joining the work-force, Young workers in the work-force are increasing. International careers and expatriates are becoming common and many more reasons. Because of these factors Diversity management is becoming important concern for HR department.

In order to manage diversity effectively, its essential to consider female employee needs, such as child care and job sharing. To prevent their turnover, commitment from top management towards value diversity is a pre-requisite, to arrange mentoring programme by senior managers to identify promising women and minority employees and play an important role in nurturing their career progress, to arrange diversity training programmes to bring diversity awareness and educate employees on cultural and sex differences and how to respond to these in the workplace. There should be an apprenticeship programme to train promising prospective employees properly before they are actually hired on a permanent basis. Employer should set up a support group to provide a nurturing climate for employees who would otherwise feel isolated. To conduct diversity audit to review
the effectiveness of an organisation's diversity management programmes, there should be a proper communication which includes speeches by senior executives, inclusion of diversity in corporate vision statements, the publication of diversity brochure and inclusion of diversity as a topic in new employee orientation. Managers need to be sensitive to the needs of working parents.

If the above points are considered it will become easy for India Inc. to overcome the challenge of diversity management and it will be beneficial for India Inc. which is growing rapidly because it will make easy for organisations to enter a changing market situation, it will help in large scale business transformation, High quality customer service and it will give power to work-force which will lead to total quality improvement, alliances with suppliers and customers. Ultimately all these will lead to Uninterrupted learning process and hence uninterrupted functioning of organisations.

India’s present workplace environment.
Diversity variables addressed will include:

- Language
- Regional Origin
- Religion
- Socioeconomic Status
- Gender

Language Diversity: Business Implications
There are several implications of India’s vast array of languages that are worth taking into account from a practical business standpoint.

- Some of the growing IT or high-tech centers such as Bangalore, Hyderabad, Mumbai, New Delhi, and Chennai offer a multilingual work environment because these centers have been attracting human capital from almost every region of the country. Employees in such locations will include many people who do not speak the same mother tongue and may, in some cases, use English among themselves as their common language. But their different accents, speech patterns, and sentence structures could mean that they are not always well understood by non-Indians. Office tension can be created when the majority of a team speaks one
language and they exclude other team members by sliding back into their native language rather than switching to English, Hindi, or another common language.

- Many new projects initiated by multinational companies involve state governments, and negotiations or project coordination meetings must take place with state-level politicians or government employees. It is likely that the English language skills of many of these Indians may not be at par with those of their foreign counterparts, and this disparity can become a source of misunderstandings and conflicts.

**Regional Divisions**

Indians are very proud of their regional or state identity. When two Indians meet for the first time, they often ask each other, “Where are you from?” even before they ask each other’s names.

India is a large country, both in terms of its geographic coverage and its population. It currently has 28 states and 7 union territories. One can easily see significant differences from east to west and north to south, but most people think of India’s vast geographic diversity primarily in terms of the North-South divide, with the southern region comprised of the four states of Andhra Pradesh, Karnataka, Kerala, and Tamilnadu, and the remaining 24 states forming northern India. This North-South archetype is based more on linguistic and cultural divisions rather than geography. The cultural North-South divide is extremely visible in language, food habits, and behaviours of the people who reside in the two major regions.

**Regional Differences: Business Implications**

Implications of India’s regional differences for companies doing business there include considerations such as the following:

- Foreign companies interested in India should carefully assess the costs and benefits of locating in a particular region. Regional comparative advantages are changing rapidly, so it is best to avoid decisions based solely on generalizations about a particular city, state, or region. Beyond the immediate questions that a foreign firm is likely to ask about workforce availability, infrastructure
development, and incentives for setting up operations, it is also wise to look closely at other factors such as the broader economic climate, likely employee retention rates, changing government regulations, and political corruption.

- Investors should examine not only the current social and economic infrastructure in large cities, but in smaller cities as well. Companies in the IT or IT-enabled industries are facing the fact that major business centers such as Bangalore are beginning to suffer from pressures of rising labour costs and rapid growth with accompanying infrastructure nightmares. Shortages of experienced human resources along with infrastructure limitations in large cities have spurred businesses to take an interest in new ventures in the second-tier cities where the overall costs of doing business are lower and employee retention rates could be higher. For example, cities such as Pune in Maharashtra, Gurgaon in Haryana, Noida and Ghaziabad in Uttar Pradesh, Nagpur in Maharashtra, Vishakhapatnam in Andhra Pradesh, Pondicherry in the Union Territory of Pondicherry, Mysore in Karnataka, and Kolkata (Calcutta) in West Bengal are drawing increasing attention as newer centers of domestic and foreign investment.

- Compared to the pre-liberalization periods in Indian business history when only the public sector companies owned by the government were big employers, privately owned companies are taking the lead in creating large numbers of new jobs. A modern private sector company is less likely to experience tensions among employees who come from different parts of the country, although these are still present. Interregional tensions are more likely to exist in some state-owned enterprises where the majority of the employees belong to the same region and may be inclined to exclude others.

- Seventy percent of the Indian population still lives in villages or rural areas, while the remaining 30 percent live in towns, cities, or urban areas. Although this ratio did not significantly change from 1947 until the late 1990s, there is now a growing rural to urban migration trend as people move to the cities in search of better employment opportunities. Smaller towns and cities also are losing college graduates because foreign or domestic investments in offshore operations are concentrated in major cities. Over the long term, many regions in India should still be able to offer a plentiful supply of workers with strong technical training as a result of high quality educational institutions and trends toward urbanization.
Religious Diversity

State boundaries in India are mostly drawn on linguistic lines. In addition India is also one of the most religiously diverse countries in the world, with significant Hindu (80.5%), Muslims (13.4%), Christian (2.3%), Sikh (2.1%), Buddhist, Jain & Parsi populations.

Religion in the Indian Workplace

Religion is not a factor in the hiring practices of the private sector in general and multinational companies in particular. Professional track record and interpersonal fit are viewed as being more significant. Generally speaking, Indian workplaces embrace religious coexistence as well. At the same time, companies observe certain common practices in order to avoid religious conflict in the workplace. For example, because beef is forbidden for Hindus and pork for Muslims, employers do not serve any form of beef or pork at the company cafeteria or for company functions.

Hindus dominate most parts of the country except in Jammu and Kashmir, Mizoram, Meghalaya, Nagaland, and Punjab. With the exception of Punjab, until now foreign businesses have not shown an interest in these non-Hindu states. Therefore, as far as workplace implications from religion are concerned, the largest part of India continues to be influenced by the Hindu way of life. Hierarchy is an important concept in the Hindu paradigm, and most Indian organisations, in the private as well as government sectors, display a span of organisational and interpersonal hierarchy greater than that in the West. Religious affiliation affects the way that employees arrange their workspaces as well as their own personal dress and appearance. The visibility of these religious practices is in sharp contrast with the West, where religious symbols are generally kept away from the workplace. It is common in Indian offices and private cubicles to display pictures of favourite gods or goddesses; these images may also be used as screensavers on computers. Many employees may come to the workplace with a red thread tied around their wrists from a Hindu ritual, or with ashes on their foreheads and necks from the morning puja, or prayer. A red thread is used for all types of ceremonies, from a general blessing to a funeral, and this thread is worn on the wrist until it naturally falls off as a reminder of the ceremony. A man from the Brahmin caste or some of the highest castes
may wear a thread (Janeyu) draped over one shoulder and tied at the opposite side of the waist. This thread is tied in the marriage ceremony and is worn at all times.

Married Hindu women from the North will often have red vermillion powder on the parting of their hair to show that they are married. Married women in the South and West will instead wear a black-beaded golden necklace. Hindu women also wear bindis, an eye-catching round mark, often in the form of a red circle or a flowery pattern, on the forehead as adornment. The area between the eyes is an auspicious energy point known as the sixth chakra, and placing a bindi there brings protective energy and good luck. The Sikh code of conduct requires Sikh men to wear a turban as a sign of honour and self respect. They are not supposed to cut their hair, including their beards. Hair is tied up on the top of the head and covered with a turban. Muslim colleagues may wear a prayer cap. This cap usually worn during prayer to show respect to Allah, but may also be worn throughout the day.

India’s complex holiday calendar reflects aspects of its religious diversity as well as key secular events. Public holidays in India tend to be observed on a strictly regional basis. Only the secular national holidays of Republic Day (January 26), Independence Day (August 15), and Mahatma Gandhi’s Birthday (October 2) are mandatory and universally observed. In addition, there are numerous festivals and fairs that are also observed in some states as holidays; their dates change from year to year. Muslim festivals are timed according to local sightings of various phases of the moon, so their dates also change. Generally, Indian employees are entitled to 10 scheduled holidays of their choice in addition to the three national holidays. The government sector may celebrate more holidays because it does not share the same practices as in the business sector.

As a mark of respect for local customs and for better relationships, foreign firms should avoid scheduling critical work processes during key holiday periods when Indians are likely to go on vacation, or productivity levels may be lower. Employees in Business Process Outsourcing or call center businesses may follow the holiday schedules of their client countries because their operations are synchronized with client schedules. Although many Indians are likely to be flexible on the holiday issue, an opinion poll is generally taken for deciding on companywide observance of some of the holidays, particularly when these follow the Indian calendar.
Here are some other workplace implications of India’s tremendous religious diversity

- New company projects may be launched with a token religious worship or ceremony; a local priest often performs this. The priest decides an auspicious time for start of the ceremony. Key managers, politicians, or government officials may be invited for launching an important project or a new venture.

- According to Indian traditions, parents and families arrange the majority of marriages, and the wedding ceremonies are finalized in a span of weeks rather than over a year or so. Therefore, Indian employees may request unplanned or sudden leaves of absence for weddings and other family ceremonies.

- In some southern parts of the country, traditionally minded employees may refrain from making any critical decisions or starting an important task during certain inauspicious times on a given day. This period is known as Rahu Kala, which means the time or the period of the evil planet Rahu. Such practices may or may not be of critical importance to a majority of the employees. (In one instance in a multinational firm, concerns were voiced about planning the new hire orientation at an auspicious time to ensure that people would join the company. It was later revealed that it was only those in the Brahmin caste who were particularly concerned with Rahu Kala, and that there would be little impact if the orientation took place during an inauspicious time.)

- Depending on the number of Muslim employees in the workplace, the company may have to provide a designated space as a prayer room to allow Muslim employees to offer their ritual prayers. This is especially applicable during the month of the Ramadan and for Friday prayers. If the employer is not able to provide the space for prayers, flexitime should be allowed so that employees can go to a nearby mosque or another suitable place to pray. During the fast of Ramadan, Muslims are not allowed to eat during daylight hours. It should not be a surprise if, during this time, Muslim colleagues leave work right at dusk to eat for the first time that day, possibly even returning to work again after the meal.
Socioeconomic Status

It is impossible to talk about India without mentioning caste, a social kinship-based system that has been continuously evolving over many centuries. Rooted in the Indian civilization, the history of the varna, or caste system, dates back more than 3,000 years. It was originally conceived as a division of labour based on ability and included four main varnas, or groups: Brahmi (priests, teachers), Kshatriya (warriors, rulers), Vaishya (traders, farmers, craftsmen), and Shudra (menial workers, servants). Brahmins excelled in knowledge, and by virtue of being scholars, they gained proximity to the rulers and other upper castes and became very influential in society. Untouchables (also referred to as Dalits) were those at the very bottom of this social ladder; they engaged in lower-ranked occupations that were regarded as being less clean. In an effort to eradicate the practice of untouchability, Mahatma Gandhi embraced the untouchables and coined the term Harijan or “children of God.” Subsequently, the cause of improving the situation for this disenfranchised social group was taken up by others.

Socioeconomic Status: Business Implications

India’s socioeconomic environment, including the enormous gaps in living standards that persist as well as the impact of post-independence reforms, has significant implications for foreign employers:

- Reforms in India’s traditional social system, along with more widespread access to educational opportunities, have created a massive pool of human resources that are increasingly available to foreign employers. By hiring and promoting based upon merit, foreign firms can both help to support the country’s social reforms and leverage this talent base to achieve their own strategic global objectives.

- Corporate social responsibility programs to improve the socioeconomic status of the communities where a business operates are important because of the huge disparity that still exists between rich and poor and the legacy of the caste system. These programs also tend to increase loyalty and goodwill within an organisation and the larger community, and are a unique way of retaining talent.

- Favouritism or special actions on behalf of a particular caste sometimes occur but are not a prevalent practice in industry these days. With an open company culture, a committee may review and nullify any favours given in an inappropriate
manner. Most employment in the knowledge industry is finalized only after a written test and technical discussion.

- Job reservations in the private sector for so-called backward classes and scheduled castes and tribes are mostly opposed by the private sector management because of serious concerns regarding their global competitiveness. If hired under pressure of the political agenda (or the feel-good factor), the favoured employees are likely to be put in noncritical departments to fulfil a job reservation quota, thereby minimizing the impact on the business.

**Gender Issues in India**

“You can tell the condition of a nation by looking at the status of its women.”

—Jawaharlal Nehru

India has traditionally fostered a male dominant society, but expected behaviours for male-female roles in the workplace as well as in other segments of life are starting to shift. The status of women in India within the family, extended family, society, and the workplace varies greatly between rural and urban areas, and is often influenced by the level of education.

Women in the workforce today are often caught between traditional expectations and modern realities. Many Indians continue to live in extended families, so a new bride moves into the groom’s house to live with her in-laws, including her husband’s brothers and their families. Often there is a generation gap between the mother-in-law and modern wives. Traditionally, the young wife would take over cooking for the whole household, but a career woman is unlikely to have the time or energy to handle these additional responsibilities. Her mother-in-law may find it upsetting to have a new female member of the household who continues to work outside of the home or takes a new job. Indeed, the mother-in-law frequently puts so much pressure on her son and his new wife that the younger woman is forced to cut back on her work responsibilities or give up her job entirely. Women who have sufficient means sometimes choose to hire a cook as a way to keep the peace in their extended family and to allow themselves the time to work.
However, it is still not accepted in most cases for women to serve as civil engineers because they would have to work outdoors in construction areas. What is seen as permissible also varies according to the caste and class background of each social group. There is a fundamental differentiation in career choices for women according to whether they live in a rural or urban environment. In the rural areas of the country, the preferred professions are teaching in schools, healthcare, government agencies, rural banking, and social work through voluntary organizations. The scenario in the urban centers is significantly different because of greater exposure to the global economy. Preferred professions here are medicine and healthcare, teaching in schools and universities, scientific research, airlines, service industries (such as advertising, banking, legal services, retail business, insurance, hospitality), administrative positions both in government and the private sector, software engineering and development, and a variety of jobs in the business process outsourcing industry. Some of the non-preferred employment categories in both rural and urban settings are law enforcement, restaurant staff, cab and bus drivers, and security guards.

**Gender: Workplace Implications**

Indian women were historically treated as second-class citizens, but the number of very well educated and skilled women in the workforce is growing steadily. This provides an opportunity for domestic, as well as foreign, companies to find skilled and talented women in many fields.

*Indian women constitute about 20 percent to 25 percent of the workforce in the IT sector.* They have received a great deal of attention recently because this field is comparatively new to India in general and for women in particular. There is hardly any gender-based salary differential in this field. The annual salary packages in the IT industry tend to be 60 percent to 100 percent higher than in manufacturing or other service industries, providing a level of income for a significant number of women that would have been unthinkable in earlier decades.

Lower attrition rates among female employees can lend stability to workplaces and work teams that have been plagued by high turnover. Employers are starting to recognize the value of this greater stability in an employment market where retention is one of the most
difficult issues. According to Western employers, their female employees have proved to be excellent professionals, very good in meeting project deadlines, and create a friendly work environment.

The Indian statutory practice is to provide women employees with 12 weeks of maternity leave with full pay. Requests for some additional leave are being granted liberally based on individual circumstances. Some companies are also offering one to two weeks of paternity leave to husbands of expecting mothers. Because nuclear families in urban centers are becoming more common and motherhood is a respected role in the social fabric of the country, these liberal benefits are very positive steps for recruitment and retention efforts. Satisfied female employees often refer their friends to the same company.

Prevention of sexual harassment in the workplace is finally being taken up at the political level. New legislation by the Supreme Court of India is addressing this issue, yet there is a perception that many in the workforce are still not aware of what constitutes sexual harassment. Most companies have or are establishing women’s councils staffed by senior managers, with at least 50 percent female membership in these roundtable councils. Foreign companies are advised to pay greater attention to male-female interactions in the workplace.

Many hindrances still exist for female employees with limited skills. Some of the issues are less pay for the same work, lack of childcare facilities, unsafe working conditions in construction and farming jobs, and daily wages with no guarantee of entitlement to statutory benefits, including medical benefits and maternity leave.

The Indian Factories Act rules that prohibited women from working in offices after 7 p.m. have been modified in some states to allow female employees in the IT-related industry to work later. In such cases, a company typically provides door-to-door transportation during evening or night hours. The central government is introducing new legislation that will allow women to work in all industries during night shifts.