

**DIVERSITY MANAGEMENT : WITH RESPECT TO BHARAT
SANCHAR NIGAM LIMITED (BSNL), BHUBANESWAR**

Prof. Vandana Mohanty

Asst Professor (HR)

International Institute of Management Science, Pune

Dr. Sujit Kumar Acharya

Department of Management Studies, DDCE

Utkal University

ABSTRACT

The purpose of this study was to provide information on diversity initiatives and programs in order to better understand organizational response to workforce diversity and its effect on the organizational performance. It at the same time aimed at studying the diversity management practices in the organization. Managing Diversity in an organization is a challenge to succeed in the business world. The data collected in the study is analyzed using Statistical Software Package SPSS 20. The study concluded that diversity do have an impact on organization performance and success. In addition the study recommended that BSNL should recruit a more diverse workforce as it will result to improved synergy in decision making, better understanding of customers' needs and increased flexibility in staffing. This should how ever be reinforced through well formulated human resource policies and practices.

Key words: Workforce Diversity, Attitude, Work culture Diversity Initiatives,

I. INTRODUCTION.

The demographics of India have been changing such that employers are now faced with more diverse employees and markets. Based on past labor force participation rates with regard to gender, race and ethnicity, and age, it has been projected that the workforce of 2050 will be more

diverse in the area of education, age and gender. With the labor force participation rate of women will increase, and older workers will make up a larger share of the workforce. These projections in combination with the changing demographics of the workforce have sparked an increased interest in diversity for Indian firms. This interest takes the form of organizations increasing the diversity of their workforce as well as dealing with the diversity of their organizations resultant of a more diverse applicant pool

India is growing at a rapid pace. India's diversity, too, is growing and is different from the western world 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. 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 the diversity philosophy.

Table -1 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 urbanization and growing rural economy Over 800-million people spending more than \$425 billion	1. Employees from hinterland - hand holding 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 force will 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	1. Life partner benefits 2. Sensitive and non-discriminatory
Nationality	Not a significant area yet	Training to succeed in India

SOURCE - Report: Disabled Persons in India by National Sample Survey Organisation; Ministry of Statistics and Programme Implementation, Government of India RETRIVED FROM - http://www.businessstandard.com/article/management/managing-workplace-diversity-112092400042_1.html

A majority of organizations have implemented diversity initiatives or practices that address workplace diversity. According to the 2010 Society for Human Resource Management (SHRM) Research Spotlight: Workplace Diversity Practices Poll, of the random sample of 402 SHRM members and human resources (HR) professionals responding, 68 percent of respondents said their organizations have diversity practices in place and 71 percent of those with diversity practices provide training on diversity issues for employees in their organizations. The SHRM poll defined workplace diversity broadly to include “variations in employee personality, work

style, age, ethnicity, gender, religion, socioeconomics, education, and other dimensions in the workplace” . The three most common diversity practices used by the organizations of those surveyed were “recruiting strategies designed to increase diversity within the organization” (79%), “community outreach related to diversity (e.g. links between organization and educational institutions, government)” (71%), and “alignment of diversity with business goals and objectives” (68%)

As the demographics of the workforce changing, organizations in India are responding with an increased interest in diversity by recruiting and selecting employees for diversity, and trying to best capitalize on what diversity is purported to offer. It is evident that employers are spending considerable time, money, and energy to increase and manage diversity. As such, this research is conducted from a perspective that emphasizes the need to effectively manage diversity, no matter what motivates an organization to increase its diversity. The diversity of the workforce and its management can have serious implications for organizations.

II. LITERATURE REVIEW

Diversity is defined as the personification of various cultures within a social or business environment. The fundamental principles of any culture include their value systems, beliefs, habits, and lifestyle. The varied inclusions consist of individuals from different ethnic backgrounds, cultures, and religious beliefs; without regard to their gender, age, or lifestyle.

According to Loden & Rosener [1991] define diversity as that which differentiates one group of people from another along primary and secondary dimensions. Primary dimensions of diversity, those exerting primary influence on our identities, are gender, ethnicity, race, sexual orientation, age and mental or physical abilities and characteristics. The primary dimensions shape our basic self-image as well as our fundamental world views. Additionally, they have the most impact on groups in the workplace and society. Secondary dimensions of diversity are less visible, exert a more variable influence on personal identity and add a more subtle richness to the primary dimensions of diversity. They include educational background, geographic location, religion,

first language, family status, work style, work experience, military experience, organizational role and

level, income and communication style. The secondary dimensions impact our self esteem and self definition.

According to Carr(1993) , Broad definitions may include sexual/affectional orientation, values, personality, characteristics, education, language, physical appearance, marital status, lifestyle, beliefs appearance, marital status background characteristics such as geographic origin, tenure with the organization and economic status .

Leach, George, Jackson, and LaBella (1995) used the term working with diversity in place of managing diversity. They implied that working with diversity "calls forth the challenge to be curious, inquire, interact, reflect, and experiment. It requires individuals to be respectful, curious, patient, and willing to learn" . These authors used the term working with diversity rather than managing diversity because they believed that the word managing may be perceived as having a negative connotation such as controlling. However, managing diversity does not mean controlling or containing diversity, it means enabling every member of the workforce to perform to his or her full potential . For the purpose of this report, the term managing diversity will be used and will encompass the meaning for both working with and managing diversity.

Based on her workforce diversity research, Tomervik (1995) identified the following four basic themes related to the definition of diversity: (1) the diversity concept includes a broad range of differences in the workforce, including age, disability, education levels, ethnicity, family structure, function, geographic location, race, religion, sexual orientation, style, and values definitions are extremely broad and all inclusive; (2) the meaningful aspects of diversity are how it affects the individual and the organization; (3) the broadened definition of diversity requires a culture change within organizations such as in management styles, human resource systems, philosophies, and approaches; and (4) there is an emphasis on communicating a concept of diversity as more than race, gender, Affirmative Action, and equal employment opportunity 3).

There is no one definitive definition that fully describes the broad range of differences diversity includes, the evolutionary nature of the process it represents, and the far reaching impact it has on individuals and corporations.

As Per Milliken and Martins (1996), they opine that 'diversity appears to be a double-edged sword, increasing the opportunity for creativity as well as the likelihood that group members will be dissatisfied and fail to identify with the group'

When examining the meaning of diversity, a number of definitions surface. On one hand, diversity can refer to outwardly visible differences, and it may be used to describe unseen differences as well. Diversity may be used to group all differences, such as Williams and O'Reilly's (1998) predilection for diversity existing "in a group when individuals use any number of different attributes to tell themselves that another member is different".

According to Kreitner, (2001) diversity "represents the multitude of individual differences and similarities that exist among people." Kreitner's definition emphasizes three important issues about managing diversity:

- Diversity applies to all employees and do not only encompass certain arbitrary differences but the entire spectrum of individual differences that makes people unique. Therefore diversity cannot be viewed as only racial or religious differentiation, but as all differences combined.
- The concept of diversity describes differences among people as well as similarities. The discipline of managing diversity requires that these two facets are managed simultaneously.

III. SCOPE OF THE STUDY

BSNL is a leading Telecom Service Provider in India with global presence. It aims to create a customer focused organization with excellence in sales, marketing and customer care. BSNL Provides a conducive work environment with strong focus on performance BSNL at Bhubaneswar provides services like landline, Broadband, WLL, Mobile BTS, Leased lines and internet leased lines. This research work will highlight the issue of workplace diversity at BSNL and how BSNL is handling these issues.

IV. OBJECTIVES OF THE STUDY

The objective of the study is

- To identify various factors that influence effective diversity management within BSNL.
- To identify certain trends as it pertains to certain demographical segments' perception of diversity management.
- To highlight the implications management must be aware of in order to create a healthy working environment in terms of diversity management.

V. RESEARCH METHODOLOGY

The various sections in the questionnaire correspond to different approaches and principles within diversity management. The Section 1 takes into considerations the demographic profile of the respondents. The other Sections takes into consideration the various aspect o f the study and the objectives to be studies. Each set of Questions are tested with an Alpha Value which would indicate if a high degree of reliability exists as it pertains to the dimensions being measured. A high degree of reliability will be reflected by a high Alpha value.

Section 2: Principles of Diversity Management

Section 2 deals with general concepts in diversity management and how managers and employees perceive this discipline. This section includes questions about affirmative action and how positively or negatively they perceive different types of diversity. Managers perceive

diversity management much more positively than employees. Employees however perceive these same dimensions less positively as many disagreed with most of the statements in the questionnaire.

Section 3 Barriers to Diversity

Section 3 asks the respondents to consider certain factors that are identified in as barriers to effective diversity management. From the collected data it appears that employees have a more clear perception about how certain factors influence the implementation of effective diversity management. This can be concluded from the fact that very few respondents in this group responded “uncertain” in the questionnaire.

Section 4 - Diversity Actions

The questions in this section attempts to uncover how BSNL uses diversity actions. In this section the Alpha values for these questions were just below the accepted value of 0.7. The Alpha yielded a value of 0.692 that borders on the acceptance value. Once again questions that were on a reversed scaled were arranged in such a manner that a response of 1 indicates a negative response and a response of 5 indicates a very positive response. The final Alpha value yield for this section is 0.712. This indicates that these questions are still reliable.

Section -5 : Diversity Initiatives

These diversity initiatives are specific tasks or activities that management can implement in order to effectively manage diversity. All groups responded with very positive answers, following the overall trend.

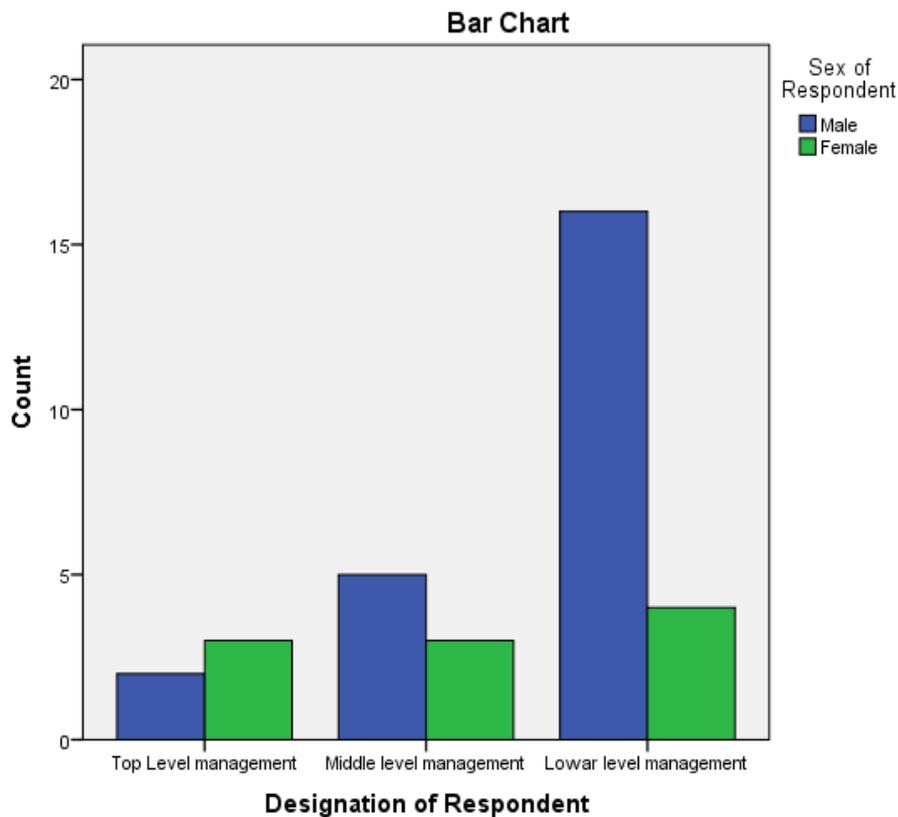
Sampling Technique and Sample size: convenience sampling method was adopted for this study. Data was collected from different source at same point of time. Sample was selected on the basis of convenience. For this study 33 respondents were selected.

Data Analysis: - The data from main study will be analyzed on the basis of suitable table by using statistical techniques. This study data was analyses with SPSS 20. Frequency analysis, Descriptive analysis and Factor analysis was done with SPSS.

Demographics of Respondents:

Table-2 Designation of Respondent * Sex of Respondent Crosstabulation

		Sex of Respondent		Total
		Male	Female	
Designation of Respondent	Top Level management	2	3	5
	Middle level management	5	3	8
	Lower level management	16	4	20
Total		23	10	33



Data Analysis:

Table 3- Descriptive statistics

Descriptive Statistics	N	Mean	Std. Deviation	Skewness		Kurtosis	
				Statistic	Std. Error	Statistic	Std. Error
BSNL employees are a diverse group.	33	4.55	.938	-2.555	.409	6.771	.798
My superiors believe diversity is an important issue.	33	4.45	1.003	-2.045	.409	3.943	.798
There is sufficient cultural diversity within my division.	33	4.00	.935	-1.219	.409	2.212	.798
Different ethnic groups are equitably represented within my division.	33	4.33	1.109	-2.040	.409	3.778	.798
The existence of cultural diversity positively impacts my performance.	33	4.36	.929	-2.061	.409	5.080	.798
The existence of gender diversity positively impacts my performance.	33	4.48	.939	-2.361	.409	6.012	.798
The existence of cultural and gender differences complicates my job function.	33	4.39	.966	-2.003	.409	4.308	.798
The existence of gender diversity complicates my job function.	33	4.45	.938	-2.275	.409	5.711	.798
Affirmative Action contributes to the success of my division.	33	2.97	1.551	-.054	.409	-1.558	.798
Affirmative Action contributes to the success of BSNL.	33	3.24	1.696	-.282	.409	-1.693	.798
Stereotypes about different cultures.	33	4.21	.992	-1.476	.409	2.342	.798
Unsupportive work environment for employees that are culturally different from management:	33	4.48	.939	-2.361	.409	6.012	.798
Lack of open communication channels:	33	4.58	.936	-2.664	.409	7.240	.798
My co-workers' inability to socially integrate with different ethnic groups:	33	4.42	.867	-1.589	.409	2.018	.798
Difficulty in balancing career and private life issues is a barrier.	33	4.27	1.098	-1.943	.409	3.553	.798
Fears of discrimination based on ethnicity are a barrier.	33	3.97	1.015	-1.082	.409	1.126	.798

Fears of discrimination based on gender are a barrier.	33	4.18	.917	-1.677	.409	3.889	.798
Resistance to change is a barrier.	33	4.18	.882	-1.830	.409	4.941	.798
My superior considers my viewpoints even though they differ from his/her own.	33	4.52	.906	-2.601	.409	7.603	.798
The different cultures within my division communicate effectively.	33	4.27	.911	-1.910	.409	4.822	.798
I feel valued in a diverse workforce.	33	4.39	1.029	-1.987	.409	3.598	.798
I communicate well with people of different ethnic groups.	33	4.30	.918	-1.954	.409	4.867	.798
My manager personally intervenes in diversity related matters.	33	4.48	.939	-2.361	.409	6.012	.798
My manager facilitates the establishment of good relationships between ethnically diverse groups.	33	4.45	.938	-2.275	.409	5.711	.798
Conflict due to cultural differences arises in my division	33	4.39	.966	-2.003	.409	4.308	.798
My manager takes employment equity issues within BSNL into account when making an appointment recommendation to my superiors.	33	4.39	.966	-2.003	.409	4.308	.798
My manager encourages me to take part in diversity workshops.	33	4.18	.983	-1.439	.409	2.342	.798
I get personal support from my manager when I encounter diversity related problems.	33	4.33	.924	-2.004	.409	4.953	.798
Employee Satisfaction	33	1.24	.435	1.260	.409	-.443	.798
Customer Satisfaction	33	1.12	.331	2.433	.409	4.170	.798
Workforce Demographics	33	1.45	.506	.191	.409	-2.094	.798
Compensation Analysis	33	1.42	.502	.321	.409	-2.023	.798
Retention	33	1.52	.508	-.064	.409	-2.129	.798
Turnover	33	1.55	.506	-.191	.409	-2.094	.798
Absenteeism	33	1.48	.508	.064	.409	-2.129	.798

Proportion of management position women / Minorities / Person with disabilities	33	1.33	.479	.741	.409	-1.548	.798
Work life / Family program utilization	33	1.27	.452	1.070	.409	-.915	.798
Internal Lateral Moves	33	1.55	.506	-.191	.409	-2.094	.798

Table-4 Factor Analysis

Communalities

	Initial	Extraction
Employee Satisfaction	1.000	.909
Customer Satisfaction	1.000	.900
Workforce Demographics	1.000	.903
Compensation Analysis	1.000	.916
Retention	1.000	.831
Turnover	1.000	.810
Absenteeism	1.000	.823
Proportion of management position women / Minorities / Person with disabilities	1.000	.906
Work life / Family program utilization	1.000	.910
Internal Lateral Moves	1.000	.887

Extraction Method: Principal Component Analysis.

Table-5 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.210	22.103	22.103	2.210	22.103	22.103
2	1.575	15.747	37.850	1.575	15.747	37.850
3	1.407	14.068	51.918	1.407	14.068	51.918
4	1.294	12.936	64.854	1.294	12.936	64.854
5	1.165	11.651	76.505	1.165	11.651	76.505
6	1.005	10.050	86.555	1.005	10.050	86.555

7	.564	5.637	92.192			
8	.422	4.221	96.413			
9	.235	2.355	98.767			
10	.123	1.233	100.000			

Extraction Method: Principal Component Analysis.

Table6 Component Matrix^a

	Component					
	1	2	3	4	5	6
Employee Satisfaction	.519	.395	.151	.288	.474	-.114
Customer Satisfaction	-.003	.271	-.165	.331	.556	.617
Workforce Demographics	-.233	-.485	-.454	.617	-.087	-.138
Compensation Analysis	-.140	.581	.417	.517	-.128	-.319
Retention	.603	.418	-.039	-.121	-.482	.212
Turnover	-.647	-.110	.373	-.108	.393	-.272
Absenteeism	.732	-.181	.260	-.078	.146	-.399
Proportion of management position women / Minorities / Person with disabilities	.193	-.395	.427	.623	-.325	.191
Work life / Family program utilization	-.660	.605	-.114	.059	-.294	-.075
Internal Lateral Moves	-.276	-.179	.757	-.170	-.085	.413

Extraction Method: Principal Component Analysis.

a. 6 components extracted.

RESULT & DISCUSSION:

While most employees and managers are positive about diversity and the implementation of diversity management principles, some areas of the questionnaire raise some concerns. Section 3, dealing with barriers to diversity management, in particular is identified as such an area. Section 2, 4 and 5 also raises concern but to a lesser extent as the differences between manager and employees are not significant.

The responses in Section 2, 4 and 5 indicate that employees and managers communicate well within their isolated groups. Most respondents feel that they communicate well with people different from themselves. Employees also feel that their viewpoints are taken into consideration

by their superiors. They do not however perceive that affirmative action is being implemented successfully. This same group also feels that lack of open communication channels to superiors is a barrier to diversity management. One may deduce that the lack of open communication channels between employees and leadership is the underlying reason for the difference in perception between these two groups.

From the above Factor Analysis made we get the six major factors influencing our study . Extraction Communalities are estimates of the variance in each variable accounted for by the factors (or components) in the factor solution. Small values (red) indicate variables that do not fit well with the factor solution and should be possibly dropped from the solution. When the eigen value is larger than 1 the factors are to be retained and others whose values are less than 1 explains less variance than an original value and thus is rejected. The Component Matrix table displays component loadings for each item (prior to rotation). The Rotated Component Matrix displays the loadings for each item on each rotated component, again clearly showing which items make up each component.

A diverse workforce is a reflection of a changing world and marketplace. In the laboratory research diverse work teams bring high value to organizations and respecting individual differences will benefit the workplace by creating a competitive edge and increasing work productivity. Diversity management benefits associates by creating a fair and safe environment where everyone has access to the same opportunities and challenges. Management tools in a diverse workforce should be used to educate everyone about diversity and its issues, including laws and regulations.

The theoretical and empirical approach employed in this study has some limitations, which provide opportunities for future research. The diversity measures studied in this study is only limited to 33 employees and many dimensions of diversity are not adequately covered in it. In sum, this study represents an attempt to unravel the effects of workforce diversity on firm

performance by considering an important organization-level moderating condition – the use of HRM practices. Beyond a traditional debate regarding potential benefits or damages of diversity in organizations, this study steps forward and proposes that HRM practices can shape the effects of diversity within organizations by impacting the salience of both positive and negative consequences of diversity. These interactions with HRM practices eventually determine the effects of workforce diversity on firm performance outcomes. I hope this research facilitates further theoretical and empirical developments in the field.

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