

**Diversity at Work Place and Human Resource
Management issues : Study of an Indian Organisation**

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Submitted
in fulfillment of the requirements of the degree of
Doctor of Philosophy

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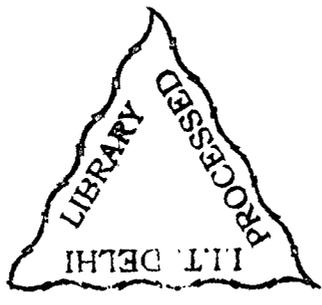
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CERTIFICATE

This is to certify that the thesis titled “Diversity at Work Place and Human Resource Management issues: Study of an Indian Organisation”, being submitted by Ms Nirja Sharma for the award of the degree of Doctor of Philosophy, to the Indian Institute of Technology, Delhi, is a record of original bona-fide research carried out by her under my guidance & supervision. I am satisfied that the thesis presented by Ms Sharma is worthy of consideration for the award of degree of **Doctor of Philosophy**.

The results contained in this thesis have not been submitted to any other University or Institute for award of a degree or diploma.

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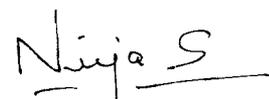
This work of intensive effort and dedication has the stamp of my Supervisor, who guided and supported me to put in my best. There are times when the work didn't move, when it took too much time and when the future path was not clear. At times like this like a beacon of light my Guide showed me the way and helped me to progress further. Words are inadequate to express my gratitude to my Supervisor & Guru, Dr. Anuradha Sharma, who in this period of five years has also become my friend and philosopher.

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ABSTRACT

One of the important and strategic challenges facing Organisations today is adapting to its diverse workforce. Over the past few years, diversity at the work place has become a major challenge for many organisations because the character of their work force composition is changing. Older workforce, diverse educational backgrounds, different specialisations are now entering the work force in large numbers. Therefore the composition of today's workforce is very different from the past and the Organisations are becoming more heterogeneous in terms of gender, culture, regional backgrounds, age groups and educational qualifications. This assumes a lot of relevance in the Indian industrial context. However in many cases, the term diversity has taken on a meaning synonymous with affirmative action and is linked only to initiatives that are focused on increasing the numbers of certain targeted groups in organizations. On the other hand, Diversity becomes an all-encompassing concept that talks about not only acknowledging the differences in the human resources but also valuing it as a business imperative [Luthans, 1990].

Earlier diversity was a small percentage of the work force and was for the most parts ignored by the organisations. So far organisations & HRM have been assuming that the differences in the employees would somehow automatically adapt and assimilate. This assumption is based on the fact that distance and national borders are rapidly disappearing as a barrier in business interactions and the concept of a global village is emerging. It is however, now been recognised that employees don't set aside their cultural values, preferences, life styles and regional background when they come to work (Robbins, 1996). The melting pot assumption is being replaced by an approach that recognises and values differences. Few generalisations apply to today's workforce. The consequence of diversity is that we cannot take a common approach to

organisational behaviour. There are managerial implications due to work force diversity and hence an urgent need for HRM practitioners to focus on these differences as a strategic imperative.

A review of the literature suggests that considerable amount of work has been done on different aspects of diversity in terms of race, ethnic group, gender and age. However studies on diversity within a multivariate framework of an organisational perspective from India is not available. This research effort has attempted to study diversity at a micro level in terms of difference in perceptions and needs of the employees due to their age, experience, qualifications, regional backgrounds, level in the organizational hierarchy, gender and department affiliations within a given organisation. The study seeks to discover if there is a significant difference in the perceptions of the employees on various HRM issues and whether these differences can be attributed to the difference in the diversity variables of age, experience, qualifications, regional backgrounds, level in the organizational hierarchy, gender and department affiliations. The results of the study are likely to have an impact on the planning, design and implementation of HRM strategies and policies in the Company.

The study was conducted in two phases. Initially a survey of twenty- seven organisations working in India was conducted. The purpose of the survey was to assess the perceptions of the Indian Managers regarding diversity at the work place and also assess, how the different companies operating in India are experiencing diversity as an issue at the workplace. Three types of organisations were covered in the study: Public sector, Private sector and Multinational organisations.

Thereafter the main in-depth study was carried out in an Information Technology company, which has its corporate office in New Delhi, registered

office in Hyderabad, Andhra Pradesh and many other offices in cities all over India. The organisation has 3000 employees with a mix of diversity variables. The study was conducted within the survey research framework. A factor-analysed questionnaire to measure the perceptions of employees on HRM issues was developed and used to elicit the responses from the employees of the selected organisation. Responses were received from about 60 percent of the employees.

The fourteen HRM variables of the study are: Organisational Strategy, Job Design & Enrichment, Managerial Effectiveness, Organisational Commitment, Empowerment, Team spirit, Reward & Recognition System, Competency Upgradation, Organisational values, Equity in Awards & Salary, Cost Consciousness, Performance Management, Incentive Scheme and Resources.

The eight Diversity variables included in the study are: Level in Organisational Hierarchy, Place of work, Length of service in the Organisation, Total Work Experience, Age, Gender, Educational Qualification and Department affiliation.

The following hypothesis were developed & tested in this study:

Hypothesis 1: Diverse group of employees will have significant differences in their perception of HRM issues.

Hypothesis 2: There will be a positive correlation between the perceptions on HRM issues and the Diversity Variables.

Hypothesis 3: Diversity Variables are predictors of perceptions of HRM issues.

Data analysis was done using SPSS 6.0 package in a windows environment. Univariate, bivariate and multivariate techniques by calculating mean, standard deviation, analysis of variance, Duncan test, correlation coefficient and multiple

regression analysis have been used in the study. The hypothesis have been supported by the results of the study

The study has highlighted the importance of giving strategic focus to diversity issues and its role in designing and implementing HRM strategies & policies to achieve organizational effectiveness and competitive advantage. The thesis has been presented in nine chapters. Each chapter is devoted to a milestone in the process of research and presents one step forward in the progress on the work. The chapters are as follows:

- # Chapter 1: Introduction
- # Chapter 2: Review of Literature on Diversity & Theoretical Orientation of the Study
- # Chapter 3: Development of Hypotheses
- # Chapter 4: Research Design
- # Chapter 5: Development of the Questionnaire for measuring perception of HRM issues
- # Chapter 6: Results of the Study
- # Chapter 7: Discussion of Results
- # Chapter 8: Conclusion & Recommendations
- # Chapter 9: Limitations of the Study & Scope for future Research

TABLE OF CONTENTS

Description	Page No.
Abstract	I
Table of Contents	V
List of Figures	VI
List of Tables	XI
Chapters	
1. Introduction	1
2. Review of Literature on Diversity & Theoretical Orientation of the Study	12
3. Development of Hypotheses	73
4. Research Design	92
5. Development of the Questionnaire for measuring perception of HRM issues	101
6. Results of the Study	132
7. Discussion of Results	277
8. Conclusion & Recommendations	304
9. Limitations of the Study & Scope for future Research	335
References	i
Annexures	
A. IBM-Perrin Towers Survey extract	xiv
B. Statements for measuring perception on HRM issues	xv
C. Reliability Co-efficient: Alpha for the 14 Composite Factors	xx
D. Inter- Correlation Matrix of 14 Composite Factors	xxi
E. Inter- Correlation Matrix of Diversity Variables	xxii
F. Variance Explained & r square in Multiple Regression Analysis	xxiii
G. Case study on Work force Diversity: Perceptions from Indian Industries	xxviii
Bio-data of the Researcher	