Management of Diversity in Human Resources- the challenges and choices

Abstract

This paper examines the challenges and choices that diversity poses in Human resources terms of its management. In the introductory paragraphs it provides a detail background on the emergence of diversity in modern business scenarios. Further it details and defines the possible chances of diversity in Human resources including the diversity in culture, inter personal relationships, language, capacity and knowledge standards. The challenges and scope that diversity poses with reference to the Changes in personnel demographics, organisational restructuring, globalization, Changes in Employee Expectations, Inter-organisational Relations Strategy, Result based performance, Attitude and Focus and Equality in opportunity and treatment has been dealt in detail. The paper evolves the conclusion that diversity though is challenging, poses acute chances of manpower development for the Human Resource managers.

Background

The massive changes in economic and business approaches since the late nineties have led to the internationalization of business entities. Possibilities of business expansion to an international level, liberalization of business strategies of leading countries has put forward many options towards diversity with in the working groups. This diversity has persuaded the human resource management operations to get amended in order to get across the challenges raised by the possible diversity within the working team. The scope that these diversity bring into the business environments can be made use to effectively improvise its performance.

Diversity in Modern Business Scenarios

Advancement in technology, travel options, communications and liberalization of international business regulations has incorporated numerous possibilities of conditions with diverse natures with in the work environment. This trend was found to increase in the early nineties. The transference of a command driven economy to a market driven one, sheltered markets to competitive ones, domestic trade to international trade and the trend of monopoly to the trend of competition has extensively made possible the chances and demand of diversity in the business setup and processes involved. However these chances and demand are expected to have an upward trend in the coming years as well. In the modern business scenarios, diversity has been observed in the following areas.

Cultural Diversity

A modern definition of culture is "the shared ways in which groups of people understand and interpret the world (Fons & Charles 1997,p.3-4). A diversity in the interpretation and understanding as defined by Fons & Charles is being experienced in the human resources of business entities mainly due to the resultants of globalisation namely in- sourcing and out-sourcing. Moreover the policies on exchange of manpower among different nationalities promoted by the shortage of skilled manpower in many countries have led many companies to hire people belonging to different countries with diverse cultures. International educational opportunities are also increasing the availability of multi-cultural man power. The diverse understanding of business procedures and varied interpretation of management scenarios by this multi-cultural workforce adds complex cultural diversity to the work environment.

Inter personal relationship

The modern work groups hold much diversity in their inter-personal relationship attitudes. Although this may vary from person to person, the range of the diversity is much high with reference to the modern work groups which includes staff from different countries and cultures. Christopher & Diana (1996, p75) have mentioned seven factors concerning to the human relationships including time, space, odors, frankness, intimacy of relationships, values and expression of emotions. When an employee or a group from a particular part would insist on punctuality, others from different part of the globe would not pay much importance for time. Space is also viewed differently by different people. When some need to be close to their colleagues some others would prefer to keep a distance. Frankness is another factor which can bring in diversity in inter-personal relationships among the staff. High-context cultures are more frank than low-context cultures. (Lesikar R & Flatley M 2002,p.442). Intimacy among the staff also brings in diversity in the team as some may limit themselves to strict social and some times economic classes whereas others would like to interact without restrictions. The definitions on the role of the women in the work group, relationship in between superior and subordinate all can be expected to be diverse within the team. The attitude towards work, value for authority, work quality and honesty also can differ with in the workgroup. Members of the team may respond differently to the emotional expressions as well.

Language Diversity

An international workforce can expect a wide diversity in languages. Even though there may be a common language acceptable to the company, the capacity of each staff would differ with reference to the expertise in that language. Even the same language can

have Grammar and Syntax differences in different regions. Adding to the language diversity, the same words or phrases may mean different in different cultures.

Diversity in Capacity and Knowledge standards

As workforce would include people educated from different countries and universities of differing standards, their capacity and knowledge standards also will have wide diversity. Though the intake process would have involved standardized screening techniques, as the definition of these standards itself is different for different educational scenarios, diversities are still sure to be present.

Challenges and choices posed by Diversity in terms of Human Resource Management

The realization of diversities in the business scenarios poses a number of challenges in front of Human Resource Managers. Ashwatappa (2002, p.563) has broadly identified the following challenges which are faced by the Human Resource Managers in general.

Globalisation

Market capitalism guides every economy on the earth: goods and services flow across borders more freely than ever; vast information networks instantly link nations, companies and people. The result is twenty first century capitalism. (Wayne1998 p.642). The internationalisation of business has put forth diverse challenging situations in front of the Human Resource Managers in terms of unfamiliar laws, languages, practices, competitions, attitudes, management styles, work ethics and more (Ashwatappa 2002, p.564). Globalisation has demanded the Human Resource Managers to handle more

diverse functions in taxation and also coordination of different departments with varied cultures and work practices. The heterogeneity of the work involved also has become more complex just as in the case of coordination of multiple salary currencies. More research and involvement on the differential personal needs of the staff including their housing and welfare is also much challenging.

However the process of globalisation is in turn a matter of scope for Human Resource Managers as it would enable them with the choice of a wide selection of manpower. This process has also equipped the managements with better connectivity with its counterparts across the globe which is within itself a quality assurance process. Globalisation has provided the personnel mangers with sufficient choices of capacity building processes for their staff. Diversity with in the team enables the management a wider thought process with differential insights on varied market requirements.

Organisational restructuring

The diversity in the work force often demands restructuring of the organisational procedures and policies. This is often interlinked with the restructuring like takeovers, mergers and joint ventures which happen while the multi cultural staff comes in. This challenge would be diverse as it includes changes in roles and assignments, transfers to new locations, changes in pay scale and other benefits, changes in the position hierarchies and changes in corporate culture.

On the other hand, reorganising the institutional structure would increase the growth opportunity and the dimensions of the manpower. The Human Resource Managers also gets to avail the opportunity of faster decisions and faster market response as a result of corporate restructuring. The scope of better communication with in the work

environment and outside it would be resulted due to this process. A reduction in manpower cost is one of the salient scopes of such reorganisations.

Changes in Personnel Demographics

A change in the average age of the staff, more presence of women and an increase in their role can be expected in diversified scenario of business. Human Resource Managers would be further challenged to address the welfare of increasing number of working mothers. The increased level of awareness among the staff would demand the capacity building of Human Resource Managers and the staff of personnel department to have capacity building accordingly.

However the vigour of the youth would substantially contribute to the human resource of a company. The increased awareness is also a choice which can positively contribute to the innovation process.

Changes in Employee Expectations

It should be taken to notice that as the diversity in the team increase so is the diverse chances awaiting the qualified staff outside the organisation. This realisation would enable the employees to expect more benefits and a better work environment. The expectation on equal treatments, basic rights and exposure would really challenge the Human Resource Managers.

This challenge would persuade the Human Resource Manager to restructure the profile of the workers and to discover new methodologies of hiring, training, remunerating and motivating employees. These changes would improvise the work culture in totality and would positively affect the delivered results as well.

Inter-organisational Relations Strategy

Increased and diverse institutional relationships of the organisation would demand the capacity building of the staff. Human Resource Managers will have to research upon the peculiar natures of the relative organisations and prepare the personnel accordingly. This capacity building process has an increasing demand in the business scenario as the crew has to be ready for global adaptation and deliverance. The Inter-organisational Relations Strategy has to be formulated with relevance to these demands.

A proactive Inter-organisational Relations Strategy would enable the personnel department to convert the challenges into opportunities Ashwatappa (2002, p.568).

Result based performance

The performance of the staff ultimately aiding the success of the ventures of the company has to be ensured by the Human Resource Managers. Managing and coordination of the staff becomes challenging when the diversity of the team comes into play. The magnitude of the challenge become more extreme as the ethical and social aspect of the performance also has to be ensured. It is the business organisations which make goods and services available, provide jobs, generate wealth, and lend stability and security to the people. Failure of organisations will affect the society, particularly the lowly placed people in the social hierarchy. (Ashwatappa 2002,p.570).Though this responsibility is the onus of each and every member of the work force, the diversity management among the team becomes crucial in order to address the social and ethical responsibility of the staff's performance delivering positively towards the organisation's successful performance.

A consciousness on results, ethics and social impacts would not only be beneficial in terms of Human Resource Management, but also in terms of the corporate social

responsibly of the organisation. An integration of the efforts of the team into a result based one would pose tremendous growth opportunities for the organisation which is directly related to an improvisation in human resource management.

Attitude and Focus

When a huge variety is involved in the human resource, the challenge of the personnel department and its manager would be to integrate their attitudes and to focus them in a single direction. Moreover each one in the team needs to mould their attitude and focus according to the changing global economic and business scenario. They may also need to develop a work culture to address the heterogeneity of the team environment

This challenge if handled properly would take off a major burden from Human Resource Managers as it would replace the control system over the staff into self responsibility. A team with proper attitude and ethics would hear more to their moral responsibilities than to the official check systems established. It can also put on ease the communication systems, as the interpersonal communication would be improvised. Sharing of capacity, responsibility and leadership would automatically happen in such an environment.(Nair N & Oommen P 1994,p.M.1)

Equality in opportunity and treatment

When the team environment involves heterogeneous population, the Human Resource Managers will have to ensure the availability of opportunities to all the staff in equality. Class issues, racist issues all will have to be managed efficiently. More than company policies and procedures the need of treatment equality must be ensured among the team as well.

The empowerment of employees would make the Human Resources more dynamic. Tools like performance feedback and counseling used by Human Resource Managers to ensure equality would sustain individual effectiveness affecting the human resources positively.

Conclusion

Modern business scenarios face with immense diversity in terms of Human resources. The diversity in culture, inter personal relationships, language, capacity and knowledge standards pose numerous challenges for the Human Resource Managers. However when these challenges are strategically dealt, the diversity of the team turn out to be beneficial in improvising the manpower resources. Changes in personnel demographics, organisational restructuring, globalization, Changes in Employee Expectations, Inter-organisational Relations Strategy, Result based performance, Attitude and Focus and Equality in opportunity and treatment when on one side are challenges faced by Human Resource Managers resultantly due to the increasing diversity in modern business scenarios. These challenges when dealt upon strategically would act as a scope for evolving improvisation methodologies with regard to the manpower. In totality diversity though is challenging poses acute chances of manpower development for the Human Resource Managers.

WORKS CITED

Christopher E & Diana R 1996, *International excellence: Seven Breakthrough Strategies for personal and professional success,* Kodansha International, New York p.75

Ashwatappa K 2002, *Human Resource and Personnel Management,* Tata McGraw-Hill, NewDelhi p.563

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Fons T & Charles H 1997, *Writing the waves of culture*, 2nd ed, Nicholas Brealey, London, pp.3-4

Lesikar R & Flatley M 2002, *Basic Business Communication*, Tata McGraw-Hill, NewDelhi p.442

Nair N & Oommen P 1994, *Business Management*, Lions publications, Madras,p.M.1

Wayne F, 1998 *Managing Human Resources*, McGraw-Hill, NewDelhi p.642

<u>BRIEFING PAPER</u>

Abstract (overview of the briefing paper)

The briefing paper is a summary of the approach to be taken in writing the individual paper on '**Management of Diversity in Human Resources- the challenges and choices'.** It would be the guideline to the step by step paper writing process. The paper would provide a background to the possibilities of diversity in human resources with due relevance to the modern business scenarios. Further it defines the objectives to be fulfilled by the paper. The background information provided in the briefing paper would define the necessity of further research to find appropriate information to be referred while dealing with the paper. The specific arguments posed by the paper are defined as well. The focus is described to be on three aspects including diversity identification through literature review, challenge identification, scope identification and finally the comparison of the scope and the challenges. The methodology of information sourcing and the resources for the same has been detailed. The briefing paper describes the structure of the individual paper.

Background of the briefing paper.

Human Resource management (HRM) is a management function that helps managers to recruit, select, train and develop members for an organisation. (Ashwatappa 2002,p.3). It would be essential to understand the core points in Human Resource management to further deal in detail the dimensions and probable diversities in human resources. Ashwatappa (2002,p.4) has described five core points in Human Resource management of which the first one emphasises that it is the people who staff and manage

organisations. The second core point is that Human Resource management includes application of management functions and principles which are applied for acquisitioning, developing, maintaining and remunerating employees in the organisation. Another core point demands the integration of decisions relating to employees. Each specific decision on different aspects of employees must be consistent with other Human Resource management decisions. Further, Human Resource Management decisions must influence the effectiveness of the organisation positively in terms of betterments of services and quality assurance of products delivered by the organisation. Human Resource Management functions are applicable for non-business organisations as well.

Diversity is emerging in the Human Resource Management as an automatic product of business improvisation. This improvisation process includes adaptation of technology, wider approach to the market and internationalisation of business process (Nair N & Oommen P 1994, p.PM3). The liberalisation of business relationships and trade treaties between countries has stimulated this process. This process of diversity is very complex and needs to be addressed with prior categorisation. This would help in the realisation of challenges and choices brought into the man power management sector due the diversity in work environments.

The Aim

The primary aim of the assignment is to critically examine the diversity in the modern business scenarios in terms of human resource management and to review the choices and challenges this diversity offer to Human Resource Managers.

Prior Knowledge

A background study on the improvisation processes in business has brought into knowledge the presence of diversity within work environments. All background information with regard to this diversity and its impact on personnel management has been well understood. This background information would serve as a foundation to conduct further investigation to formulate the final paper. A deep understanding on the definitions of key subjects like Human Resource Management, Diversity etc was acquired to analyse the literatures available in the subject with a better insight. The core points in Human Resource Management were read upon. The semantics in Human Resource Management were referred to, in order to avoid confusions and misinterpretations during the information search process and its analysis. In a broader sense the aim of the paper, focus of the paper, the arguments raised all were analysed to have the work planning accordingly.

The focus

In order to achieve the aims expected by the assignment, the focus of the study would be to:

a) Review the available literatures to analyse the possible chances of diversity in the modern business scenario.

b) To identify the challenges these diversities pose in front of Human Resource Managers.

c) To identify the scope of diversity in the process of human resource improvisation

d) To compare the challenges posed by diversity with its scope.

The arguments

The main arguments that the assignment would make are

a) The presence of diversity is evident in modern business scenarios

b) The diversity in business scenarios are posing challenges for Human Resource Managers.

c) The diversity in business scenarios serve as a scope for Human Resource Managers.

Information requirement

Appropriate and adequate number of literatures will be reviewed in search of information to construct the arguments. An explicit range of Journals, Research Papers, Management case studies, Management Books, Databases, Periodicals, Internet articles, News paper reports etc would be referred to find information relating to the argument. Specific information on diversity in personnel resources, challenging scenarios in diversity management, diversity management tools would be searched for.

The methodological quality of studies identified would be assessed by the standard methodologies. The allocation concealment of the literatures to be included would be based on the randomisation, subjective relevance and subjective quality. The quality of the literatures would be further ensured by cross reference with related published data from different authors. Detailed study on the format and style requirements as per the havard style of writing was ensured to make the paper go along with the academic standards of writing.

Reference Materials

The following books were referred to in search of information. *Writing the waves of culture*, (Fons T & Charles H 1997), *Seven Breakthrough Strategies for personal and professional success*(Christopher E & Diana R 1996), *Basic Business Communication*(Lesikar R & Flatley M 2002), *Human Resource and Personnel Management,* (Ashwatappa K 2002), *Business Management* (Nair N & Oommen P 1994) and *Managing Human Resources* (Wayne F, 1998)

The structure of the final paper

The structure of the final paper would be as following

Header

The header would state the title of the final paper

Abstract

The abstract would be a brief summary of the final paper which would in short explain the background, Objectives, Methodology, and Conclusion of the paper.

Background

This section would explain the background of the scenario. This section would provide an overview on the emergence and trends in concern to the diversity in Human Resource Management. In general this section would give the reader an insight on the relevance of the paper.

Diversity in Modern Business Scenarios

This section would search for the presence of diversities in modern business scenarios. While defining the possible interventions of diversity, the section will also categorize the diversities in accordance with the socio, economic and ethical aspects.

Challenges and scope of Human Resource Management with reference to diversity

This section would describe the challenges posed by the diversity in Human Resource Management. Further the choices and scope that diversity offers to Human Resource Management also would be discussed. In totality this section would be provide a comparison on the challenges and the choices offered by diversity.

Conclusion

This part would include the concluding remarks of the paper. While summarizing the core aspects of the paper, this section would corroborate the presence of diversity as well as the challenges and choices offered by the same in terms of Human Resource Management.

Bibliography

The list of works cited would be included in this section. The citation will be done as per the havard style of referencing. Proper in text referencing also would be ensured.

The preliminary introduction of the final paper.

The last few decades have marked massive changes in economic and business approaches. The basic result which these changes have led to is the internationalisation of business ornanisations and the expansion of the business arenas of many entities. The developments like business expansion to an international level, liberalization of business strategies of leading countries has put forward many options towards diversity with in the working groups. This diversity would lead to the amendment of human resource management operations in order to get across the challenges raised by the possible diversity within the working team. Moreover the choices that these diversities bring into the business environments can be made use to effectively improvise its performance.

Summary

The scope of understanding the possibilities of diversity would enable the human resource department to plan accordingly and to face the challenges posed by diversity with in the team. On the other side diversity aids the choice and scope of man power improvisation as well. An examination of these choices also is vital to enhance the possibly of the human resource managers utilising them for the favour of the business. (Nair N & Oommen P 1994, p.DM5).

Action plan, in table format, for the whole assessment of the module.

Action	Week 1	Week 2	Week 3	Week 4
Background study	■			
Brief paper preparation		■		
Literature review		■		
Information selection		■		
Information compilation			■	
Individual Paper Draft			■	
Final Paper				■

Works cited

Ashwatappa K 2002, *Human Resource and Personnel Management,* Tata McGraw-Hill,

NewDelhi p.3

Ashwatappa K 2002, *Human Resource and Personnel Management,* Tata McGraw-Hill,

NewDelhi p.4

Nair N & Oommen P 1994, *Business Management*, Lions publications, Madras,p.DM-5

Nair N & Oommen P 1994, *Business Management*, Lions publications, Madras,p.PM-3

Self Reflection of the paper

Extensive literature review was done to finalise the paper titled 'Diversity Management in Human Resources- the challenges and chances'. Nine sources were used from six different books. The format of citation was Havard style. Randomisation of the available resources was done to ensure the correctness of the information used. Unreliable internet sources were avoided to ensure genuineness of the information.

Fullest of efforts has been taken to nullify plagiarisms by including proper citations. The availability of the reading material was abundant in general but limited in terms of the scope of diversity. On a review of the paper, it has done justice to the arguments raised by the topic of reference. The grammatical and language related correctness was ensured.

It took me four weeks to complete the whole assignment including the briefing paper. The scheduled time frame and action plan could be followed except some extra time which was spent for literature review.

Though the perfection of the paper has been ensured further literature review would extend the scope of the work.