

Workforce diversity status: a study of employees' reactions

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Keywords

Diversity, Gender, Employees, Workforce, Disadvantaged groups, India

Abstract

Primary data based on 1,083 observations were analyzed to examine the reactions and perceptions of male and female employees across categories about workforce diversity status in Indian organizations. Results indicated the prevalence of gender and category (racial) discrimination in Indian organizations. Male employees rated female employees less qualified, less competent, and less productive than females rated themselves. General category employees perceived that minority and socially disadvantaged employees were less competent and productive. Almost all employees believed that minority, socially disadvantaged, and disabled employees were provided with comparatively less organizational support in terms of working facilities, promotions, and salary increases. Even females of the general category believed that they had less chance of receiving working facilities, promotions, and salary increases than males from the general category. Further, each category of employees believed themselves to be more important than others. Females from all the categories valued diversity more highly than males. Females from the general category and both males and females from minority, disabled, and socially disadvantaged categories placed higher value on employers' efforts to promote diversity compared with general category males.

Introduction

Culturally diverse populations live in all countries of the world. With increasing immigration, increasing numbers of people working abroad, and the presence of indigenous ethnic communities, employees who even never leave home often face a multicultural workforce in local companies and organizations. Each set of population exhibits a culturally unique life-style (Adler, 1997). So organizations are becoming more diverse. The future human resources will include an increased number of women, more minorities, varieties of ethnic backgrounds, more ageing workers, disabled, and people with different lifestyles. The extent to which these shifts are effectively and efficiently managed will have an impact on the competitive and economic performance of business organizations (Wentling and Palma-Rivas, 2000). As globalization is increasing, workforce diversity is here to stay. The organizations which recognize the globalization of labour as a positive trend and facilitate the flow of the workforce will benefit most (Johnston, 1991).

Diversity refers to the co-existence of employees from various socio-cultural backgrounds within the company. Diversity includes cultural factors such as race, gender, age, colour, physical ability, ethnicity, etc. The broader definition of diversity may include age, national origin, religion, disability, sexual orientation, values, ethnic culture, education, language, lifestyle, beliefs, physical appearance and economic status (Wentling and Palma-Rivas, 2000). Diversity requires a type of organizational culture in which each employee can pursue his or her career aspirations without being inhibited by gender, race, nationality, religion, or other factors that are irrelevant to performance (Bryan, 1999). Managing diversity means enabling the diverse workforce to perform its

full potential in an equitable work environment where no one group has an advantage or disadvantage (Torres and Bruxelles, 1992).

It is the cultural background that creates differences (Reynolds, 1986). Hofstede found highly significant differences in the behaviour and attitudes of employees and managers from different countries. Managers and employees vary on four primary cultural dimensions, i.e. individualism/collectivism, power distance, uncertainty avoidance, and masculinity/femininity. Later Hofstede along with others identified a fifth dimension, i.e. Confucian dynamism (Adler, 1997). Confucian dynamism measures employees' devotion to the work ethic and their respect for tradition (Adler, 1997; Hofstede and Bond, 1988).

Dynamic companies look for people who are different from us because the diverse workforce may bring different talents, interests, and viewpoints (Simmons, 1996). The organizations which fail to embrace cultural diversity effectively and do not adopt a holistic approach to eliminate discrimination and injustice will adversely affect both employees and customers. Companies should rethink and redefine missions, strategies, management practices, cultures, markets, and products to meet the needs of an increasingly diverse body of employees, customers and stakeholders (Fernandez, 1998). Ultimately, the key to create, develop, and retain a diverse workforce is to find a way to make the workforce feel connected to their company (Farren and Nelson, 1999).

To manage effectively, we need to recognize the differences and learn to use them to our advantage, rather than either attempt to ignore differences or simply allow differences to cause problems (Adler, 1997). Rather managers should be taught how to respect the differences at work and how to work with them to maximize the contribution of each employee (Cascio, 1998).



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Why diversity?

Arguments for creating a diverse workforce are as follows:

- Organizations with a diverse workforce can provide superior services because they can better understand customers' needs (Wentling and Palma-Rivas, 2000). Hiring women, minorities, disabled, etc. will help organizations to tap these niche markets (Mueller, 1998) and diversified market segments (Fleury, 1999).
- As all the segments of society have a stake in the development and prosperity of society as a whole, creating and managing a diverse workforce should be seen as a social and moral imperative (Mueller, 1998).
- As the economies are shifting from manufacturing to service economies, diversity issues will gain importance because in a service economy effective interactions and communications between people are essential to business success (Wentling and Palma-Rivas, 2000).
- As globalization is increasing, diversity will help organizations to enter the international arena (Cascio, 1998).
- Diversity enhances creativity and innovation (Adler, 1997; Jackson *et al.*, 1992), and produces competitive advantages (Coleman, 2002; Jackson *et al.*, 1992).
- Diverse teams make it possible to enhance flexibility (Fleury, 1999) and rapid response and adaptation to change (Adler, 1997; Jackson *et al.*, 1992).

Valuing diversity

The reasons for valuing diversity are:

- to respond to competition, labour shortage, changing demographics and changing workforce values;
- to show that the organization is strategically driven, well-managed and quality-focused to its employees, stockholders, customers, and community;
- to prepare, train and develop company employees to manage and motivate a multi-cultural workforce;
- to gain competitive edge by identifying, attracting and retaining highly qualified and productive employees (Jackson *et al.*, 1992); and
- to justify itself as a true representative of the society (Kundu, 2001).

Companies can succeed at diversity if the initiative to create, manage and value the diverse workforce has the full support of the top management (Hayes, 1999; Jackson *et al.*,

1992). With this, other steps must be considered to value diversity, which are as follows:

- The organization should assign this work to a senior manager (Jackson *et al.*, 1992).
- The organization should link concerns for diversity to human resource management decisions around recruitment, selection, placement, succession planning, performance management, and rewards (Cascio, 1998).
- The organization should create such a working environment as will increase the motivation, satisfaction, and commitment of diverse people.
- Performance standards must be clearly and objectively established, effectively communicated, and used on objective criteria without any bias.
- Identify desirable and undesirable behaviors that must be based upon performance feedback discussions involving a diverse workforce.
- The strategy (diversity or otherwise) must be based on the will of the human resources, strength, and culture of the organization (Hayes, 1999).

Managers must understand their firm's culture first and then implement diversity strategies according to that culture (Hayes, 1999).

Indian context

The Indian civilization is one of the oldest and richest with a great deal of diversity in thoughts, beliefs, creeds, and deep appreciation of values (Singh, 2000). The diversity of the population is an important feature of India. The Indian population differs on account of religions, regional backgrounds, ethnic, academic, gender, education, cast, colour, language, socially disadvantaged (scheduled castes, scheduled tribes, and others), disability, etc. A large section of society has been deprived and suppressed for a long time. The plural society with differences of religions and cultures has created a pattern that is often under strain from different forces (Singh, 2000). Inter-group hostility is increasing. Religions clearly have become a major source of political mobilization and seem likely to play a big role.

Changing population structure, changing social patterns, concerns for socio-economic upliftment, organizational concerns, and the women's movement are some reasons that create pressure on organizations for creating a diverse workforce. The women's movement and the subsequent focus of the government

on their development have resulted in the increase in women employees in the workforce. The last quarter of the twentieth century has largely witnessed females' formal entry in business organizations. Other dimensions on which the workforce differs are the academic, ethnic, regional backgrounds, and disability. All these aspects are calling for a serious rethinking on HR policies (Mankidy, 1997). Cultural factors may affect the perceptions of others in organizations as well as their own image. Unlike the other groups of employees, women's entry has been gradual. Their presence in the workforce has started getting discussed among HR professionals (Mankidy, 1995-1996).

There is a great difference in male and female attitudes towards women in managerial positions. Women have a much more positive attitude for themselves for most of the managerial attributes than males (Bhatnagar, 1987). Further, the resistance of men to accepting women as worthwhile peers and bosses, the influence of the unfavourable attitudes of males on organizational decisions concerning women's career advancement, and conflict between maternal and work roles are some reasons for the slow entry and rise of women in the corporate sector (Bhatnagar, 1987). The pervasiveness of indifference or negative attitudes of males would affect adversely the placement, utilization, and promotion decisions concerning women (Bhatnagar, 1987). Another study pointed out that women are competent and are serious participants in the workforce. Further, females are not inferior to their male colleagues (Sekaran, 1981).

Further, it was found that women in general attached more importance to value diversity than men. Women were of the strong view that organizations must work towards hiring and retaining more women and ensuring development opportunities for women (Kundu, 2001). Compared with general category men, general category women and both males and females of the minority, disabled, and socially disadvantaged categories perceived strongly and placed greater value on employers' efforts to promote diversity (Kundu, 2001).

Socially disadvantaged people (scheduled casts/tribes, etc.) enter organizations as a result of a policy of reservations and concessions. However, other categories of employees and the management resent such policies. Government from time to time issues guidelines and directives with respect to their development and integration (Mankidy, 1995-1996). Since the socially disadvantaged persons suffer due to age-old

prejudices, commitment to their development and integration into the mainstream is imperative. Further, organizations must go beyond lip-service and initiate proper interventions that would aim at their acceptance by others on a psychological plane (Mankidy, 1995-1996). Organizations should initiate serious efforts to solve the difficulties of the diverse workforce which may reduce employee frustrations and the associated ill effects.

Objectives of the study

The main objective of the study is to assess the workforce diversity status in India. Subject to this, the study attempts to seek answers to the six following questions:

- (1) How do male and female employees' perceptions differ about diversity status?
- (2) How do categories of employees (general, minority, disabled, and socially disadvantaged) differ on the issue?
- (3) How do perceptions of male and female employees of respective categories differ?
- (4) How do male and female employees across categories view each other?
- (5) How do male and female employees across categories view employers' efforts to promote diversity?
- (6) How do male and female employees across categories differ on the issues like access to development opportunities, valuing diversity, organizational support, and the competence and productivity of employees?

Methodology

This study is based on primary data. For collecting data, a questionnaire was developed on the issue of diversity. Many variables used in this study were developed with the help of the scales used by Kossek and Zonia (1993). In all 34 questions were incorporated in the questionnaire by using a five-point scale. Out of 34 variables, 29 variables were specifically related to diversity status and five variables related to general information about the respondents. Gender and category of employees were taken as independent variables in this study. A total of 11 variables related to valuing diversity and development opportunities were taken on a five-point scale ranging from strongly disagree (one) to strongly agree (five), six variables regarding competence and productivity of employees measured on a scale ranging from much lower (one) to much higher (five), and the last 12 variables relating to organizational support were

assessed on a five-point scale ranging from least chance (one) to a very great chance (five).

Initially 300 companies in the corporate sector were identified for gathering data through questionnaires. When contacting the companies, we could find only 80 companies which had or were employing various categories of employees, i.e. male, female, general, minority, disabled and socially disadvantaged employees. By considering 80 companies as a sample for this study, we then administered questionnaires to employees of these selected organizations. While administering questionnaires to the employees/executives, we tried to ensure that the filled-up questionnaires should come from each category of employees including male and female. Finally we were able to collect 1,200 filled-up questionnaires from 80 companies. Out of the total sample, 117 questionnaires were found to be incomplete and the same number was deleted from the analysis. Only 1,083 fully filled-up questionnaires were used for analysis purposes. Table I shows the category-wise break-up of the sample.

Statistical tools like factor analysis, correlation, analysis of variance (ANOVA), means, and grand means were used for analysis of the data gathered. Factor analysis was used to reduce data by bringing out the broader dimensions. Correlations were used to see the relationship among the various factors. Two-way ANOVA was used to bring out the significant difference of reactions and perceptions of male and female and of various categories of employees. Means and grand means scores were also used to see and explain the direction and extent of the significant differences. Cronbach alphas were also calculated.

Results

A total of 29 variables regarding diversity were subjected to principal components factor analysis with varimax rotation by using the criterion that factors with an eigen value greater than 1.00 were retained. For

defining factors (scales) clearly, loadings exceeding 0.4 were considered and included in a factor. However, Harman (1976) outlined the procedure for approximating standard error of factor loadings, i.e. loadings greater than 0.29 were significant at the 0.05 level (Harman, 1976). The values of commonalities (h^2) ranged from 0.447 to 0.757 for various variables. It means factor analysis has extracted a good amount of variance in the variables. The eight factors extracted had eigen values between 1.152 and 4.626, explaining 60.389 percent of the variance.

Table II shows the extracted eight factors, loadings for all variables, eigen values, and percentage of variance explained by each factor. Two variables of factor two, i.e. "organization must hire and retain more women" and "gender diversity is important", were also loaded significantly on factor five. Similarly, one more variable of factor two, i.e. "organization must hire and retain more socially disadvantaged employees" was also loaded significantly on factor seven. These variables were also retained on factors five and seven. Even after retaining these variables again on factors five and seven, the alpha values remain sufficiently high to warrant such action. The derived factors were considered as scales (variables) and used for further analysis. A total of eight factors/scales are explained hereunder.

Access of development opportunities

This was the first factor that assessed the reactions of employees regarding access of development opportunities for women, minority, disabled and socially disadvantaged employees.

Value efforts to promote diversity

This factor assessed the perceptions of the extent to which organizational excellence was related to the hiring and retaining of employees who were female, minority, disabled or socially disadvantaged, and perceptions on the importance of gender diversity, minority, and socially disadvantaged representation to promote increased understanding and cooperation.

Table I
 Distribution of sample

Gender	Category of employees				Total
	General	Minority	Disabled	Socially disadvantaged	
Male	533	93	43	128	797
Female	223	31	10	22	286
Total	756	124	53	150	1,083

Table II
 Factor loadings of varimax rotated principal components

Factors	Loadings	Eigen value	Percent of variance
F1 (access to development opportunities)			
Access to development opportunities for women employees	0.704	4.626	15.950
Access to development opportunities for minority employees	0.767		
Access to development opportunities for socially disadvantaged people	0.784		
Access to development opportunities for disabled employees	0.678		
F2 (value efforts to promote diversity)			
Organization must hire and retain more women	0.512	3.594	12.392
Organization must hire and retain more minority employees	0.760		
Organization must hire and retain more disabled employees	0.606		
Organization must hire and retain more socially disadvantaged employees	0.576		
Gender diversity is important	0.446		
Minority representation is important	0.614		
Socially disadvantaged people representation is important	0.521		
F3 (organizational support for disabled employees)			
Working facilities for disabled employees	0.803	1.928	6.649
Career advancement and promotional avenues for disabled employees	0.836		
Salary increases or jumps for disabled employees	0.792		
F4 (organizational support for minority and socially disadvantaged employees)			
Working facilities for minority employees	0.538	1.775	6.121
Career advancement and promotional avenues for minority employees	0.668		
Salary increases or jumps for minority employees	0.679		
Working facilities for socially disadvantaged employees	0.607		
Career advancement and promotional avenues for socially disadvantaged employees	0.594		
Salary increases or jumps for socially disadvantaged employees	0.609		
F5 (competence and productivity of women employees)			
Competence of women employees	0.723	1.539	5.307
Productivity of women employees	0.759		
Organization must hire and retain more women	0.625		
Gender diversity is important	0.462		
F6 (organizational support for women employees)			
Working facilities for women employees	0.719	1.508	5.201
Career advancement and promotional avenues for women employees	0.775		
Salary increases or jumps for women employees	0.693		
F7 (competence and productivity of socially disadvantaged employees)			
Competence of socially disadvantaged employees	0.744	1.391	4.795
Productivity of socially disadvantaged employees	0.801		
Organization must hire and retain more socially disadvantaged employees	0.495		
F8 (competence and productivity of minority employees)			
Competence of minority employees	0.800	1.152	3.974
Productivity of minority employees	0.798		

Organizational support for disabled employees

This factor assessed reactions and perceptions regarding the equality of receiving working facilities, career advancement avenues, and receiving salary increases for disabled employees.

Organizational support for minority and socially disadvantaged employees

This factor assessed perceptions regarding the equality of receiving working facilities, career advancement and promotional avenues, and receiving salary increases for minority and socially disadvantaged employees.

Competence and productivity of women employees

This factor measured perceptions regarding the competence and productivity of women employees compared with male employees. This factor also stressed hiring and retaining more women and the importance of gender diversity.

Organizational support for women employees

This factor assessed perceptions regarding the equality of receiving working facilities, career advancement and promotional avenues, and receiving salary increases for women compared with male employees.

Competence and productivity of socially disadvantaged employees

This factor measured the reactions regarding the competence and productivity of socially disadvantaged employees compared with the general category and other categories of employees. This factor also stressed about hiring and retaining more of such type employees.

Competence and productivity of minority employees

This scale (factor) assessed the perceptions regarding the competence and productivity of minority employees compared with non-minority employees.

Table III shows the inter-scale (factor) correlations, means, standard deviations, alphas for the scales, all of which showed high reliability and ranged from 0.834 to 0.621. The alpha value for the full scale is again high, i.e. 0.810. Although the principal component factor analysis showed that these scales (factors) were conceptually distinct from one another, it was clear that significant relationships did exist between these scales. Considering the sample as a whole, the means show that employees were

of the view that the organization should continue to make an effort to ensure the full accessibility of development opportunities ($\bar{x} = 3.550$). Employees were slightly positive toward employers' efforts to promote diversity ($\bar{x} = 3.003$). Respondents believed that women ($\bar{x} = 3.021$) and minority and socially disadvantaged employees ($\bar{x} = 3.062$) had almost the same chance of receiving organizational support compared with male and majority employees, respectively. But disabled employees had less chance of receiving organizational support ($\bar{x} = 2.961$). Respondents were marginally favourable towards the competence and productivity of women ($\bar{x} = 3.181$) but not favourable towards minority ($\bar{x} = 2.910$) and socially disadvantaged employees ($\bar{x} = 2.717$).

Table IV shows the results of analysis of variance (ANOVA) for each scale, the corresponding significance levels of the main effects, i.e. gender effect and category effect, and the two-way interaction effect (i.e. gender and category). The significant *F*-values indicated the difference of perceptions and attitudes between male and female and between various categories of employees (i.e. general, minority, disabled, and socially disadvantaged) and the impact of both independent variables on each other. Table V shows the means and grand means of the variables which were helpful to explain the direction and extent of difference of perceptions and reactions.

Various categories of employees differ significantly ($p \leq 0.020$) on the scale "access to development opportunities". Minority ($\bar{x} = 3.65$) and socially disadvantaged ($\bar{x} = 3.74$) employees were of the strong view that organizations should work towards ensuring full access to development opportunities for minority and socially disadvantaged employees compared with general category ($\bar{x} = 3.50$) and disabled ($\bar{x} = 3.51$) employees. Further, male ($\bar{x} = 3.53$) and female ($\bar{x} = 3.60$) employees did not differ significantly on the variable. Again various categories of employees differ significantly ($p \leq 0.000$) on the scale "value efforts to promote diversity". Minority ($\bar{x} = 3.21$), disabled ($\bar{x} = 3.17$), and socially disadvantaged ($\bar{x} = 3.21$) respondents rated the importance of diversity efforts significantly higher than general category ($\bar{x} = 2.92$) respondents. Specifically, general category male ($\bar{x} = 2.86$) respondents did not favour diversity efforts. As far as the gender effect is concerned, there was no significant difference. However, mean scores clearly indicated that females ($\bar{x} = 3.10$) had favoured diversity compared with males ($\bar{x} = 2.97$).

For the scale "equality of organizational support for disabled employees", gender,

category, and interaction effect differences were not significant. Further, perusal of the mean scores table indicated that male ($\bar{x} = 2.97$), female ($\bar{x} = 2.93$), general category ($\bar{x} = 2.96$), minority ($\bar{x} = 2.93$), disabled ($\bar{x} = 3.02$), and socially disadvantaged ($\bar{x} = 2.94$) respondents underscored the equality of organizational support for disabled employees. We noted the differences according to category effect ($p \leq 0.058$) and interaction effect of gender and category ($p \leq 0.010$) for perceptions regarding

organizational support for minorities and socially disadvantaged employees. Minority ($\bar{x} = 3.04$) and socially disadvantaged ($\bar{x} = 3.02$) employees believed that they were getting almost equal organizational support, while general category ($\bar{x} = 3.07$) and disabled ($\bar{x} = 3.11$) thought that the minority and socially disadvantaged were given slightly more organizational support. Further, cell means inspection shows that socially disadvantaged female employees ($\bar{x} = 2.94$) believed that they were provided with less

Table III

Inter-factor correlations, means, standard deviations, and Cronbach alphas for various factors (sub-scales)

Factors (sub-scales)	F1	F2	F3	F4	F5	F6	F7	F8
F1 Access of development opportunities	–							
F2 Value efforts to promote diversity	0.409 (0.000)	–						
F3 Organizational support for disabled employees	0.134 (0.000)	0.049 (0.104)	–					
F4 Organizational support for minority and socially disadvantaged employees	0.125 (0.000)	0.024 (0.432)	0.409 (0.000)	–				
F5 Competence and productivity of women employees	0.279 (0.000)	0.582 (0.000)	0.036 (0.241)	0.053 (0.081)	–			
F6 Organizational support for women employees	0.087 (0.004)	0.092 (0.002)	0.289 (0.000)	0.228 (0.000)	0.165 (0.000)	–		
F7 Competence and productivity of socially disadvantaged employees	0.261 (0.000)	0.557 (0.000)	–0.001 (0.962)	–0.028 (0.364)	0.175 (0.000)	0.057 (0.061)	–	
F8 Competence and productivity of minority employees	0.220 (0.000)	0.301 (0.000)	–0.024 (0.437)	–0.037 (0.219)	0.261 (0.000)	0.061 (0.044)	0.313 (0.000)	–
Number of variables	4	7	3	6	4	3	3	2
Mean (scale value)	3.550	3.003	2.961	3.062	3.181	3.021	2.717	2.910
Standard deviation	0.794	0.673	0.602	0.338	0.706	0.465	0.680	0.619
Alpha values	0.769	0.750	0.834	0.705	0.673	0.676	0.621	0.683

Table IV

Summary results of analysis of variance (ANOVA)

Variables	Gender (main) F-value	Effects Category (main) F-value	Two-way interactions F-value
F1 Access to development opportunities	0.648 (0.421)	3.294 (0.020)	0.097 (0.962)
F2 Value efforts to promote diversity	0.808 (0.369)	9.354 (0.000)	1.040 (0.374)
F3 Organizational support for disabled employees	0.108 (0.743)	0.431 (0.731)	1.807 (0.144)
F4 Organizational support for minority and socially disadvantaged employees	1.849 (0.174)	2.505 (0.058)	3.808 (0.010)
F5 Competence and productivity of women employees	42.124 (0.000)	1.315 (0.268)	0.742 (0.527)
F6 Organizational support for women employees	5.696 (0.017)	2.768 (0.041)	3.885 (0.009)
F7 Competence and productivity of socially disadvantaged employees	0.385 (0.535)	5.528 (0.001)	1.279 (0.280)
F8 Competence and productivity of minority employees	0.099 (0.754)	14.646 (0.000)	1.206 (0.306)

Note: Significance levels are indicated in parentheses

Table V
 Summary of mean and grand mean scores

Variables		Categories of employees				Grand means
		General	Minority	Disabled	Socially disadvantaged	
1. Access of development opportunities	M	3.47	3.62	3.52	3.73	3.53
	F	3.56	3.77	3.50	3.81	3.60
	FM	3.50	3.65	3.51	3.74	
2. Value efforts to promote diversity	M	2.86	3.16	3.21	3.19	2.97
	F	3.05	3.35	2.98	3.52	3.10
	GM	2.92	3.21	3.17	3.21	
3. Organizational support for disabled employees	M	2.99	2.87	3.02	2.95	2.97
	F	2.91	3.11	3.03	2.86	2.93
	GM	2.96	2.93	3.02	2.94	
4. Organizational support for minority and socially disadvantaged employees	M	3.08	3.00	3.07	3.03	3.06
	F	3.04	3.16	3.27	2.94	3.05
	GM	3.07	3.04	3.11	3.02	
5. Competence and productivity of women employees	M	3.01	3.07	3.12	3.10	3.03
	F	3.57	3.62	3.37	3.77	3.59
	GM	3.17	3.21	3.16	3.20	
6. Organizational support for women employees	M	3.02	2.96	3.04	3.06	3.02
	F	2.99	3.20	3.40	3.00	3.15
	GM	3.01	3.02	3.12	3.04	
7. Competence and productivity of socially disadvantaged employees	M	2.63	2.81	2.66	3.09	2.72
	F	2.67	2.77	2.73	2.81	2.69
	GM	2.64	2.80	2.67	3.05	
8. Competence and productivity of minority employees	M	2.82	3.18	3.08	2.95	2.90
	F	2.88	3.40	3.00	2.84	2.94
	GM	2.84	3.28	3.06	2.93	

Notes: M = Male; F = Female; GM = Grand mean

organizational support compared with other categories of employees irrespective of gender difference. Gender ($p \leq 0.017$), category ($p \leq 0.041$), and interaction effect ($p \leq 0.009$) differences were significant for the scale "organizational support for women employees". Male employees ($\bar{x} = 3.02$) perceived that they have less chance of receiving organizational support as compared with female ($\bar{x} = 3.15$) employees. In contrast, females from the general category ($\bar{x} = 2.99$) reacted by saying that they had slightly less chance of receiving organizational support compared with males ($\bar{x} = 3.02$). Females from the socially disadvantaged category ($\bar{x} = 3.00$) believed that they had less chance of receiving support than males ($\bar{x} = 3.06$) from the same category. Employees from various categories, i.e. general ($\bar{x} = 3.01$), minority ($\bar{x} = 3.02$), and socially disadvantaged ($\bar{x} = 3.04$), tended to believe that women have almost the same chance of receiving support except disabled ($\bar{x} = 3.12$) who believed that women have more chance of receiving organizational support.

Gender effect differences ($p \leq 0.000$) were significant for perceptions about the competence and productivity of women employees. Women rated themselves ($\bar{x} = 3.59$)

more competent and productive than they were rated by men ($\bar{x} = 3.03$). Women from the general category ($\bar{x} = 3.57$), minority ($\bar{x} = 3.62$), and socially disadvantaged ($\bar{x} = 3.77$) rated competence and productivity for themselves higher than rated by males of the general category ($\bar{x} = 3.01$), minority ($\bar{x} = 3.07$), and socially disadvantaged ($\bar{x} = 3.10$). Category and interaction effect differences were not significant for the variable "competence and productivity of women employees". Category effect ($p \leq 0.001$) perception differences were significant for the scale of competence and productivity of socially disadvantaged employees. Socially disadvantaged employees ($\bar{x} = 3.05$) perceived themselves to be more competent and productive than perceived by general ($\bar{x} = 2.64$), minority ($\bar{x} = 2.80$), and disabled ($\bar{x} = 2.67$) employees. However, gender effect differences were not significant. But both male ($\bar{x} = 2.72$) and female ($\bar{x} = 2.69$) employees perceived the competence and productivity of socially disadvantaged employees to be lower. The perceptions regarding competence and productivity of the minority employees differed significantly according to category effect ($p \leq 0.000$). General category ($\bar{x} = 2.84$) and socially disadvantaged ($\bar{x} = 2.93$)

employees rated the competence and productivity of minority employees lower than rated by minority employees themselves ($\bar{x} = 3.28$). However, both male ($\bar{x} = 2.90$) and female ($\bar{x} = 2.94$) employees rated the competence and productivity of minority employees lower than rated by male ($\bar{x} = 3.18$) and female ($\bar{x} = 3.40$) employees themselves of both minorities.

Discussion

This study examined the reactions and perceptions of male and female employees and various categories of employees (i.e. general, minority, disabled, and socially disadvantaged) regarding diversity status. Factor analysis reduced 29 variables into eight clear variables (scales) that were used for further analysis. The derived eight factors explaining the reactions of males and females and various categories of employees towards diversity status were to access: development opportunities, value efforts to promote diversity, organizational support for disabled, support for minority and socially disadvantaged employees, support for women employees, competence and productivity of women employees, competence and productivity of socially disadvantaged employees, and competence and productivity of minority employees. Another study, found similarly four dimensions by using 20 variables on the diversity scale (Kossek and Zonia, 1993).

Organizations should ensure equitable access to development opportunities for males and females across categories. Minority and socially disadvantaged employees felt discriminated against in receiving development opportunities provided by organizations. General category employees were feeling comparatively comfortable. Further marginal differences regarding access to development opportunities were there between males and females. Females across categories were of the view that they were provided with comparatively fewer development opportunities as shown by cell means. Studies have shown that institutional racism and sexism still persist in organizations (Kanter, 1977; Martin and Pettigrew, 1987). Further, another study pointed out that there is a marked difference in male and female attitudes towards women in managerial positions (Bhatnagar, 1987). It is absurd to put a woman down for having the very qualities that would send a man to the top (Schwartz, 1989).

General category employees did not value diversity and the efforts of employers to

promote diversity. In contrast, minority, disabled, and socially disadvantaged employees valued diversity. These categories of employees reacted by saying that employers should hire and retain more employees from their categories. These employees also emphasized the importance of minority and socially disadvantaged representation in the workforce. Further, females in general valued diversity more than males. However, general category females put less stress on diversity compared with females from other categories. This finding is consistent with the findings of the study of Kossek and Zonia (1993). They found that white women and racioethnic minorities placed greater value on employers' efforts with promote diversity as compared with white men (Kossek and Zonia, 1993). The age, sex, and competence of potential employees were found to affect hiring decisions. Employers preferred males over females and, among highly competent individuals, males were rated higher than females (Haefner, 1977). Whites were less likely to believe that black managers were hired on the basis of competence but they were more likely to believe that blacks were hired just to fill racial quotas (Alderfer *et al.*, 1980). Another study found that, compared with white managers, blacks felt less accepted in organizations (Greenhaus *et al.*, 1990). Further, black applicants are much more likely than white applicants to receive replies simply offering no work (Howitt and Owusu-Bempah, 1990). Owing to downsizing white males were out of jobs and they are fighting back. So, they do not want women and minorities taking their jobs (Kaufman, 1996). But business is anticipating a likely shortage of the dominant group labour pool and has started recognizing the growing purchasing power of women and minorities (Dobrzynski, 1995). However, women's greatest worry for the next generation of women is whether education is preparing them well enough for the future (Shellenbarger, 1995). Increasing racial and minority representation is not free from stresses and strains. Incidents of racial harassment are increasing (DePalma, 1991).

This study found that, if organizations want to be excellent organizations, they have to hire and retain more women, minority, disabled and other categories of employees. In tune with this finding, Schwartz (1992) stressed that, if a company moves aggressively in the way in which it recruits, trains, promotes, rewards, and values women, it will not only attract the brightest women, it will speak directly to the millions of men and women who care deeply about this issue (Schwartz, 1992). Further, equal employment opportunity means more than

putting a black man in a white man's job. The barriers must be removed, not just moved (Jones, 1994).

The results further show that women strongly believed that they were provided with less organizational support (i.e. working facilities, promotions, and salary increases) compared with men. Women also felt the presence of inter-category discrimination. Minority and socially disadvantaged employees were of the view that they were being discriminated against in providing organizational support. Employees irrespective of categories believed that the disabled were not provided with sufficient organizational support in terms of working facilities, promotions and salary increases. Widespread perceptions of racial and sexual discrimination were found in the workplace. Employees of all kinds agreed that minority employees' chances for advancement were poorer than those of non-minority employees (Shellenbarger, 1993). Another study found that in general blacks more often than whites were told that their promotion probabilities depend on their race (Alderfer *et al.*, 1980). Compared with whites, blacks felt less accepted in their organizations, received lower ratings from their supervisors on their job promotability and were more likely to have reached career plateaux (Greenhaus *et al.*, 1990). Black upward mobility was not only less frequent, but also more restricted in range of occupational and industrial destinations (Pomer, 1986). Further, it was found that minority men and women and white women also rated white men's chances of advancement higher than white men did themselves (Shellenbarger, 1993). Compared with male managers, female managers perceive that they have fewer opportunities for advancement and less chance of achieving their career objectives in their organizations (Trost, 1990). Compared with men, women and other categories of employees received lower increases in salaries. Similar results were found in other studies. Women generally earn less than men within a given job category. When all men and women are compared, the disparities are much greater (Roberts, 1995). Blacks from predominantly black schools received starting salaries less than whites, as well as less than blacks who were from mixed schools (Brown and Ford, 1977) but were in moderately well-paid positions in the core industrial sector (Pomer, 1986).

Women in this study rated themselves more competent and productive than rated by men, the socially disadvantaged rated themselves more competent and productive than rated by the rest of the groups, and

minority rated themselves more competent and productive than rated by general category and socially disadvantaged employees. One study suggested that females do possess the personality traits that are commonly used to define a competent manager (Steinberg and Shapiro, 1982). But in other studies males perceive that successful middle managers possess characteristics, attitudes, and temperaments more commonly ascribed to men in general than to women in general (Schein and Mueller, 1992; Schein, 1973, 1975). A woman's level of education is a key predictor of her satisfaction with life and her ability to manage multiple roles (Shellenbarger, 1995). Studies have shown the presence of sex bias (Bigoness, 1976) and race bias (Bigoness, 1976; Greenhaus *et al.*, 1990) in performance evaluation. The behaviours and policies of employers are much more important causes of sexual differences in authority in the workplace than are the attitudes and behaviour of the women themselves (Wolf and Fligstein, 1979). Disabled people have the skills and the ability to become productive and dedicated employees (Singer, 1994). Perhaps the barrier is employers' lack of knowledge about the disabled (Cascio, 1998).

The extent to which managers recognize diversity and its potential advantages and disadvantages defines an organization's approach to managing the diversity (Adler, 1997). The process of diversification of organizations has six stages: denial; recognition; acceptance; appreciation; valuing; and utilization (Porras, 1991). It is believed that organizations studied are approaching recognition stage. In terms of organizational learning, organizations are still stuck on the problem of getting people to value diversity and have not yet determined ways to utilize and exploit it (Porras, 1991). It is the approach to diversity, not the diversity itself which determines the actual positive and negative outcomes (Adler, 1997). Managing diversity in organizations is absolutely dependent upon the acceptance of some primary objectives to which employees are willing to commit, such as the survival of the firm (Gentile, 1994).

Conclusion

Results indicated the prevalence of gender and category (racial) discrimination in Indian organizations. Male employees rated female employees less qualified, less competent, and less productive than rated by females themselves. General category employees perceived that minority and

socially disadvantaged employees were less competent and productive. Almost all employees believed that minority, socially disadvantaged, and disabled employees were provided with comparatively less organizational support in terms of working facilities, promotions, and salary increases. Even females of the general category believed that they had less chance of receiving working facilities, promotions, and salary increases than males from the general category. Further, each category of employees believed themselves to be more important than others. Females from all categories valued diversity more highly than males. Females from the general category and both males and females from minority, disabled, and socially disadvantaged categories placed higher value on employers' efforts to promote diversity compared with general category males.

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