Managing Workforce Diversity in the Era of Globalisation

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Abstract: *When an organisation is spread globaly then they need to deal with a workforce which is diverse in nature. Many management professionals would agree that it is a positive factor which contributes in organisational performance. But someimes if one look at the management of a diverse workforce then it appears to be a bit difficult for the managers who are directly dealing with the diverse employees. An organisation has to fill up the positions with skilled and professional at different levels at different time zone with a speed. Hiring and promotion practices of the organisation provides a competitive advantage or a disadvantage in the increasing economy. The use of diverse workforce lies into the policy maker's hand. It is noted that diversity can either help or hinder the firm performance, depending on the organisation's culture, its strategies, and its human resource practices. A mismanaged diversity initiatives can negatively affect both process of the organisation and the outcomes.*
The question is what should be the hiring or the retaining strategy of a diverse workforce in the era of globalisation and increasing global economy so that the organisation can run profitably without compromising on its own as well as employee's objectivity of employement.

Keywords: *Organisation culture, workforce diversity, organisation change, globalisation, organisation strategy*

1. INTRODUCTION

Globalisation has brought changes in the business environment, resulting in increasing competition. It also bought changes in political, economic, social, technological, and employement environment which has made organisations to face some unique challenges to survive and to sustain in the competitive environment. One of the most challenging problem is the availability and quality of diverse workforce.The term 'workforce diversity' refer to the varied personal characteristics that make the workforce management heterogenous, such as gender, race, age, lifestyle, culture etc.

Diversity in the workforce is not just a politicaly correct word, it has become a reality.

The workforce is composed of three generations:

- Baby Boomers- Born between 1946- 1964.
- Generation X (Gen X)-Born between 1965- 1979.
- Generation Y (GenY)–Born in 1980 or after.

Each generation grew up with those era's references. Baby Boomers grew up in the era of breakdown of manufacturing economy. They saw restructuring, reengineering and layoffsof white collar workers. Each of the generation ahs different views for employment. The older generation looked for job security, while th eyounger generation looks for challenges abd career enrichment. Like their views on employment, their atttitude towards employement is also different. Young people wants to be recognised and appreciated for their work and if they aer not getting the same then they tend to change the job. While older generation are focussed towards the loyalty because at their time there were not many job options available. Gen X and Gen Y wants their work to be meaningful and challenging. They work for a company as long as they feel they are growing, learning, and contributing. The younger generation values their lifestyle, and also seek work-life balance. They are not ashamed to question the future prospects in any job. They expect lifestyle perks like child care services, children education, service that provide people to pay their bills. These perks have come to play an important role in retaining the young talent in the organisation.

Today an employee does not only work for salary or work environment but they also work for their positions in the organisational hierarchy, company's ethics and culture. Salaries are no longer the only motivation behind any job. Today employees are looking for a satisfying career . They give equal importance to the

perosnal lives and look for balancing work and family life. This shift in priorities affect they way they were managed earlier. Since each generation has different attitudes towards work and employment, it is important for HR managers to undestand the expectations, motivations and aspirations of the employees from all generations. Thus managing human resource has become very challenging today.

2. AGEING POPULAITON AND AGEING WORKFORCE

Ageing population or ageing workforce affects the retirement policies of organizations. If an employees retires from the existing post then it creates an oppurtunity for another person to be employed.The retirement age is linked to life expectancy. Many countries like France, Germany, Spain and Italy are experiencig the decline in workforce population as there are fewer young people than jobs vacated by retirees. Some countries are recognising the HR issues related to the retirement. Countries like Australia and New Zealand have scrapped the retirement. In India the age of retirement is 60. Organisation follow different retirement policies worldwide. They have two kinds of retirement policy–one is for the employees and another is for board members. In India the retirement age is 70 for the board members while for the employees it is between 58- 60. General Motors has fixed 65 as the retirement age for employees and 70 for the board members. Many organisation prefer older employees because of their experiences. Now adays many organisations employes the retired employees even after their retirement on a contractual basis. Older employees have skill and special knowledge of the job and that can be an assest for the organisations.When many employees retires simulteneously, they take away their valuable expertise with them. However these vacant positions needs to nbe replaced, however few generation X is availabel to fill the shoes of the retired employees. This situation creates a demand supply gap. This is because the proportion of Gen X is much lower. Hence when Baby Boomers retires there will not be enough Gen Xers to replace them. When the older generation retires, generation X enters at the middle and upper management ranks. Generation Y enters at the lower management level. As the numbers of younge remployees decreases as proportion of the whole workforce, the importance of retaining advanced and more experienced employees increases. Such changes results in imbalance in th eage distribuiton of the workforce mean that demand for mangerisl talent will outstrip supply.

Old generation have special knowledge and skill for the job and young generation has different outlook, energy and knowledge which can be beneficial for the senior management. Thus age diversity encourages the transfer of knowledge and expertise between generations. A mentoring policy can help the organisations where older employees can be mentors for younger employees and this will help the organisation in ensuring that the specialised skills and knowledge are passed on to the new generations. For example Nestle retains the retiring salespersonnel to teach and coach the new sales force. Organisation needs to utilise the expertise of old employees in retaining and norturing young employees to achieve the common objectivity.

3. KNOWLEDGE WORKERS

Globalisation gave us the technological advancement . More and more jobs are created in the low skilled services(fast food, call centres) and in high skilled knowledge and technical work. Knowledge workers are those individuals (engineers, software programmers, technologists) who perform jobs that need the acquisitionand application of the knowledge.

Now employers have become more demanding and look for a more educated workforce to add value to their work. According to the Human Development report in India 47.8 % women and 73.4% of men are literate. Despite the increase in population still there are skill deficiencies in the workplace. There is no shortage of workforce in India but that of a trained workforce. Many organisations are tapping the limited talent for the hiring. In addition to increased demand for skill based jobs, there is also demand for more skills within the job. Employees at all levels need customer handling, computer and communication skills. Hence HR has to focus on training, retraining and development activities of the employees. The knowledge workers who is more educated has become more demanding. Higher education led them to demand autonomy at work wlong with the social status, areer and self esteem.

4. WOMEN WORKFORCE

No. of women workers have increased with the no. of years. The high level of participation is because of several reasons like increased education among women, increased return to work after child birth, and increased availability of the part time work. According to Confederations of Indian Industry(CII) study of 149 companies in India, 16% of junior managers are women, only 4% of senior managers and 1%of CEOs ae women. Around 14% of companies hve policies excluding women from manufacturing, production, shop floor, sales, marketing and top positions.

One of the challenge of HR is to retain and attract the educated abd skilled women workers. The organisation needs to take initiatives to ensure that women workers return to work after the child birth, sicne the maximum attrition happens at that stage. Organisations needs to give them a family friendly policiesand facilities like creche.

5. AVAILABLITY OF SKILLED WORKFORCE

With the increasing populations the no. of job seekers has also increased. The no. of jobseekers in the year of 2014 is much more higher than the no. of jobseekers in the year 2004. The shortage of skilled worforce came along with the globalisation. Although half the 1.2 billion polpulation is under 25 and there are 40 million unemployed (Times of India, New Delhi, 29 January 2006), very few can be employed; although 3.6 million graduate from college every year , only 0.9 millions of these graduates are employable.

There are not enough people to fill up all the positons available in the organsiations. It is a challenge for the HR manager to ensure the availability of the skilled talentpool to fulfill the needs of the organisation. Many firms are adopting the innoative techniques to manage the scarcity of the talents. Forexample, Infosys has its training centre in mysore which trains 4000 employees every four months and on an average infosys employes 12000 people on an average every year.

6. MULTI CULTURAL WORKFORCE

Globalisation also brought the globaly diverse workforce. It has given us the global managers. Indian organisations are hiring expatriates for the jobs and Indians mangers are finding bif oppurtunities overseas. The talent pool is expanding overseas.In India there is a cultural difference across regions and states. As the incresing workforce becomes multicultural , organisations needs to embrace the diversity of their employees and offer oppurtunities for everyone to learn each other's background. Firms have to accept the fact that employees comes to the organisations with their values, needs and expectations.

Workforce diversity requires managers to recognise and respond to individual differences to retain and motivate employees. Firms must develop th ediversity training programmes to help emplyees overcome their biases in their inteaction with people from different background.

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