

# MANAGEMENT OF FLEXIBILITY AND DIVERSITY IN WORK PLACE IN INDIA—AN EMPIRICAL STUDY IN SELECTED INDUSTRIES IN WEST BENGAL

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## ABSTRACT

The objective of this paper is to find out the research works done related to diversity of work place in selected industries in India .the questionnaire is designed in two blocks,-employees satisfaction and diversity management in work place. The responses are validated from pilot studies and restructured of questions are done and sent to 45 companies in west Bengal and received 15 responses in block1 and 82 responses in block 2 and revalidation is done through cronbach,s alpha validation test.

Further responses are considered for final testing and found satisfactory. From the findings the research is now being made through to find out empirical co relation of the independent variable with dependable variables. this paper will lead to analyse how performance of the each member of the organisation related to organisational performance by empirical analysis .The study will reflect impact of effectiveness of managing diverse work force in selected industries in India.

**Key Words**-----diversity ,independent and dependent variables, diversity index, reliability statistics, cronbach,s alpha diversity awareness.

## INTRODUCTION

The changing nature of work, enrolling from different diverse culture is generally considered as diversity in workplace. The nature of workforce due to globalization of the labour and customer market, are diverse in characters, this may happen due to merger and acquisition which can bring diverse working culture in the workplace. In the context of globalization of modern business strategies the prime challenges of workforce diversity and demographically diverse workplace is the determinant of business growth .In response to changing society and equal employment opportunity creates a diverse corporate culture and merging towards different life style due to ethnic gender and diverse educational and cultural frame. The research importance has now directing towards analysis of designing different group-activities and finding out solution for corporate culture to develop interpersonal relation of diverse workforce. Therefore diversity is recognizable source of creativity and innovation that can provide an immense integrated strategy which can be basis of business growth. The concept of flexibility is also connected with Diversity both theoretically and practically. FLEXIBLE WORK ARRANGEMENT (FWA) means Flexibility in the work Schedule, Flexibility in the amount of work and also flexibility in work place in the present competitive price and delivery perspective is the prime factor of reduction of overheads and operation cost. Since higher level of efficiency is required to implement FWA the degree of cor relation with factors of flexibility and performance may be studied. Some of the types of diversity may be- Diversity of Nationality, Diversity of underprivileged, Diversity of disabled people, Diversity of Gender, Diversity of Education, Diversity of Family status, Diversity of Psychological contract with company, Diversity of Culture.

### ➤ **Concept of Diversity Management**

Concept of Diversity Management has its origin in United States Civil Rights Movements which led to Civil Right Act 1964.This made discrimination unlawful and triggered a greater recognition of the importance of managing diversity. Thus it deals with a workplace where there are more of workers, more women, more ethnic minorities and people with special needs such as those disabilities.

Diversity management assumes that everyone is different. The “Sameness” Vs “Difference” dichotomy is important because the former suggests that everyone has the same opportunities based on their having similar background, abilities, and skills. It is potentially detrimental to some individuals to treat everyone in the same and expect everyone to behave in the same way.

It is almost an agreed fact that gender equity is essential for organisational performance. However research on gender and organisation is a part of concept of strategic management and should be viewed as a part of strategic approach to the management of staff. While more research is needed in this area, there is a positive impact on productivity, for example a study on gender diversity and employee productivity in 200 Australian company over the period of 2002-2005 found significant and positive relationship between workplace, gender diversity and employee productivity.

### Meaning of diversity

Work force diversity means if organisation is not getting skill or good people in certain areas then it may compensate by taking people in other areas, it gives flexibility without sacrificing efficiencies to the organisation to express concern for diversity.

There are three types of diversity

- 1) social category diversity
- 2) value diversity
- 3) information diversity

Diversity appears to be a double edged sword. Increasing opportunity for innovation and creativity as well as group members may be dissatisfied and fail to understand to identify group. (Millikin and Matins, 1996.)

Various forms of diversity is associated with 1. Greater innovation 2. Improved strategic decision 3. Organisational performance.

Researcher will try to identify various types of team conflicts social bondings, employee turnover (Jackson, Joshi, Erhardt, 2003)

In a developing country the demographic trends may define diversity is Full and equal utilization of capabilities through empowerment and inclusion, Focus on equal treatment,

Therefore two models of diversity may be thought 1) leadership research and measurement 2) Education and alignment system

So Diversity concept can be categorised by three heads

1. Social- gender, ethnicity, age
2. Race- values interpersonal attachments
3. Information and decision making process

The first and second may build negative effect like decreased satisfaction, more turnover where third may have positive effect like different view points on diversity and flexibility.

### Diversity Index

Simpson diversity index it is a measure of diversity which takes into account the no. Of species present as well as related abundance of each species.

As species richness and evenness increases so diversity increases

$D. I = 1 - \frac{\sum n(n-1)}{N(N-1)}$  where  $n$  = total no of organism in the particular species,  $N$  = total no of organism of all the species.

D.  $I = 1$  means infinite diversity, or  $= 0$  means no diversity.

Diversity Frame work-There is always a need of interaction of theoretical framework and practice in organisation. With a view to this following frame work has been prepared considering the independent variables and organisational and individual factors which is likely to intervene in getting the output

However there will be an attempt to get the actual model used or practice by the organisation during data collection.

### ➤ FOCUS OF RESEARCH-

The study would focus on the following aspects-

- Why –Why the diversity and flexibility is important to an organisation
- Who -who are the key people handling diversity and flexible management in the organisation.
- What -What steps are required to make it practice
- Where - In which industry diversity management programme are more effective (Nature of industry, population, size, budget etc). and successful
- When – When the visible effect (employee satisfaction, productivity, retention talents ) will be there.

### OBJECTIVE OF THE STUDY

- To find out diversity policies and practices in the selected organisations under study in west Bengal.
- To find out correlation between independent variables (example-age, gender, educational background, ethnic group etc) and dependent variables (Performance of the individual and the organisation).
- To find out internal and external attributes of workforce diversity and flexibility of the organisation as a source of competitive advantage and its degree of correlation with performance of individuals and the organisation.
- To find out any diversity and flexibility model that the selected companies are using and the effectiveness of the model in terms of performance.

### HYPOTHESIS

Hypothesis#1

H<sub>0</sub>: There is no relation between workforce diversity and performance of the organisations.

H<sub>1</sub>: There is a positive relation between workforce diversity and performance of the organisation.

Hypothesis#2

H<sub>0</sub>: There is no relation between employee performance and workplace diversity.

H<sub>1</sub>: Employee performance is positively related to workplace diversity.

### Hypothesis#3

H<sub>0</sub>: There is no relation between employee satisfaction and workplace diversity.

H<sub>1</sub>: Employee satisfaction is positively related to workplace diversity.

### Hypothesis#4

H<sub>0</sub>: There is no relation between employee turnover and workplace diversity.

H<sub>1</sub>: Employee turnover is positively related to workplace diversity.

### Hypothesis#5

H<sub>0</sub>: Diversity management is equally effective in old and new organisations.

H<sub>1</sub>: Diversity management is more effective in new organisation than an old organisation.

## **RESEARCH METHODOLOGY**

1. Study is descriptive and Empirical in nature.
2. Research gap is identified after literature review.
3. Research gap is identified after literature review.
4. Objective of research study and Hypothesis are based on the Research Gap.
5. Questionnaire is designed to obtain information related to research objectives.
6. 20 companies are taken on the basis of judgemental sampling.
7. Company for Pilot survey initially taken from Manufacturing (FMCG, Pharmaceuticals etc). Mining and Service.
8. Primary data collection was done by structured questionnaires by mailing, personal visit and interactions.
9. Internal consistency test done by Cronbach Alpha.
10. On the basis of validation relevant changes will be made to the questionnaire.
11. Research conclusion will be based on empirical analysis.

## **QUESTIONNAIRE**

Questionnaire has been prepared keeping in view to meeting the objectives and hypothesis of the thesis in mine. The objective of the thesis was to high light the differences of individuals in the work place, which are coming out of demographic, economic, educational and cultural background. It will also highlight the status of diversity as a phenomena in work place, and how it is being managed. To different questionnaire were prepared for two groups-

Managers and Employees. The questionnaires for managers were divided into different sections. That is mentioned below-

Section 1- deals with basic data that are name, address, organisation background, structure, manpower and other demographic factor wise head count (Gender) and educational and skill wise head count. It also includes nature and type of employment.

Section-2- deals with diversity awareness where efforts has been made to highlight the companies focused on group individual and engagement pattern, organisational culture, positions and status of diversity, gender, discrimination etc.

Section-3- deals with result of diversity and flexibility policy and its relation with performance. Measurement of productivity and employees satisfaction has also been dealt in relation with diversity and flexibility.

Lastly the organisation openness in terms of introducing new ideas and like employee engagement, knowledge sharing etc has also been focused.

### VALIDATION

Cronbach's alpha is most commonly used when you want to assess the internal consistency of a questionnaire (or survey) that is made up of multiple Likert-type scales and items.

#### Reliability Statistics

The first table we need to look at in your output is the Reliability Statistics table. This gives Cronbach's alpha coefficient. A score of over .7 for high internal consistency. In this case,  $\alpha = .81$ , which shows the questionnaire is reliable.

#### Item Statistics

This table gives means and standard deviations for each of question items.

If all the items are tapping into the same concept, we would expect these scores to be fairly similar.

Any items that have scores that are quite a lot higher (or lower) than the others may need to be removed from the questionnaire to make it more reliable.

#### Item-Total Statistics

This table can really help you to decide whether any items need to be removed. There are two columns of interest here:

First, the *Corrected Item - Total Correlation* column tells you how much each item correlates with the overall questionnaire score. Correlations less than  $r = .30$  indicate that the item may not belong on the scale. Question 4 is the only item that looks problematic considering this criterion.

Second, and more importantly, we are interested in the final column in the table *Cronbach's Alpha if Item Deleted*. As the name suggests, this column gives you the Cronbach's alpha score you would get if you removed each item from the questionnaire. Remember, our current score is  $\alpha = .81$ . If this score goes down if we deleted an item, we want to keep it. But if this score goes up after the item is deleted, we might want to delete it as it would make our questionnaire more reliable.

➤ **EMPLOYEE Dataset:**

## Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.838	.841	11

Reliability Statistics: This is one of the important table of reliability analysis output.

The value of .838 reflects a high internal consistency among responses collected from Employees. A value of .841 in case of standardized items (making variables unit free) also reflects the same meaning. Total variable (continuous, measured in Likert scale) is 11.

Item Statistics			
	Mean	Std. Deviation	N
The work atmosphere and ambience helps us to do a good job. (1=Strongly Disagree 2=Somewhat Disagree3=Neither Agree nor Disagree4=Somewhat Agree5=Strongly Agree)	4.115	.6528	26
My work gives me a feeling of personal accomplishment. (1=Strongly Disagree 2=Somewhat Disagree3=Neither Agree nor Disagree4=Somewhat Agree5=Strongly Agree)	3.885	.5883	26
Sometimes we work in groups we have groups of people who have enough Cohesiveness. (1=Strongly Disagree 2=Somewhat Disagree3=Neither Agree nor Disagree4=Somewhat Agree5=Strongly Agree)	3.538	.8115	26

Item Statistics (A screenshot is represented above):

This table gives the Mean and Standard Deviation of all items. All the mean values are within the range between 2 to 3, denoting good consistency. Moreover all the standard deviation are below 1 , which is really commendable. The third column represents the sample size.

## Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
The work atmosphere and ambience helps us to do a good job. (1=Strongly Disagree 2=Somewhat Disagree 3=Neither Agree nor Disagree 4=Somewhat Agree 5=Strongly Agree)	36.654	22.235	.676	.715	.813
My work gives me a feeling of personal accomplishment. (1=Strongly Disagree 2=Somewhat Disagree 3=Neither Agree nor Disagree 4=Somewhat Agree 5=Strongly Agree)	36.885	23.386	.543	.528	.824
Sometimes we work in groups we have groups of people who have enough Cohesiveness. (1=Strongly Disagree 2=Somewhat Disagree 3=Neither Agree nor Disagree 4=Somewhat Agree 5=Strongly Agree)	37.231	21.065	.685	.805	.809

The most important table is Item-Total Statistics. Here from the last column (Cronbach's Alpha if item deleted) proves the claim of high Internal Consistency. The value not getting affected significantly is any of the item gets deleted.

➤ **MANAGER dataset:**

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.684	.761	4

The value of Cronbach's Alpha is .684, which is within acceptable range. Total four variables have been selected for this purpose.

## Item Statistics

	Mean	Std. Deviation	N
Do you think diversity and flexibility policies, if adopted in your organization will result in or has resulted in increase its better performance?(1=No 2= Poor 3= Fair 4= Good 5= Excellent)	4.100	.7379	10
If yes what is that please explain, and whether the measurement is effective?(1=No 2= Poor 3= Fair 4= Good 5= Excellent)	3.700	1.1595	10
Do you high achieve rated organization with diversity practices as more attractions?(1=No 2= Poor 3= Fair 4= Good 5= Excellent)	3.800	.6325	10
Do your individual employees rate diversity/flexibility more effective in your organization? (1=No 2= Poor 3= Fair 4= Good 5= Excellent)	4.000	.4714	10

Just like the previous dataset it also gives mean value within 3.7 to 4.1 along with low standard deviation. Here only one drawback has been noticed that although items are very less still one of standard deviation gives value more than one. The sample size is 10.

## Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Do you think diversity and flexibility policies, if adopted in your organization will result in or has resulted in increase its better performance?(1=No 2= Poor 3= Fair 4= Good 5= Excellent)	11.500	3.389	.450	.306	.630
If yes what is that please explain, and whether the measurement is effective?(1=No 2= Poor 3= Fair 4= Good 5= Excellent)	11.900	2.322	.421	.197	.746
Do you high achieve rated organization with diversity practices as more attractions?(1=No 2= Poor 3= Fair 4= Good 5= Excellent)	11.800	3.289	.639	.647	.537
Do your individual employees rate					



Item Total Statistics also helps to support the claim of high internal consistency. The last column gives not significant change in alpha value if any vale gets deleted.

Note: the branching question it may seems that the alpha value has increased if the item gets deleted but as it is a branching question it will not affect much and more over the value is not too large.

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