Managing Workforce Diversity in Competitive Environment

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ABSTRACT: In today's competitive environment all multinational companies are trying to achieve competitive advantage and it can be achieved by well managed diverse workforce. But managing diversity is a subject of great concern as it can bring many challenges with benefits. This paper explores various aspects of diversity including diversity dimensions, diversity consequences and proper management of diverse workforce. Paper describes various types of diversity prevailed in the world's most diverse country ie. India. It covers various diversity management practices used by top multinational companies operating in India. Paper also explains what employees perceive about diversity and how it affects organization's competitive advantage against its competitors.

KEYWORDS: Diversity Dimensions, Diversity Climate, Diversity Management, Employee Perception, Organizational Performance

I. INTRODUCTION

India has a high level of workforce diversity, particularly in global companies. Managing workforce diversity is a primary challenge in today's globalized world. As an increasing number of women, racial minorities, people from different religion, culture, geographic area, experience, education, language and individual with disabilities seek employment and opportunity to take advantage of an expanding talent pool presents itself. More companies, than ever before, are using a range of measures to boost productivity by using the diversity of their workforce. Well-managed diverse teams outperform homogeneous teams as they tend to be more creative, and effective at problem-solving. But managing a diverse team is not an easy task for organizations. When diverse teams are not managed well, communication and trust can break down, resulting in lower performance. There are great potential upsides to diversity, but also some downsides. In order to reap the former rather than the latter, organizations must create an inclusive environment, and this doesn't just mean following its legal obligations. The purpose of this paper is to investigate the relationship between employees' perceptions of diversity climate with organizational performance. This paper explores and analyses the dynamics of workplace relationship in an organization characterized by a highly diverse workforce. The specific objectives of the research paper are-1) To understand the factors that are contributing to high level of workforce diversity in the organization, 2) To uncover the consequences of workforce diversity on employee, team and organization, 3) To explore the ways by which diversity can be managed effectively. After introduction the rest paper is organized as follows: Section 2 is about literature review followed by diversity and consequence in Section 3. Section 4 covers diversity management and Section 5 describes diversity practices used by different companies. Section 6 covers methodology used for research and findings have been covered in Section 7 followed by conclusions in Section 8.

II. LITERATURE REVIEW

Studies of workplace diversity and equality have evolved in different directions over the last two decades. However, it is possible to categorize research into three broad streams; studies of the relevance and appropriateness of particular approaches (whether managing diversity or ensuring equality of opportunities), research into the impact of diversity on organizational outcomes, and studies exploring the issues of discrimination in relation to particular aspects of employment. What follows is a brief review of these three strands of research. Diversity management originated in North America (e.g. Kandola et al., 1998; Maxwell et al., 2003; Özbilgin, 2008), where it was rooted in the anti-discrimination movement of the 1960s(Ashkanasy et al., 2002). Later on, this focus was reoriented towards other drivers, such as changing demographics and the business case for diversity (Jayne and Dipboye, 2004). It has been claimed that diversity management within the US has been a way of dealing with a bad conscience and ghosts of the past (the authors are aware of the simplification of comparing regions).

Diversity has, nonetheless, been a powerful influence on terminology and practice worldwide (Simons, 2002: xix). With respect to cultural diversity, it has been observed that multiculturalism (where cultural diversity is accepted and celebrated) has replaced the melting pot (where diversity gives way to homogeneity) or assimilation (O' Leary and Weathington, 2006).

R. Roosevelt Thomas Jr. has introduced the term 'Managing diversity'

III. DIVERSITY AND CONSEQUENCES

Defining Diversity The term 'diversity' is commonly used to refer to personal differences relating to gender, ethnicity, culture, age and disability (*EEO Trust 2008; Milliken and Martins 1996*).

Dimensions of Diversity There are so many factors that contribute to difference among individuals. Two main models are: The *Iceberg Model* given by *Bryant Rollins & Shirley Stetson* which describes two levels of diversity, one is below the water line (religion, attitude,) and other is above (Race, gender,age). Second model, Diversity Wheel was given by *Marilyn Loden & Judy Rosener* (1991) which describes three dimensions of diversity and it includes,

Primary/Internal Dimension Exert primary influence on ones identity (race, gender, ethnicity, age, sexual orientation, physical ability); Secondary/External Dimension less visible, add more subtle richness to the primary dimensions of diversity (religion, education, geographic location, status, income, group membership) and Tertiary/Organizational Dimension (work location, professional affiliation, union status, management status, work field). Example-IBM, General Motors

Diversity Paradigm Every organization has different reason for embracing diversity. The paradigm through which the organisation sees diversity is crucial and that will shape the organisation's diversity philosophy. Diversity paradigm can be divided into three types:

Moral Paradigm It is the most common diversity paradigm. According to this paradigm discrimination is wrong, illegal and immoral.

Social Need Paradigm It focuses on fulfilling the social needs of different diverse groups and individuals. India is growing at a rapid pace. India's diversity, too, is growing and is different from the western world (see box: India diversity concerns) and even from our neighbour China. So, our solutions to diversity must be different from the rest. Here, some organisations are going an extra step to ensure that unique needs of genders are identified and met. For instance, a new mother may want to work from home. However, the diversity scope (that is, beyond gender), speed and quantum need to be accelerated.

Competitive Advantage Paradigm India is quite unique and there is a competitive rationale behind the cause of inclusion. India's growth is creating emerging diversity in the markets and to succeed in this reality, the organisation needs people from diverse groups to design, develop and market the solutions. In this paradigm, diversity is not about ratios; it is about recognising that women are different and bring in the famous "woman's perspective." According to Desmond Morris, "In olden days the perception was that men and women are unequal and different. Now, we have come to an era of men and women being same and equal. True benefits will come when we realise that we are equal and we recognise and leverage the differences." It is not about hiring a woman and then "encouraging" her to think and behave like a man. This is true for all diversity groups. In India, organisations must use all of the above paradigms to guide our diversity philosophy.

Benefits of Workforce Diversity Many researchers advocated the positive outcomes of diversity. Some are: Businesses with a well-managed diverse workforce have a better chance of understanding and meeting the needs of diverse customers (Allen *et al*, 2004). Diverse workforce accords an organization greater opportunity to understand and serve different markets, as well as provide a richer pool of workers from which the organization can recruit (Cox & Blake, 1991; Richard, 2000). Benefits including the ability to meet the needs of diverse customers, improved decision making, reduction in costs associated with employee turnover and lawsuits, increased productivity, improved quality delivery, improved access to a changing marketplace, and improved

employee retention, broadened customer base, reduced costs linked to turnover and absenteeism, improvements in recruitment and retention of the best talent (through enhancing the attractiveness of the workplace), enhanced company image, generation of more effective conflict management techniques in the organisation, enhanced group synergy, increased resilience and flexibility, and improved creativity and innovation (Groschl and Doherty, 1999; Kersten, 2000; Maxwell et al , 2000; Kaplan, 2006; Bendi et al , 2008; Shen et al ,2009). All of these translate into improved organisational performance and improved profit tability (Maxwell et al , 2000; Allen et al , 2004). Able-bodied persons notice the efforts and hard work of disabled co-workers and feel challenged to do better. Second, disabled workers have been characterised as highly dependable, effective, cooperative and loyal. Furthermore, it is argued that hiring the disabled broadens the labour pool, improves staff

retention and decreases absenteeism (Groschl, 2004). Increased diversity on any number of dimensions, including race and gender, is associated with innovation, creativity, and performance in organizations (Horwitz and Horwitz 2007; Somech and Drach-Zahavy 2011). Employees from diverse backgrounds, when managed effectively, are more productive, more satisfied in their jobs, more trusting in their employer and in their colleagues, more innovative in their work, and more helpful in connecting the business with diverse communities of customers (e.g. Aronson 1999; Cox 1993, 2001; Jackson and Joshi 2004; Keller 2001; Kirton and Greene 2005; Konrad 2003; Richard et al. 2003; Thomas 1990).

Challenges of Workforce Diversity Various studies have found that more diverse groups do not automatically perform better as they do not connect more effectively with their 'own communities', and do not necessarily feel more committed to their organisations (Millikin and Martins 1996). Jehn, Northcraft and Neale (1999) found that diversity (in this case, in gender and age) can actually exacerbate conflict between employees. It has also been observed that diversity can create problems for the organisation (Miller and Rowney, 1999). Researchers have theorized a range of performance implications for work groups that are composed of dissimilar individuals on key demographic characteristics (for example, race and gender), including conflict behaviours (Hobman et al., 2003), turnover intentions and commitment (Tsui et al., 1992) and overall organizational innovation (Baugh & Graen, 1997). Knippenberg and Schippers (2007) examine research conducted between 1997 and 2005. They draw conclusions: demographic diversity does not consistently lead to improved workplace outcomes. Furthermore, it is suggested that such relationship difficulties are accentuated where communication is frustrated by linguistic or paralinguistic differences between the ingroups and outgroups (Hambrick et al., 1998; Palich & Gomez-Mejia, 1999). Following social identity theory, it is possible to explain the lack of positive association between gender and ethnic diversity and performance reported in the major investigation by Kochan et al. (2003). For example, it has been argued that members of diverse groups (particularly minority groups or outgroups) frequently provoke distrust and competition (from the dominant groups or ingroups) and that such groups tend to show less affiliation and commitment to each other, all of which may have negative consequences for performance (Harrison et al., 1998; Hogg et al., 1993).

IV. DIVERSITY MANAGEMENT

Diversity management (DM) emerges out of the need for business to recognise and derive optimum human resource value from the inherent differences in employees, manifested in different dimensions such as race, culture, ethnicity, gender, work experience, background, education, disability and so on. DM is a relatively new term in academic circles, although it is closely related to the more traditional approaches of equal opportunities and affirmative action (for example, Christensen,1993; Elmuti, 1993; Kandola, 1995; Liff, 1997; Kramer, 1998; Hughes, 1999; Liff, 1999; Devine *et al*, 2007). Kossek and Pichler (2006) argued that the best practices for diversity focus on selecting for diversity, reducing workplace discrimination, and generating financial effectiveness. Thus diversity management practices are any formalized practices intended to enhance stakeholder diversity, create a positive working relationship among diverse sets of stakeholders, and create value from diversity. According to Milliken and Martins (1996), diversity management refers to the ability to manage heterogeneous groups.

Need for Diversity Management According to the *National Centre for Promotion of Employment for Disabled People*, differently-abled people make up less than 1 per cent of India's workforce, and only 0.28 per cent are employed by the private sector (0.05 per cent by MNCs). Organisations have been addressing disability as a part of their diversity strategy at work place because it brings them overall business benefits. NASSCOM

Foundation works with NASSCOM member companies to facilitate the process of hiring of PWDs. "There is definitely a visible change. Many companies are already showing 1-2 per cent employee who are PWDs and setting targets of 3-5 per cent. This is a very encouraging trend". It is a known fact that India Inc has been facing

severe crunch of talent, and inclusion of candidates from such a resource pool would only enhance their vision of truly diversifying in all aspects. According to a recent report, Creating inclusive workplaces for LGBT (lesbian, gay, bisexual, and transgender) employees in India - a resource guide for employers by Community Business (a unique membership based non-profit organisation), though Indian organisations acknowledge the benefits of a diversified workforce, many still do not include LGBT candidates in their corporate diversity agenda. However, with the tide of the change taking place (as evidenced by changes in legislation and the emergence of a more visible LGBT community), not only in India, but also across Asia, companies can no longer ignore this issue. Table 1 shows various concerns of diverse workforce prevailed in India.

Table1: Diversity Concerns of India

INDIA'S DIVERSITY CONCERNS

Diversity attribute	Diversity	Illustrative special concerns of this group
Gender	Gender diversity	New mothers — remote working and networking opportunities
Age	Over half a billion Indians are less than 25 years of age	Youth — mentoring and fair HR practices; older employees — reskilling on new technologies
City and hinterland	Rapid urbanisation and growing rural economy Over 800-million people spending more than \$425 billion	1.Employees from hinterland - handholding to assimilate within urban areas and culture, e.g. English language training 2.City folks - understanding of rural market
Geography and religion	India is geographically and culturally diverse. Buying patterns are different	Respect and understanding of other cultures
GDP distribution	Agriculture share is reducing, industrial share is around 30%, services over 50%	In such a rapid transition national human forcewill need orientation to adapt
Physically challenged	Disabled persons constitute about 2% of the total population in india**	1. Equal and fair opportunities and fair promotion policies
Marital status	Single parents, widow(er), divorced, live-in couples	Sensitivity and fairness
Sexual orientation	Here, most of the world is still in the wilderness	 Life partner benefits Sensitive and non-discriminatory
Nationality	Not a significant area yet	Training to succeed in India

**Report: Disabled Persons in India by National Sample Survey Organisation; Ministry of Statistics and Programme Implementation, Government of India

Evolution of Approaches to Workforce Diversity Management In assimilation approach melting pot was the basis which means people of different races and ethnicity should blend together and assimilate into a common national culture. After that by implementing EEO and affirmative laws anti discrimination was legalized by government. Then employers started recognizing diversity and started considering diversity an important asset.

Managing diversity is the modern approach to diversity management which is based on multicultural environment. According to this approach different ethnic groups should retain their cultural patterns and coexist

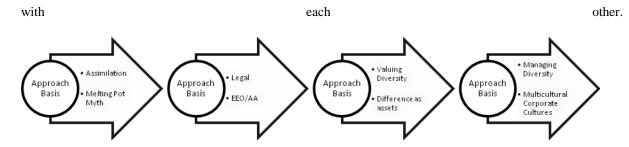


Figure 1: Evolution of Diversity Management

Different Laws for Diversity Discrimination In 1935, Watson Sr.: "Men and women will do the same kind of work for equal pay" 1953, CEO, Thomas J Watson Jr. stressed on Equal Employment Opportunity (EEO). In west, particularly in US, diversity issues have largely dealt with concerns of Civil Rights, Anti Discrimination measures and Affirmative actions. In India many acts are physically disabled workers (Equal opportunity, protection of rights)- 1995. In Australia at Federal level Racial Discrimination Act (1975), Sex Discrimination Act (1984), Disability Discrimination Act(1992), Human Rights and Equal Opportunity Commission Act (1986) and at state level Anti Discrimination Act (1977) and Equal Opportunity Act (1995) are present.

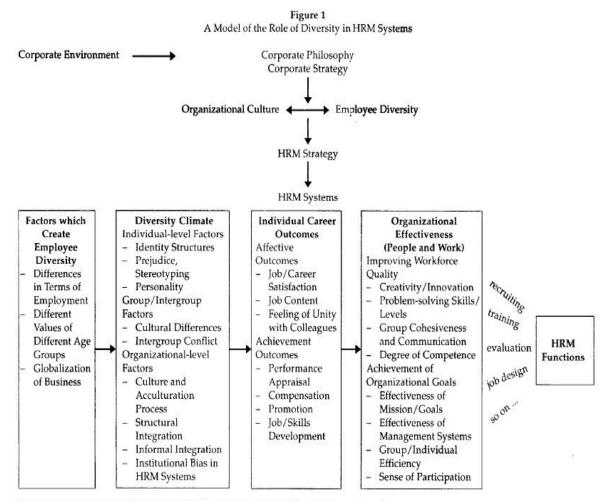
Diversity Model Diversity is both an organizational and strategic business issue and as such requires the attention of management at all levels of organization with overall leadership and vision at the top. HRM focus on people management and the strategic component of HRM that necessitates a proactive approach to the diversity found among employees to meet organizational goals (McDonald, 1999). The model is based on the Interactional model of the impact of Diversity on individual career outcomes and organizational effectiveness developed by Cox Jr (1993). Hanaoka (1999) modified Cox's model by including the relationship that diversity has with HRM. The model positions HRM within a total management system (a holistic perspective of HRM) and recognizes (1) the influence of diversity on corporate philosophy and strategy, (2) the distinct links between diversity and organizational culture through the diversity employees bring to the organization, and (3) the interaction of diversity with the HRM system, including HRM functions, that are woven throughout the HRM system. According to this model, the factors which create diversity impact three components of the HRM system, namely: (1) the diversity climate-consisting of individual, inter-group and organizational-level factors, (2) Individual career outcomes-containing the two measures of affective outcomes and achievement outcomes, and (3) organizational effectiveness-which is concerned with improving workforce quality and achievement of organizational goals.

According to DiversityInc. success of any company in the field of diversity management depends on how rapidly companies are adapting strategies. Four areas are measured:

- CEO Commitment to Diversity Management: accountability, personal communications, visibility
- Workforce Diversity & Human Capital: five levels of management, promotions in and into management
- *Corporate/Organizational Communications:* mentoring, resource groups, philanthropy, consistency/ effectiveness of diversity-management initiatives.
- Supplier Diversity: spend with M/WBE companies, including companies owned by LGBTs, people with disabilities, veterans

Diversity Metrics Determine the Four Stages of Diversity Management There are four stages of diversity management. Most companies follow first two stages but few companies are poised to break through to the stage.

Stage I: Celebration focused- Company begins to recognize the value of diversity and begins to celebrate festivals of dominant group or culture. They have high level of regrettable loss of talent from traditionally underrepresented groups They also have increasing difficulty in recruiting people from these groups and all younger people, who want a more inclusive environment



Source: Based on Cox (1993) with modifications by Hanaoka (1999) and changes by author.

Figure 2: A Model of the Role of Diversity in HRM Systems

Stage II: Workforce Focused The Company has created a diversity plan—with actions, objectives and milestones. It has begun to show gains in the diversity of its workforce and has implemented resource groups and, often, a structured mentoring program. The company now has a competitive advantage—with talent and reaching customers/clients over competitors still in Stage I.

Stage III: Marketplace Focused The organization has metrics-driven accountability for its diversity-management efforts, often through its executive diversity council. Its human-capital and supplier-diversity metrics are well above average and it assesses and communicates clearly the value diversity management is bringing to the organization. The company exhibits cutting-edge diversity-management initiatives, such as innovative work/life programs that aid in retention and talent development, or clear linking of supplier-diversity efforts to community building. It is outpacing its competitors in reaching and developing talent and creating marketplace solutions. These companies outpace their competitors in raising cultural competency in marketing and sales efforts.

Stage IV: Out-Thinking Competition These companies leverage diversity management to create, sponsor and nurture innovation. They provide thought-leadership and integrate cultural competency in all they do, from recruiting to customer service.

V. WORKFORCE DIVERSITY MANAGEMENT IN DIFFERENT MNC's

Accenture Accenture's enduring core values—stewardship, best people, client value creation, one global network, respect for the individual and integrity—have worked in support of inclusion and diversity since the

organization's founding. In February 2003, Accenture formally established a *Global Inclusion & Diversity* corporate function to provide strategic guidance and support for Accenture's diversity programs and activities in

countries around the world, and to promote a discrimination-free and harassment-free work environment for all employees globally. Accenture is *Geographic Human Capital & Diversity Organization*. In each of Accenture's geographies, an executive serves as Human Capital and Diversity geographic lead. Two additional governance bodies, the members of which have demonstrated their passion for diversity, complement the work of this team: *Accenture Diversity Council and Diversity Advisory Forum*. They provide training that includes bisexual and gender identity issues, Accenture's *'Global LGBT Network'* brings LGBT community and allies together for networking, mentoring and information-sharing, thus providing a vibrant force to our high-performance culture. Accenture is known for diverse workforce that includes: 35% women, More than 16 percent of Accenture senior executives and 25 percent of Accenture's Global Management Committee are women. In 2011, they recognized International Women's Day—a day was celebrated since 2001—with more than 162 locations in 40 countries.

IBM In 1970s & 80s IBM actively promoted diversity in other countries. IBM has global workforce diversity theme- "None of us is as strong as all of us". It has two groups to manage diversity. First is Global Workforce Council, focuses on five issues like, cultural awareness and acceptance, multilingualism, diversity of management team, the advancement of women, workplace flexibility and balance. Second are eight Task groups of females, Asians, African- American, Hispanic, Native American, Gay- Lesbian, White males and Physical disabled workers. Each task group has three objectives:

- What is required for the group to feel welcome and valued at IBM
- What IBM and the group can do to maximize their productivity
- What IBM can do to maximize the pursuit of market share from constituency's community

Company has well structured diversity policy. In 1990, Diversity council and network groups were formed and in 2004, they developed *Human Capital Management service software*. Well structured plan for recruiting and training for PWD. In each business unit IBM has "Line Champions". They work with educational institutes for campus recruitment of physically disabled candidates. IBM encourages 'reverse mentoring' to sensitise the workforce on topics pertaining to diversity and inclusiveness. This voluntary programme pairs senior-level staff with a member of the 'Employee Alliance for Gay, Lesbian, Bisexual, and Transgender Empowerment (EAGLE)', an internal employee resource group. Over a period of six months, both engage in one-on-one conversations in which the mentor offers a glimpse of his/her cultural life, offers information about queer pride events and film festivals as well as his/her personal challenges and talent. The unique gay-straight collaboration is aimed at building awareness about LGBTs among employees who cannot easily correlate with people not conforming to hetero-normative behaviour. People managers at IBM are trained in LGBT etiquette and sensitivity towards them

INFOSYS Technologies Ltd. It is among the first few companies in India to set up the diversity office to support affinity group and facilitate equal opportunity employment. It is the first company to offer ESOP in India. Leadership commitment to inclusive growth is unique to INFOSYS. Diversity is an important parameter of the INFOSYS' corporate score card. Global advisory council comprising senior leadership to monitor the effectiveness of diversity programs. It has diverse demographics of employees: employees from 72 nationalities, 32.4 % women employees, 75.2 % of senior management positions outside India are filled by local hire, 5% of INFOSYS' BPO work force is PWD, 42% of employees at entry level are from Tier-2 or 3 cities of India. Company had started *INFOSYS Women Inclusivity Network (IWIN-2003)* to create a gender inclusive workplace. They don't give any special concession for female either in recruitment or in promotion and offers the best diversity opportunity by four strategies: *De-emphasize the difference*: Unique advantages of every minority become a part of Infosys' core values, C-LIFE; *Celebrate commonality*: Common values that bring energy and enthusiasm to the community; *Collaborative distributed model* and *STP: Special Training Program*-for graduates from socially disadvantaged section.

Citi Bank According to Chuck Prince, CEO, in the year 2006: "98% local in more than 100 countries." For bank diversity is one of the most potent competitive advantage and by any measure, a diverse work force understands clients better and is more creative. KRA's in the field of diversity provides flexible work arrangements. They started *Global Flexible Work Strategies (FWS)* in 2005, FWS website available in 15 countries. Bank also launched the women's diversity initiative in Nigeria and is rolling out women's councils across all over the world.

VI. RESEARCH METHODOLOGY

Data Collection Method: A questionnaire, consisting of 25 questions was formulated based on the definition of diversity and the model presented in Figure 1.It consist of five sections of demographics, employees' perception of EEO practices of organization, diversity climate in organization, challenges of diversity and benefits of diversity.

Profile of Respondents- Out of 150 respondents 62% were males and 38% were females. About 35% respondents were from IT/ITES, 19% from manufacturing, 14% from banking and remaining from marketing, education. Majority (59%) of respondents were from the age group of 26-30 years. 59% respondents were having total experience of 0-5 years and 24% were having experience of 6-10 years. 59% respondents were married while 41% were single.

Data Analysis- For research purpose following hypothesis has been assumed:

Hypothesis: Employee perceptions of diversity climate and competitive advantage/organizational performance of an organization are positively and significantly related.

VariablesMeanStandard
DeviationPearson's
Coefficient(r)Diversity Friendly Environment4.080.6010.300Competitive Advantage/ Organizational
Performance4.300.5430.300

Table 2. Statistics for Diversity Variables

Note: N=150. Correlation is significant at $p \le 0.05$

VII. FINDINGS

Table 2 shows that value of r=.300 at significance level $p\le0.05$ fully supports the hypothesis. Now we can say that employee perceptions of diversity climate and competitive advantage/organizational performance of an organization are positively and significantly related.

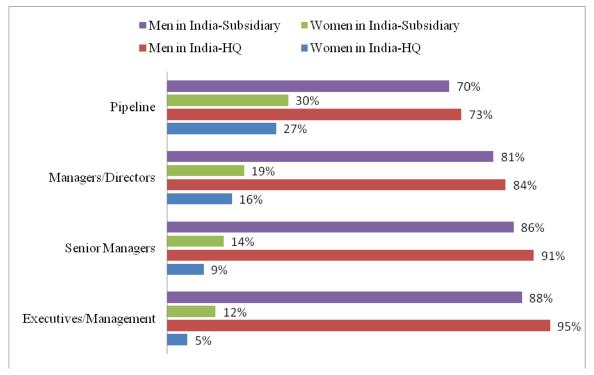


Figure 3: Repersentation of Women and Men Employees Source: 2010 Indian Benchmarking Report

Survey tells that, 76% respondents feels that their organization use objective criteria for performance appraisal and fixing remuneration where as 5% are not agreed. For 81% employees their needs have been considered by management irrespective of their origin.63% employees believe that they have been provided training to cope up with multicultural environment. 81% employees' organizations provide supportive environment for PWDs. 70% employees trust their organization for fair treatment. For 79% employees their organizations give respect to all religions, culture and opinions of individual. 54% employees feel that top leaders are not committed for diversity management where as 22% employees don't feel like that. 62% employees are satisfied with their work and organizational culture. Only 46% employees trust their seniors and co-workers.54% employees feel that diversity don't increase absenteeism where as 49% employees say that diversity has no role in increasing any problem of communication, conflict and cross cultural problem.80% employees believe that diverse workforce can contribute in increasing the competitive advantage of any organization.75 % employees say that diversity improves innovation, productivity of team members. 68% employees perceive that diversity can provide better customer service. 70% employees feel motivated in diverse teams and they feel a sense group loyalty also.Fig.3 shows that in India 25-30% women employees are at entry level positions whereas 15-20% women are managers or directors. At senior manager level women make only 9-14% where as only 5-12% women are parts of executive level. 68% companies use women advancement strategies.

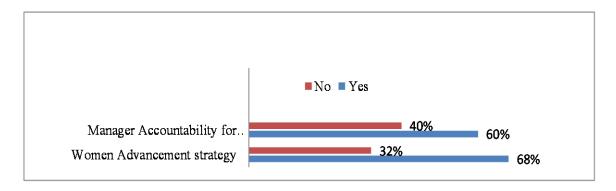


Figure: 4 Companies with Diversity Programs Source: 2010 Indian Benchmarking Report

Fig.4 shows that 60% companies 'managers are accountable for diversity goals whereas 68% companies have women advancement strategy.

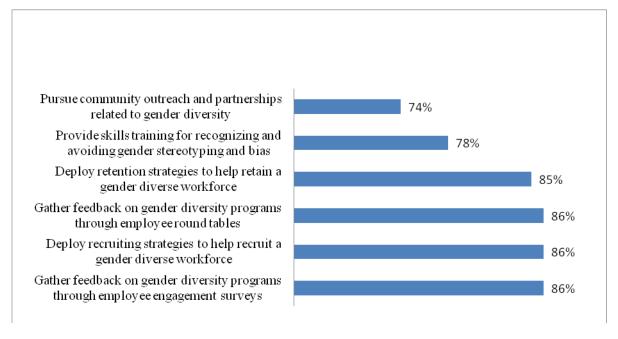


Figure 5: Types of Gender Diversity Programs

Source: 2010 Indian Benchmarking Report

Fig. 5 shows that about 74% companies pursue community outreach related to gender diversity, 78% companies provide skills training for recognizing and avoiding gender stereotyping and biases, 85% companies deploy retention strategies to help retain a gender diverse workforce, near about 86% companies gather feedback on gender diversity programs through employee round tables, 86% companies deploy recruiting strategies to help recruit a gender diverse workforce and almost 86% companies gather feedback on gender diversity programs through employee engagement surveys. Only 24% companies provide gender awareness training to men and remaining 66% don't provide gender diversity training

VIII. CONCLUSION

We can conclude that a better diversity management model can be effective in managing the diverse workforce. This is the need of the competitive environment to value the diversity and manage it carefully. Now many companies have realized the importance of diverse workforce and they started moving in the direction to get maximum advantages from diversity. Not only organizations even employees also have recognized diversity as an important asset. Though Indian organizations acknowledge the benefits of a diversified workforce, many still do not include LGBT candidates in their corporate diversity agenda. However, with the tide of the change taking place (as evidenced by changes in legislation and the emergence of a more visible LGBT community), not only in India, but also across Asia, companies can no longer ignore this issue. All organizations mainly include women advancement as the diversity management practice and they are coming with so many new schemes of women advancement. But PWDs are still an untapped area of diversity management. Organizations have only 1%-2% PWDs employees in their offices. So organizations should try to bring these employees in the main stream. From the survey it has been proved that a better diversity climate of any organization can improve the competitive advantage of company against its competitors. Any organization can achieve competitive advantage in terms of innovation, better decision making ability, productivity of employees, team spirit and better customer service. So if organization maintains good and fair diversity climate in the organization in the form of fair and objective criteria for remuneration, performance appraisal and promotion then employees feel motivated to work hard, they show more trust and faith for their mangers and organization. But diversity also brings few problems like lack cooperation, cross cultural and communication problems. Thus companies should encourage different methods to spread awareness about diversity and its importance and how to manage diversity for advancement.

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