Executive Summary

In present time, we are moving towards globalization. Due to globalization the multinational corporations are doing their business across the world in one or other way. The companies are allowed to do the business across the world. The business environment across the world is highly turbulent and its factors are changing very rapidly. No doubt there are many advantages of globalization but there are disadvantages also. When business activities are carried out in different countries, the companies come across different economies, political systems, cultures, markets, customers, and employees. The differences are noticed in these and it is called diversity in culture and markets. Diversity is a very wide term and bit difficult to define it. It includes main elements are like sex, age, race, religion, region, work style, experience, values, education, physical and technical competencies, trust, beliefs, traditions and customs, mental caliber, personality, experiences, affiliation, economic development, per capital income, marital status, knowledge, preference and tastes for products, area of specialization etc.

The companies acquire the human resource from home country, host, and third countries also. The composition of the workforce is highly diverse due to their cultural backgrounds. These individuals at the work place exhibit not only similar behaviour patterns and characteristics to a certain degree but also they show much dissimilarity. The management must therefore be aware not only about organization but also employees and their needs. Since globalization in last two decades, diversity of workforce has become an important issue for HR managers. It is to be managed effectively so that performance of employees and organization as a whole can be improved to get competitive advantages in global markets. Workforce diversity is a complex, controversial, and political phenomena. It has been conceptualized by researchers from several viewpoints.

In Workforce America Managing Employee Diversity as a vital resource, diversity is defined as “otherness or those human qualities that are different from our own and outside the groups, to which we belong, yet present in other individuals and groups”. The literature review showed that although there are numerous ways in which diversity has been defined, there is no definition that fully includes all the characteristics that a diverse population may bring to the workplace. Generally in India and abroad workforce diversity is the most dominating category of diversity. There are a number of reasons for this diversity such as large percentage of working women due to increasing education of female, younger age employees, national and international mobility of manpower increasing, job opportunities
across the world, and experience at international assignments etc. These elements are making
the things difficult to understand the differences among employees. Management find
difficult to communicate and manage these people properly.

Workforce diversity is a reality at multinational companies across the world and creating a
lot of problems for management. The diversity is to be managed at organization level. It
would enhance healthy management practices for developing better understanding, relations
and cooperation without any discrimination at individual level. The support of workforce
would help the management to achieve the objectives effectively. The organization can
develop a good reputation as a good employer, attract better and talented manpower and save
times, efforts and costs develop diverse customers’ base for business. There is no one
solution of this problem but sincere efforts are needed in this direction. The literature review
also showed that there is a wide range of approaches, strategies, or initiatives for managing
diversity in the workplace. No single initiative is comprehensive enough to solve all
diversity issues or to successfully manage diversity in organizations. The execution of the
workforce diversity concept could be vastly different from country to country, from
company to company. The very success of its implementation is depending on business
needs and workforce issues as well as situational factors, such as the organizational culture
and workplace environment.

Indian automobile sector is only seventy years old approximately. Mainly up to
independence the cars were imported in small lots from different countries. The use of car
was a luxury at that time in India. Before independence, Mahindra & Mahindra Company
was established by two brothers as a trading company and started assembling of Willy Jeep.
After independence also the growth was slow due to license raj of the government. Up to
1970 the growth was mainly in scooters, commercial vehicles and tractor segments. Car was
still a luxury for Indian public Japanese companies in Indian market for manufacturing of cars
and ultimately leading to the establishment of Maruti Udyog as a joint venture with Indian
government. A number of foreign firms initiated joint ventures with Indian companies.

Following the economic liberalization in 1991 and the gradual weakening of the license raj, a
number of Indian and multi-national car companies launched operations. Since then,
avtomotive components and automobile manufacturing growth has accelerated to meet
domestic and export demands. Many Indian automobile manufacturers such as Tata Motors,
Maruti Suzuki and Mahindra and Mahindra, expanded their domestic and international
operations. Developing Indian economy supported further expansion of its domestic
automobile market and attracted many MNCs. The growth of automotive industry in India picked up the momentum mainly in last two decades. In fast developing economy of India there is a huge potential for the growth. To avail the business opportunities in Indian automotive industry many foreign companies have entered in various segments of the industry. The main companies are Maruti Suzuki, Ford, Hyundai, BMW, Nissan, Honda, Skoda, General Motors, Volkswagen, Renault, Mahindra & Mahindra, Tata Motors, Fiat, Force Motors, Audi, Toyota, and Hindustan Motors.

Indian automotive industry is growing very fast in various segments. Due to the robust economic growth of Indian economy there is huge potential for further growth and mainly in suburban and rural areas. The companies involved in manufacturing cars are having their operations in various countries. Indian automobile sector is at present one of leading in the world. Considering this fact the car manufacturing segment is focused in this research study. To meet the requirement of manpower it is not possible to procure the manpower from one or two countries. They are to be procured as per the location and requirement. Due to this the workforce has been diversified to a good extent. This situation is providing a great challenge for management to understand the people and get their best at work so the competitive edge can be achieved and maintained in the global markets. The strong need for diversity management for managing diversified workforce is felt.

Different strategies are followed by the car companies to manage diversified workforce. It was found that there was no uniformity in approaches of different companies. A big gap was found between the requirement of diversified workforce management strategies and the strategies followed by the companies. To bridge the gap between the required strategies and actual strategies followed by the companies, this problem attracted me for the research study. It could not be ignored at any cost and that is why this topic of Workforce Diversity Management Strategies under Present Global Scenario in Leading Car Manufacturing Companies in Indian Automobile Sector had been selected for research study. Out of the leading car manufacturing companies, for the research of the topic, five leading car manufacturing companies have been selected on the basis of access to the plants locations and convenience in meeting the employees of the companies. These companies are Maruti Suzuki, Tata Motors, Mahindra and Mahindra, Honda Motors, and General Motors. The detailed work on these companies has been carried out and suggestions are submitted.
From the study of the research topic in Indian automobile sector the following points are concluded:

1. It is concluded that due to globalization, the workforce diversity took place. The major elements of workforce diversity are: age, gender, education level, economic background, castes and creeds, language, cultures and sub-cultures, religion, nationality, thinking and life style.

2. It has affected the work environment in the selected companies of Indian automobile sector. The main effects on work environment are: manpower composition affected, acceptance of new employees from different cultures, behaviour of new employees from different cultural backgrounds acceptable, facing discrimination from employees of different cultural backgrounds, female employees facing indecent remarks, employees learn and share cultural values of different cultures of colleagues.

3. Further, other effects due to workforce diversity developed are: organizational culture developed apart from the cultures of individuals, treatment with proper respect and dignity, employees provided with equal opportunities for training, development and promotion, conflicts taking place frequently between employees of diversified cultural backgrounds, treatment of all employees equally irrespective of their cultural differences, working environment of trust, openness, cooperation and team spirit exists and conducive to meet objectives, provides opportunities and challenges, challenges faced are tough competition, diversity of markets and manpower, and uncertain work environment.

**On the basis of above mentioned conclusions, the following suggestions are given:**

1. Work force diversity is a critical issue and the managers should be well educated and trained more on workforce diversity issue. There is a scope for further improvement.

2. The knowledge of dealing managers regarding changing work environment should be updated to handle related issues properly through workshops, seminars, conferences etc.

3. According to the prevailing work environment, the suitable policies are to be designed and implemented so that the impacts should be significant.

4. Timely and suitable modification in policies and clarification of job requirements should take place at the workplace to bridge the gap available.

5. Management should be impartial in dealing with employees from different cultural backgrounds. Unbiased approach should be used.
6. Special care should be taken by the management to carry out proper recruitment and selection process on the basis of merit. A wide gap can be overcome by this strategy.

7. Management should pay more attention in proper and timely communication with all employees. There is scope for further improvement in it.

8. Employees should be provided cross cultural education and training by the management at their work place sincerely and on regular basis. Special focus is needed to deal with the critical issue of diversity.

9. Positively the diversity training for diversified workforce to be provided by the management at the time of joining and as and when needed.

10. Meticulously the guidelines of Supreme Court of India regarding prevention of sexual harassment have to be followed on daily basis in the companies at their work places.

11. Orientation programme for new entrants coming from diversified cultural backgrounds should be conducted by the management on regular basis without fail.

12. In orientation programme for new entrants, the supervisors, peers, and head of departments may not be involved effectively. There is a scope for further improvement. They should do it promptly.

13. If the above mentioned suggestions are implemented sincerely and timely by the management of the companies, the impact of these suggestions will be tremendous on different aspects. These impact are on: workers perception and attitude, sense of cooperation and team spirit, skills development of employees, individuals’ performance and their motivation levels, job satisfaction level development, support in problems solution at work place, qualitative and quantitative improvement on production and service of the company, business performance and overall effectiveness of the organization, competitive advantage to the company over its competitors and in market shares, improvement of image of the company in future, business and reputation of the company in future. Again suggested that timely and proper focus is needed from management side on strategies and their implementation in their respective companies.