

ORGANIZATION OF MULTICULTURALISM & MULTIPLICITY IN BUSINESS ORGANIZATIONS

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INTRODUCTION:

Multiculturalism relates to communities containing multiple cultures. The term is used in two broad ways, either descriptively or normatively. As a descriptive term, it usually refers to the simple fact of cultural diversity: it is generally applied to the demographic make-up of a specific place, sometime at the organizational level, e.g. schools, businesses, neighborhoods, cities, or nations. As a normative term, it refers to ideologies or policies that promote this diversity or its institutionalisation; in this sense, multiculturalism is a society “at ease with the rich tapestry of human life and the desire amongst people to express their own identity in the manner they see fit.” Such ideologies or policies vary widely, including country to country, ranging from the advocacy of equal respect to the various cultures in a society, to a policy of promoting the maintenance of cultural diversity, to policies in which people of various ethnic and religious groups are addressed by the authorities as defined by the group they belong to. However, two main different and seemingly inconsistent strategies have developed through different Government policies and strategies: The first focuses on interaction and communication between different cultures. Interactions of cultures provide opportunities for the cultural differences to communicate and interact to create multiculturalism. (Such approaches are also often known as interculturalism.) The second centers on diversity and cultural uniqueness. Cultural isolation can protect the uniqueness of the local culture of a nation or area and also contribute to global cultural diversity. A common aspect of many policies following the second approach is that they avoid presenting any specific ethnic, religious, or cultural community values as central.

Multiculturalism is often contrasted with the concepts of assimilationism and has been described as a "salad bowl" or "cultural mosaic" rather than a "melting pot". Most organizations have realized that diversity exists and that the culture of any organization must pay attention to the needs of a set of every diverse employee. In short, many managers are grappling with how to make their corporate culture more in tune with the issues of multiculturalism.

Managing the issues of diversity and multiculturalism is crucial to organizational success. Professor Taylor Cox of the University of Michigan has suggested six arguments, to support his belief that managing cultural diversity can improve organizational performance. The cost argument says that if organizations do a poor job in managing multicultural issues they will have higher costs. The revolving door syndrome is expensive. When women and minorities leave the organization gets no return on the investment it has made in them. In addition if multicultural issues are not managed well, then people are not as comfortable as they could be in the work environment and they spend time and energy worrying about discrimination, harassment, and other issues rather than their jobs.

The resources acquisition argument says that companies that handle multiculturalism well will have an advantage over other companies in hiring multicultural workers—an increasingly important advantage in an era of Workforce 2000 demographics. The best places to work for women and African Americans has been positive for companies listed, including Merck, Xerox, Syntex, Hoffman LaRoche, and Hewlett Packard.

The marketing argument says that organizations that manage multicultural issues well have an insight into markets consisting of minority group members and women. Markets too, are diverse, and cultural issues have some effect on the buying decisions of customers. Today is successful precisely because it has a variety of people from different cultural backgrounds involved in daily news meetings.

The creativity and problem solving arguments hold that groups of people from diverse backgrounds can be more creative than groups with homogeneous backgrounds, and are better at solving problems. However, steps must be taken to realize these benefits; in particular, team members must become aware of possible attitude differences in others. And there must be a core of shared beliefs or shared values around which people can express their differences. Finally, the system flexibility argument says that the ability to manage diversity increases the adaptability and flexibility of an organization. External and internal issues can be responded to more quickly. In addition, to manage diversity successfully, an organization must question outdated policies and procedures that emerged in days when multiculturalism was not a large concern for the organization.

ARGUMENTS FOR MANAGING CULTURAL DIVERSITY:

Cost Argument: As organizations become more diverse the cost of a poor job in integrating workers will increase. Those who handle this well will thus create cost advantages over those who don't. **Resources Acquisition Argument:** Companies develop reputations in favorability as prospective employers for women and ethnic minorities. Those with the best reputations for managing diversity will win the competition for the best personnel. As the labor pool shrinks and changes composition, this edge will become increasingly important.

Marketing Argument: For multinational organizations, the insight and cultural sensitivity that members with roots in other countries bring to the marketing effort should improve these efforts in important ways. The same rationale applies to marketing to sub-populations within domestic operations. **Creativity Argument:** Diversity of perspectives had less emphasis on conformity to norms of the past (which characterize the modern approach to management and diversity) should improve the level of creativity. **Problem solving Argument:** Heterogeneity in decision and problem solving groups potentially produces better decisions through a wider range of perspective and more thorough critical analysis of issues.

System Flexibility Argument: An implication of the multicultural model for managing diversity is that the system will become less determinant, less standardized, and therefore more fluid. The

increased fluidity should create greater flexibility to react to environmental changes (i.e. reactions should be faster and at less cost).

MAJOR CULTURAL DIMENSIONS:

Authority space

The degree to which society accepts inequalities in organizational relationship. The concept assumes that ethical or unethical behavior in organizations is learnt through the process of interacting with peers rather than the superior. The practical implications stemming from the results of the application of this concept is that, in cultures where the degree of power distance is low or moderate, individuals look more to their peers than to their superiors for guidance in terms of ethical conduct.

Insecurity prevention:

The degree to which individuals in a society feel threatened by situations that is unstructured, unclear or unpredictable. Due to differential norms and conducts of behavior or the absence of formalized codes of conduct in a given culture, individuals may experience ambiguity in organizations when faced with different culture and value system. It has been found that individuals from high uncertainty avoidance cultures are more likely to consider organizational code of ethics when forming their own de-ontological norms than those hailing from low uncertainty avoidance cultures.

Uniqueness/socialism

The extent to which individuals in a society view themselves as individuals or a part of a large group. The concept assumes that ethical or unethical behavior in organizations is sometimes determined by the extent to which individuals consider the group as being more important than themselves or vice-versa. Hence employees from individualistic culture propelled by their own self interest will tend to be influenced less organizational code of ethics.

Masculinity/Femininity

The extent to which a society's dominant values stress assertiveness and materialism versus concern for people and quality of life. The concept assumes that individuals from highly masculine cultures may be less likely than those from highly feminine cultures to be influenced by organizational codes of ethics.

HOW TO MANAGE MULTICULTURALISM

1. Selection must be Task Related
2. Facilitate a better understanding of cross-cultural Differences
3. Develop Cooperation & mutual respect among team members
4. Distribute power according to each person's ability to contribute to the task
5. Minimize early judgments based on ethnic stereotypes
6. Trust the collective judgments of the group

WORK FORCE DIVERSITY

Today's labor pool is dramatically different than in the past. A single homogeneous group no longer dominates that. People now overwhelmingly represent the workforce pool from a vast

array of backgrounds and life experiences. It has become now a resource imperative for companies to have a diversified pool of talent. That's why Organizations are becoming increasingly diverse in terms of gender, race, ethnicity, and nationality.

Workforce Diversity has changed in recent years .Not long ago, diversity referred to a person's gender or ethnic group. Diversity today encompasses differences in age, tenure in an organization, educational background, sexual or affectional orientation or preference, physical abilities or qualities and social status, economic status, lifestyle, ethnicity and gender among many other characteristics. Generally speaking, the term "Workforce Diversity" refers to policies and practices that seek to include people within a workforce who are considered to be, in some way, different from those in the prevailing constituency.

WHY ENCOURAGE DIVERSITY?

Diversity is not about counting heads, but making heads count!

Organizations that manage their diverse workforce can increase their productivity substantially through many ways. Some of which are mentioned below:

*** As a Social Responsibility**

Because many of the beneficiaries of good diversity practices are from groups of people that are "disadvantaged" in our communities, there is certainly good reason to consider workforce diversity as an exercise in good corporate responsibility. By diversifying our workforces, we can give individuals the "break" they need to earn a living and achieve their dreams.

*** As a Legal Requirement**

Many companies are under legislative mandates to be non-discriminatory in their employment practices. Non-compliance with Equal Employment Opportunity or Affirmative Action legislation can result in fines and/or loss of contracts with government agencies. In the context of such legislation, it makes good business sense to utilize a diverse workforce.

*** As a Marketing Strategy**

Buying power, particularly in today's global economy, is represented by people from all walks of life (ethnicities, races, ages, abilities, genders, sexual orientations, etc.) To ensure that their products and services are designed to appeal to this diverse customer base, "smart" companies, are hiring people, from those walks of life - for their specialized insights and knowledge. Similarly, companies who interact directly with the public are finding increasingly important to have the makeup of their workforces reflect the makeup of their customer base.

*** As a Business Communications Strategy**

All companies are seeing a growing diversity in the workforces around them - their vendors, partners and customers. Companies that choose to retain homogenous workforces will likely find themselves increasingly ineffective in their external interactions and communications.

*** As a Capacity-building Strategy**

Companies that prosper have the capacity to effectively solve problems, rapidly adapt to new situations, readily identify new opportunities and quickly capitalize on them. The range of talent, experience, knowledge, insight, and imagination available in their workforces can measure this capacity. In recruiting employees, successful companies recognize conformity to the status quo

as a distinct disadvantage. In addition to their job-specific abilities, employees are increasingly valued for the unique qualities and perspectives that they can also bring to the table.

*** Increased Market share**

Increased diversity among the workforce fosters large market share of diverse customers and those who intentionally buy from organization that promote diversity. Therefore, a diverse workforce can tackle increased diversity in the customer base effectively.

*** Increased Market share**

Encouraging diversity saves the cost of unwanted turnover by providing non-monetary reason to stay with an organization. It reduces recruitment costs because companies with diversity policies and programmes are sought out by those who have such policies; And by reducing discrimination lawsuits. A company that makes employees of diverse background feel good could offset the decline in organizational loyalty.

*** Increased Productivity**

People who enjoy coming to work generally produce more. They believe that their work will be valued and leave to advancement. The research also indicates that diverse groups are generally more creative and innovative than homogeneous groups.

*** Improved Management Quality**

Including all employees in consideration for managerial positions improves the pool of applicants. It also unblocks some highly qualified individuals who may have been unable to advance due to written or unwritten policies that discriminated against them for one reason or another.

*** Improved Recruiting Efforts**

Supporting shortages in labor appears from time to time. Recruitment of a diverse population can offset shortages because many workers are drawn to companies that embrace diversity.

*** Other Reasons**

Increased competitiveness through ease in recruiting scarce labor, increased sales to minority-culture groups, increased creativity and innovations, enhanced problem solving, enhanced organizational flexibility, increased ability to acquire resources and enhanced social responsibility-contribution to society.

HOW TO MANAGE DIVERSITY

1. Clarify Your Motivation

None of these are bad reasons, but none of them are business reasons, and given the nature and scope of today's competitive challenges, only business reasons will supply the necessary long-term motivation. In business terms, a diverse work force is not something your company ought to have; it's something your company does have, or soon will have. Learning to manage that diversity will make you more competitive.

2. Clarify Your Vision

It doesn't say, "Let us give them a chance." It assumes a diverse work force that includes them and us. It says, "Let's create an environment where everyone will do their best work."

3. Expand Your Focus

Managers usually see affirmative action and equal employment opportunity as centering on minorities and women; the diversity here includes race, gender, creed, and ethnicity but also age,

background, education, function, and personality differences. The objective not to assimilate minorities and women into dominant white male culture but to create a dominant heterogeneous culture.

4. Audit Your Corporate Culture

If the goal not to assimilate diversity into the dominant culture but rather to build a culture that can digest unassimilated diversity, then you had better start by figuring out what your present culture looks like.

5. Modify Your Assumptions.

The real problem with this corporate culture tree is that every time you go to make changes in the roots, you run into terrible opposition. Every culture, including corporate culture, has root guards that turn out in force every time you threaten a basic assumption.

6. Modify Your Systems.

The first purpose of examining and modifying assumptions is to modify systems. Promotion, mentoring, and sponsorship comprise one such system, and the unexamined cream-to-the-top assumption

7. Help Your People Pioneer

Learning to manage diversity is a change process, and the managers involved are change agents. There is no single tried and tested "solution" to diversity and no fixed right way to manage it. Assuming the existence of a single or even a dominant barrier undervalues the importance of all the other barriers that face any company, including, potentially, prejudice, personality, community dynamics, culture, and the ups and downs of business itself. Maybe they needed some kind of pioneer training.

9. Continue Affirmative Action.

The reason you then want to move beyond affirmative action to managing diversity is because affirmative action fails to deal with the root causes of prejudice and inequality and does little to develop the full potential of every man and woman in the company. In a country seeking competitive advantage in a global economy, the goal of managing diversity is to develop our capacity to accept, incorporate, and empower the diverse human talents of the most diverse nation on earth. It's our reality. We need to make it our strength.

FINAL THOUGHT...

For whichever of these reasons that motivates them, it is clear that companies that diversify their workforces will have a distinct competitive advantage over those that don't. Further, it is clear that the greatest benefits of workforce diversity will be experienced, not by the companies that have learned to employ people *in spite of* their differences, but by the companies that have learned to employ people *because of* them. In Short management philosophies and practices are culturally conditioned; it stands to the reason that there is much to be gained by including cultural studies in all management or professional development.

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