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Workplace diversity-A key to improve employee productivity and organizational effectiveness

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I.ABSTRACT

With the rapid globalization of today's economy, the workplaces are becoming increasingly diverse. As the organizations today are becoming more diverse, managing the diversity and ensuring that all the employees are comfortable working in a diverse work environment is a challenge. When employees who belong to diverse backgrounds work together, there is a possibility of difference of opinion and conflict. When there is conflict within an organization, it can have an adverse impact on the performance of employees and the overall performance of an organization Organisations will have to come up measures to ensure that a diverse workforce is managed efficiently. Workplace diversity also has an overall impact of the performance of an organisation. This study aimed at understanding the impact of workplace diversity on employee productivity and the effectiveness of the performance of the organization.

Key Words-Diversity, Productivity, Organizational effectiveness, inclusion.

II.INTRODUCTION

Fuelled by the socio-economic trends, there has been a change in the composition of the workforce of organisations. Both researchers and practitioners have strived and struggled with understanding the concept and effect on the organisation(Roberson, Q. M,2019).Today, the world is changing rapidly in terms of the society, economy and technology due to the development in the Information sector. As a result, the world has become more interconnected. Due to globalization, organisations have to rely on each other. It is now very important for managers to understand globalization and also know how to manage the diversity that comes along with it. The problem of diversity occurs when an organisation has employees from different age groups, ethnicities, sexualities, family background, cultures, physical conditions etc. It is important for the Human Resource management of an organisation to ensure there is unity among he diverse workforce(Chated, M,2020). When a diverse workforce is managed effectively, it attracts and retains a productive workforce. Celebrating diversity among the workforce leads to greater productivity, more creativity and heightened morale and motivation. A

diverse workforce provides differing perspective which eventually leads to the benefit of the organisation(Dhiman, S. K,2019). Managing a diverse workforce also has challenges. One major challenge of managing a diverse workforce is communication. Language barrier is a major issue as employees who are not familiar with a particular language might feel left out from the other employees. Organisations should try and promote one general language to enhance the trust among the employees(Ngalo, M. M,2023). Workforce diversity is a strong influencer for employee versatility. An organisation with a good mix of gender likely to be more versatile with their responsibilities than compared to an organisation dominated with a particular gender(Felix, O,2023). People with disabilities are considered as the world's largest minority stakeholders who continue to significant barriers to enter the labour market and struggle with corporate inclusion(Khan, N,2019). In order to survive in this competitive business environment, organisations are required to have a stable competitive edge in the form of their workforce. In order to manage workforce diversity, managers and superiors will have to work towards improving their relationships with the employees of the corporation. Organisations should take initiatives in reducing discrimination and unjust system. Appropriate policies should be formed ensure status equalization.(Wen, L,2020).

III.REVIEW OF LITERATURE

Workplace diversity nowadays as a very burning and sensational topic in every organization. In this case, every human resource manager must look after the environment in the organization that creates diversity and he also stresses that there is not much awareness of the diversity management approach even in most organizations and the managers need to be the ones who should have efficient knowledge and competency towards such matters(Chanda,2006).If an organization does not include a diversified work environment, then that organization is not competent enough. This could be done by the sales manager through efficient training(Sharbari Saha, 2008). A diverse workplace could be any organization's most asset. This kind of setting and workforce excel at problem-solving, and they also foster a supportive and imaginative environment, giving them a competitive advantage. According to the author, a company merger or acquisition is like a marriage, and it's crucial for cultural assessments in an organization so that employees and the organization can get along despite having different cultural backgrounds(Asmita, 2009). (Kulin Patel, 2010) In order to comprehend the various dimensions of diversity wheels, the author of the article "Diversity at the Workplace" (Saumya, August 2009) illustrated four models. The primary dimension, which the author has divided into two parts and included age, physical and mental prowess, gender, etc., is the first one. The second dimension consists of factors like work history, place of residence, income, first language, religion, organizational position, etc. Iceberg diversity and a kaleidoscope perspective of personal characteristics like attitude, groups, values, caste, and family status were described in the other two sections of the diversity wheel. 8 The author of the article "Global Human Resource management manoeuvrings cultural currents" asserts that people are unique and that they all have different perceptions, attitudes, and thoughts. A certain skill is needed to manage this variety of different people and complexity(Mallikarjunan, 2007). The author of the article "Culture Compatibility the Way Forward" (Radha Mohan, 2007) expresses her opinion that managing a talent pool is difficult despite the fact that a culturally diverse workforce is competent. To accomplish this, a leader would need to have a shared organizational vision and culture. Increased globalization is causing the world to sink day by day. The author says that it is very important to recruit cross-cultural employees in the organization. This is also a difficult task as the employees need to get adjusted to the new work environment and work culture, now managers can act as leaders upon training and insisting on the employees(Arpita, 2007).The investigation into diversity management and organizational effectiveness in Indian organizations aimed to analyze the data from 60 middle-level managers from both the public and private sectors. The findings demonstrated that diversity management practices in the public and private sectors varied significantly and had an important bearing on organizational effectiveness(Suri, 2011). To increase organizational effectiveness, the author of the paper stated that organizations must value diversity. The benefits of such a workforce may include creative problem-solving, flexible adaptation, and a competitive advantage. Organizations can also develop such a force by implementing essential elements like human resource management systems, training, leadership, and culture change. (Taylor

H, 1991). Organisational performance can be evaluated using a variety of data sources, including primary and secondary sources, and can be measured using two metrics: one measure financial performance, and the other measures non-financial performance(Jarad,2010). Organizational performance can also be measured in terms of four metrics-a. Financial, b. Customer, c. Internal processes and d. Innovativeness(Kiragu.D,2009).Performance measurement is one of the key tools in assessing organizational effectiveness, locating areas that require attention, inspiring employees, enhancing departmental communication, and fostering a strong sense of accountability (Njihia, M,2013).

IV.OBJECTIVE OF THE STUDY

The study primarily aims at identifying the impact of a diverse workforce on the productivity of employees and the overall effectiveness of an organization.

V.HYPOTHESIS

H1: A diverse workforce has a positive impact on the productivity of employees and the overall effectiveness of an organization.
H0: A diverse workforce does not have a positive impact on the productivity of employees and the overall effectiveness of an organization.

VI.METHODOLOGY

The Research approach used in this study was quantitative research. The survey questionnaire was developed by referring to existing literature, news articles, and reports. To confirm the reliability of the questions, Cronbach's Alpha was employed, with all values exceeding 0.7, indicating their dependability. The finalized questionnaire was distributed to professionals working in various corporate companies, resulting in a total of 246 responses collected through both offline and online (Google Form) methods. For data analysis and investigating the relationships between variables Multiple Linear Regression technique has been followed.

Table No.1

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.742[a]	.551	.539	.187	1.963

The ANOVA table presented above indicates that the model is statistically significant at a 95% confidence level, with a significance value of 0.003, which is below the threshold of 0.05. Consequently, we reject the Null Hypothesis and accept the Alternative Hypothesis, signifying a significant relationship between the dependent and independent variables.

Table No.2

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44.540	5	8.908	58.993	.003[b]
	Residual	36.306	241	.151		
	Total	80.846	246			

a. Dependent Variable: Does a diverse workforce help organizations attract a wider range of talent?

b. Predictors: (Constant), Does workplace diversity increase an organization's ability to adapt to change?, Does diversity of thoughts in workplace generate to greater innovation among employees?, Can a diverse workplace have positive impact on employee productivity?, Will workplace diversity lead to more positive culture in the organization?, Does lack of workplace diversity impact on the employee morale?

The R Square value of 0.551 indicates that the model fits well, explaining a significant amount of variance. Furthermore, the Durbin-Watson value of 1.963 suggests minimal autocorrelation among the variables. Regression Equation = 2.024 + (0.196 * Positive Working Culture) + (0.050 * Organization's Adaptability) + (0.006 * Employee Morale) + (0.112 * Innovation) + 0.109 * Employee Productivity).

VII.FINDINGS

- The regression model used in the study has a good fit with the data, as evidenced by an R Square value of 0.551, which explains a significant amount of variance in the dependent variable. The outcome being studied appears to be substantially influenced by the independent variables included in the model.
- The variables show no autocorrelation, as suggested by the Durbin-Watson value of 1.963. This is a positive outcome in regression analysis because it suggests that the data points are independent of one another, ensuring that the model's outcomes are reliable.
- Dependent Variable = 2.024 + (0.196 * Positive Working Culture) + (0.050 * Organisation's Adaptability) + (0.006 * Employee Morale) + (0.112 * Innovation) + (0.109 * Employee Productivity)
- The equation illustrates the connections between the dependent variable and the independent variables examined in the study.. The impact of each independent variable on the dependent variable is represented by a corresponding coefficient. The positive coefficients imply that enhancing the independent variable will have a positive impact on the result.
- By fostering a positive and supportive working culture, organizational performance and employee satisfaction can be improved. Encouraging teamwork, recognizing employees, and promoting open communication should be a priority for organizations.
- Flexibility is key to achieving organizational success in a constantly changing business environment. Organizations that encourage a flexible and agile approach can effectively respond to challenges and seize opportunities.
- Boosting employee morale can positively impact job satisfaction and productivity through professional growth opportunities, a positive work environment, and recognition.
- Increased performance and organizational success can be achieved by emphasizing innovation and creativity. It's important for businesses to promote the sharing of ideas and experimentation with novel approaches.
- Enhancing overall organizational performance can be achieved by supporting employee productivity through training, resources, and a conducive work environment.
- To summarize, the study's results emphasize the importance of positive work environment, flexibility, employee satisfaction, creativity, and productivity in impacting organizational performance and employee contentment. These factors, when given priority, can help organizations create a thriving work environment that leads to better outcomes and a more engaged workforce. The study provides valuable insights for organizations looking to enhance their performance and employee well-being in a competitive business

environment. To sum up, the study proposes that companies can enhance their performance and staff contentment by prioritizing constructive work atmosphere, flexibility, worker motivation, creativity, and efficiency.

VIII.RECOMMENDATIONS

- Cultivating a positive and supportive work culture should be a priority for organizations. Transparent communication, employee recognition programs, and promoting camaraderie can achieve this. An optimistic working environment is linked to increased employee fulfillment and involvement, which ultimately leads to improved organizational performance.
- Success in a constantly changing business environment depends on organizational adaptability. It is important for organizations to prioritize building a culture of flexibility and adaptability to tackle external challenges. Motivate the staff to embrace change and equip them with essential tools and resources to adjust to changing situations. Organizations that are adaptable can effectively navigate uncertainties and seize opportunities.
- Elevate Staff Morale: Emphasize employee morale by providing chances for professional advancement, fostering a conducive work space, and acknowledging employees' accomplishments and dedication. Increased job satisfaction and productivity can result from high employee morale.
- Establish a work environment that encourages innovation by empowering employees to suggest ideas, experiment with new methods, and participate in problem-solving efforts. Foster innovation and creativity throughout the organization by encouraging cross-functional collaboration.
- Increase productivity among employees by investing in programs that enhance their skills, such as time management training and technology tools that simplify workflows. Give employees the resources and support they need to perform well and balance work and life.
- Consistently monitor and evaluate performance: Continuously measure and evaluate the effect of organizational strategies on overall performance and employee satisfaction. Performance evaluations conducted on a regular basis can pinpoint areas for improvement in HR policies and practices.
- Prioritize Long-Term Sustainability: Strive for sustainable enhancements in organizational performance, not just quick solutions. Create long-lasting positive outcomes by aligning HR strategies with the organization's long-term goals.
- Enhance employee engagement: Involved employees are more likely to display commitment to their job and the organization. Boost employee engagement through initiatives like regular feedback sessions, career development opportunities, and participative decision-making processes.
- Encourage ongoing skill development and knowledge enhancement by fostering a culture of learning within the organization. Focus on training and development programs that align with individual and organizational goals.
- By following the above suggestions, the workforce could become more motivated and engaged, ultimately enhancing the organization's success and competitiveness in the ever-changing business world.

IX.CONCLUSION

In this modern business age, organizations are going global. As organizations are expanding across geographical boundaries, the workplace is becoming more and more diverse. Organizations are becoming diverse in terms of ethnicity, age, religion, culture and more. It can become a challenge for organizations to manage such a diverse workforce, as when people who come from diverse backgrounds work together, there is a possibility of conflict. It is important for organizations to make sure that no employee is treated differently for their identity and they have the space to express their opinions without any judgements. Organizations will have to ensure that there is harmony within such diverse workgroups. Awareness needs to be spread about diversity among employees. When there is diversity in an organization, it leads employee engagement, where employees feel their identity is being respected within the organization. Organizations with a diverse workforce understand a wider market of customers and can cater to a global market more efficiently. This eventually leads to retention of employees in an organization. Despite these challenges, it is important for organizations to have diversity within the organization as it leads to innovation.

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