

Equity and Diversity: Changing face of Employment Relations in Organised Retail Sector of India

Dr. Bhanupriya Khatri^{*1}, Dr. Rupali Arora^{*2}, Nidhi Sharma^{*3}

*University School of Business, Chandigarh University^{*1}*

*University School of Business, Chandigarh University^{*2}*

*University School of Business, Chandigarh University^{*3}*

Abstract:

World is shrinking and has been metamorphosed into a global village. Globalization is having a foremost impression not only on the commercial world but also on the whole humankind. As the economy becomes progressively global, our personnel also develop progressively diverse. Managerial achievement and competitiveness eventually become contingent depending upon the capability to achieve assortment of diverse skills in the workplace excellently.

Unity in diversity is the spirit of Indian philosophy. We live in a multifaceted, interrelated world where diversity, moulded by globalization and industrial development, practices the fabric of modern organisation work culture.” Vasudev Kutumbkam” meaning “The whole world is a single family”, this proclamation directs the individuals to display the uppermost intellect of association leaving the variances in terms of class, region, ethnicity, gender and religion. The Indian retail sector has gone through key revolution over the two decades with a substantial shift towards organized retailing. Retail Industry is highly competitive and dynamic. Retailing is interdisciplinary as it involves employment of diverse workforce for diverse fields. The largest and most successful retail companies are achieving their business objectives by talent management of diverse workforce.

This research study includes 400 sample size and the study has been conducted to examine the equity and diversity in Organised Retail Sector of India. It also describes the diverse mix of Retail Sector, performance of employees in diverse environment, organization’s attitude towards diversity, practices of diversity management, diversity training program, obstacles to diversity in Retail Industry, importance of diversity, issues of diversity and benefits of having diverse workforce in Retail Industry.

Key Words: *Diversity Management, Retail Industry, Equity, Diversity, Employee relations*

1. Introduction

Generally, diversity is an element that can be used to distinguish groups and individuals from one another. Inclusion is a state of being valued, respected, and supported. It’s about focusing on the requirements of every individual and confirming the right conditions are in place for each person to achieve his or her full capability. Diversity is about our distinct features and accepting the exclusive assortment of understanding, expertise and perception individuals get to the organization. Diversity is the assortment. Inclusion is getting the assortment to work well organised. An inclusive philosophy is one where every persons’ impression and esteemed are treasured and is competent to entirely contribute. It is about eliminating obstacles to make certain that one and all can abundantly contribute for the organization and have equal access to prospects. Organizations need both diversity and inclusion is meant to achieve their goals. Inclusion should be reflected in an organization’s philosophy, practices and associations that are in place to support a diverse team. Concentrating on both

diversity and inclusion drive, organization needs to accomplish business objectives and gain competitive advantage. Equality and diversity can be defined as “encouraging equality of prospects for all, through diversity, giving each individual the chance to utilise their talent, free from bias and discrimination.”

The organisation’s structure is modifying from homogeneity to heterogeneity. Diversity in organisations sustains the elementary philosophies of justice, excellence and equity which shaped the foundation of providing equal opportunities to all and sets a novel prominence on appreciating diverse environment as respectable administration practice.

It’s necessary for the companies to encourage mutual trust among employees. Team building exercises can be very supportive and must be applied by participants of the management. Retention of diverse employees is important aspect than acquisition. Organizations that have a vision of creating diversity as a significant fragment of their vital scheme rather than a business cost will have advantage far better than the organization that does not, and will acquire the advantage of cost reduction in attrition and enlarged incomes. Having personnel with a variability of skills and capabilities (including ethnic considerate and languages) permits organisation’s business to be competent to deliver goods and services to customers all over the world and increase the organisation’s adaptability in competitive market.

2. Review of Literature

A gathering of aspects have been comprised in the meaning of diversity, and descriptions can be enormously extensive, such as, “any attribute that another person may use to detect individual differences” (Williams & O’Reilly, 1998).¹

The diversity workforce can create rapidly expanded advertising approaches to fulfil the international marketplace and to appeal to multi ethnic and multicultural community’s consideration (Griggs, 1995)².

Businesses which hold diversity as a foundation of modernisation, development and progress, are further prospective to display behavioural care and assist its employment with better emphasis, determination, and strength (Emuze & James, 2013)³.

Vedpuriswar, A.V. (2008) ⁴ stated that Diversity must go beyond political perfection, the zone where diversity has actual commercial worth is revolution, a jurisdictional mixture of young and old people can improve imagination in workforce. Diversity aids in growing the excellence of decision making. Take and rejoice the metamorphoses.

The structural philosophy has the assignment to rise the worth of diversities of workgroups members and to generate an amalgamation culture which involves everyone in working activities (Cox and Blake, 1991)⁵.

Bell, Connerley, and Cocchiara (2009) ⁶ noted that “diversity among interviewees, workforce, and customers has optimistic or adverse effects on every characteristic of management, which include organizational behavior, human resources, and strategy”.

Many organisations are commencement to view the prominence of diversity and why tactically planning diversity initiatives companionable with organisational objectives, is a requirement for the modern organisation (Cilliers, 2007)⁷.

The reasoning for diversity training programmes is often misinterpreted at all levels. So it is significant to first communicate what diversity is and what the establishment optimisms to attain by handling it more magnificently (Bagshaw, 2004)⁸.

Holzer and Neumark (2000)⁹ found that the growing amount of diversity performs in staffing generate more women employees and minority in the organization, in consequence providing the prospects to be leaders in the future.

Richard (2000)¹⁰ study offers support that diversity has an optimistic influence on firm performance, it is significant to keep in mind that this advantage seems to arise only in certain settings. Therefore, when framing

the professional case for diversity, it is significant to obviously articulate how diversity supports the business strategy of the organization.

3. Research Methodology

3.1 Objectives of the study

- a. To know the diverse mix of human resources of Organised Retail Sector
- b. To study the performance of employees in diverse environment
- c. To study organization's attitude towards diversity and management of diverse human resources
- d. To study the obstacles and issues of diversity in Retail Industry

3.2 Hypothesis of the study

H₀ 1: The performance of the employees is not upright in diverse environment.

H₀ 2: Organisation's attitude towards diversity is not positive.

H₀ 3: Retail sector is properly managing diversity.

3.3 Motivation of the research:

1. Most of the research studies were focussed on diversity management in different sectors but no proper research was conducted on Organised Retail Sector of India.
2. If diverse workforce will be properly managed in Organised Retail Sector, it will aid more & more growth prospects in Organised Retail Sector.

3.4 Target Group & Target Area: Employees of Organised Retail Sector (Delhi, Hyderabad, Bhubaneswar, Kolkata)

3.5 Sample Size: 400 Employees of Organised Retail Sector

3.6 Sampling Method: Convenience Sampling

3.7 Data Collection Method:

A. Primary Data: Data Collection through Questionnaire by Field Visit and through online link.

Secondary data: Journals, Magazines & Internet

4. Respect, Equity and Diversity Management

Workforce diversity is the catchword nowadays and establishments today are intense to recruit and have a diverse workforce. Up gradation in technology and the dawn of a world-wide globalisation convey the individuals of the sphere closer together than ever before. This comprises being able to attract, retain and develop the talented diverse workforce and achieve D&I goals.

India is known for its most diverse residents with an extensive assortment of racial and social circumstances, with dissimilar spiritual opinions, disabilities, household accountabilities, lifespan, financial upbringing, and work know-how. However, collective world-wide effect will need India also to evaluate and implement procedures that not only guard the employment rights of numerous varied groups but also confirm that each aspirant has an identical opportunity of being selected.

Diversity can generate communication glitches, either merely due to semantic problems but also due to misinterpretations supplementary with metamorphoses in perceptions, customs and principles. Such misinterpretations could adversely influence on the success of routine connections and the output of team work. Ineffective diversity practices can generate deprived quality, stumpy determination, lack of motivation and consequently consequence in a defeating in competition. Ethnocentrism is the faith that one's culture is greater over others. Negativity in any form of perception error must be removed.

The industry is transforming from accommodating homogenous culture to forming diverse cultures in an organization. Gender diversity and Age Diversity are also essential for organisations. Young people may be developed with fitness, excellence, capability for smart work etc.; while old people may own more maturity than

young employees and are full of understandings of work. Male employees are generally forceful, courageous and money-oriented; while female employees own understanding for others and are more anxious with excellence of life. Anybody who administers personnel must comprehend both the discrimination laws and the penalties for not complying them.

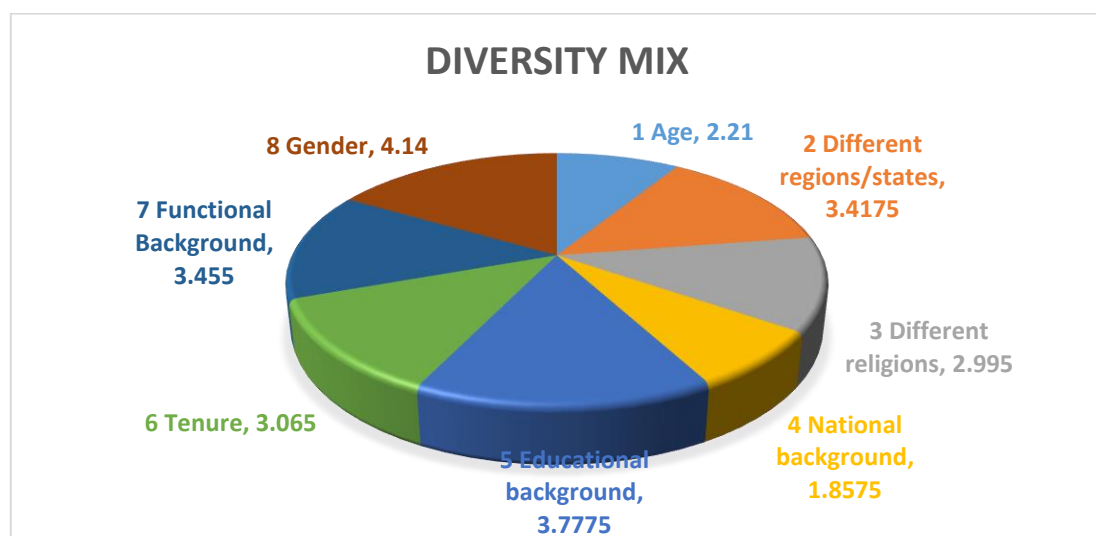
5. Data Analysis

A. Regarding Diversity mix of employees

Table 5.1 Distribution of diverse workforce in Retail Sector

S.N.	Diversity Mix	Highly Diverse	Diverse	Neutral	Similar	Highly Similar	Mean
1	Age	20	52	46	156	126	2.21
2	Different regions/states	109	94	97	55	45	3.4175
3	Different religions	94	86	43	78	99	2.995
4	National background	10	45	55	58	232	1.8575
5	Educational background	152	141	20	40	47	3.7775
6	Tenure	79	79	99	75	68	3.065
7	Functional Background	108	109	89	45	49	3.455
8	Gender	152	204	12	12	20	4.14

Figure 5.1: Proportion of diverse workforce in retail industry



Inference:

Diversity mix with relation to gender is high having mean of 4.14 as both males and females are working in Organised Retail Sector, then educational background having mean of 3.78 as retail sector generally prefers

smart employees irrespective of their educational background. Functional background is having mean of 3.45 as retail sector is involving variety of functional backgrounds like marketing, accounts, etc, different regions/states having mean of 3.43, diversity having tenure of 3.07, people from different religion is having mean of 2.99, age is having mean of 2.21, national background is having mean of 1.86.

B. Diversity is opportunity/threat to employment relations

Table 5.2: Distribution of diversity is opportunity or threat to employment relations

S.N.	Correct the following statements:	Percentage
1	Diversity is opportunity to Employment Relations	89.50%
2	Diversity is threat to Employment Relations	10.50%

Interference: As per 89.50%, diversity is opportunity to employment relations and as per 10.50%, diversity is threat to employment relations.

C. Performance of employees in Retail Industry

Table 5.3: Distribution of performance of employees in Retail Industry

S. N.	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	I am sympathetic and respectful of co-worker's differences when I work with them	107	131	85	42	35
2	I work sound with diverse co-workers	98	145	75	68	14
3	I outshine in diverse work groups	76	148	85	75	16
4	I can converse excellently with persons from diverse backgrounds	94	103	106	78	19
5	Working in a diverse group helps me in enhancing my creativity	185	146	36	14	19
6	I have never been turned down for an opportunity and new prospects because of my differences	98	95	54	74	79

Chi- Square Table

S.N.	O	E	O-E	(O-E) ²	(O-E) ² /E
1	323	311.17	11.83	139.9489	0.449750619
2	318	311.17	6.83	46.6489	0.149914516

3	309	311.17	-2.17	4.7089	0.015132886
4	303	311.17	-8.17	66.7489	0.214509432
5	367	311.17	55.83	3116.9889	10.01699682
6	247	311.17	-64.17	4117.7889	13.23324517
7	77	88.83	-11.83	139.9489	1.575468873
8	82	88.83	-6.83	46.6489	0.525148036
9	91	88.83	2.17	4.7089	0.053010244
10	97	88.83	8.17	66.7489	0.751422943
11	33	88.83	-55.83	3116.9889	35.08937183
12	153	88.83	64.17	4117.7889	46.35583587
Total=					108.4298072

Chi Square Test= 108.43 (Calculated value)

Critical/Tabulated Value at 5% significance for d.f. (r-1)*(c-1)= 5 is 2.015

Since, Calculated Value is more than Tabulated value, Hypothesis (The performance of the employees is not upright in diverse environment) is rejected. It means Performance of employees is upright in diverse environment.

D. Organisation's attitude towards diversity

S. N.	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Leadership encourages diversity in my organization	124	136	46	40	54
2	Diversity management leads to progress in my organization	201	147	15	18	19
3	I have not perceived discrimination on the basis of Diversity Management	56	97	106	78	63
4	I have faith in the fact that organization will take suitable action in reply to occurrences of discrimination	78	102	142	42	36

6	Diverse skills are valued and utilised in the workplace	106	104	64	70	56
7	Racial, ethnic, and gender based jokes are not tolerated in this organisation	121	131	61	45	42

Chi Square Table

O/E	O	E	O-E	(O-E) ²	(O-E) ² /E
1	306	306.17	-0.17	0.0289	9.4392E-05
2	363	306.17	56.83	3229.6489	10.54854787
3	259	306.17	-47.17	2225.0089	7.267233563
4	322	306.17	15.83	250.5889	0.818463272
5	274	306.17	-32.17	1034.9089	3.380177352
6	313	306.17	6.83	46.6489	0.15236274
7	94	93.83	0.17	0.0289	0.000308004
8	37	93.83	-56.83	3229.6489	34.42021635
9	141	93.83	47.17	2225.0089	23.71319301
10	78	93.83	-15.83	250.5889	2.670669296
11	126	93.83	32.17	1034.9089	11.02961633
12	87	93.83	-6.83	46.6489	0.49716402
			Total=		94.49804619

$$\chi^2_c = \sum \frac{(O_i - E_i)^2}{E_i}$$

Chi Square Test= 94.49 (Calculated value)

Critical/Tabulated Value at 5% significance for d.f. (r-1)*(c-1)= 5

Since, Calculated Value is more than Tabulated value, Hypothesis (Organisation's attitude towards diversity is not positive) is rejected. It means Performance of employees is upright in diverse environment.

E. Management of diversity in organisations

S.N.	Diversity Management	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
------	----------------------	----------------	-------	---------	----------	-------------------	------

1	My organization engages candidates in targeted employment of miscellaneous job opportunities	91	93	106	98	12	3.3825
2	HR processes are reviewed with regard to the principles of non-discrimination and promotion of diversity	94	105	89	63	49	3.33
3	Respect, Equity and Diversity initiatives are promoted and communicated to all staff	76	38	189	62	35	3.145
4	Management involves diverse workforce in decision making	105	144	75	37	39	3.5975
5	Diverse languages that are used to communicate do not generate tricky situation among employees	84	86	98	64	68	3.135
6	Data on our diverse workforce is collected, interpreted and analysed and used for maintaining employment relations.	75	45	39	152	89	2.6625

T-Table

Mean	92.2	67.1
Standard Deviation	24.37773	38.01509
Variance	594.2737	1445.147
t- Value	3.84	
N	20	20
p- value	1.686	

Since Calculated Value (3.84) is greater than the P- Value (1.686), the hypothesis (Retail sector is properly managing diversity) is rejected. So, Retail Sector is not managing diversity properly.

F. Diversity Training

Table: Distribution of factors related to Diversity Training

S.N.	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
1	Data on our diverse workforce is collected, interpreted and analysed and used for diversity built up training.	45	77	98	135	45	2.855
2	Education about diversity will enhance the company's profitability	135	125	34	30	76	3.5325
3	My organisation has done a good job by providing training programs that promote multicultural understanding	56	63	103	99	79	2.795
4	Organization encourages all employees to attend events on diversity awareness.	98	97	34	89	82	3.1

Inference: Four statements are analysed with reference to Diversity training having mean between 2.79 to 3.53 shows that retail sector's rating with reference to diversity is average as they are not very much focussing on Diversity training.

G. Obstacles to diversity

Table: Distribution of obstacles to diversity

S.N.	Obstacles to Diversity	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Rank
1	Stereotyping	189	150	34	12	15	4.215	1
2	Lack of funding	136	132	45	36	51	3.665	5
3	Glass Ceiling	98	78	87	61	76	3.1525	7
4	Biases	135	138	36	46	45	3.68	4
5	No commitment of management	98	123	125	25	29	3.59	6
6	Absence of clear policies of diversity	156	132	53	23	36	3.8725	2

7	Lack of Diversity training	134	139	45	44	38	3.7175	3
---	----------------------------	-----	-----	----	----	----	--------	---

Inference: 1st Obstacle to diversity is Stereotyping, 2nd Obstacle is Absence of clear diversity policies, 3rd Obstacle is Lack of diversity training, 4th obstacle is Biasness error, 5th obstacle is lack of funding, 6th obstacle is no commitment of management and 7th obstacle is glass ceiling.

H. Issues of Diversity:

Table : Distribution of issues of diversity

S.N	Issues/Problems	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Rank
1	Communication related Issues	134	101	37	56	72	3.4225	6
2	Disrespect	145	123	34	45	53	3.655	5
3	Difficulty in maintaining Employment Relations	187	121	26	36	30	3.9975	2
4	Conflict among employees	165	152	39	21	23	4.0375	1
5	Alternative Lifestyle Acceptance	165	124	18	41	52	3.7725	4
6	Diversity Policies Implementation Challenges	102	107	45	72	74	3.2275	7
7	Inclusion Problems	154	124	45	52	25	3.825	3

Inference: 1st Issue related to Diversity is conflict among employees having mean is 4.03, 2nd issue is difficulty to maintain employment relations having mean of 3.99, 3rd issue is inclusion problems having mean of 3.83, 4th issue is alternative lifestyle acceptance is 3.77, 5th issue is disrespect having mean of 3.66, 6th issue is communication related problems having mean of 3.42, 7th issue is challenges related diversity policies having mean of 3.23.

I. Benefits of Diversity Management

Table: Distribution of benefits of diversity

S.N.	Benefits	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Rank
1	Customers feel better connected to a diverse brand	189	76	34	57	44	3.7725	6

2	Diverse workforce can serve customer base.	189	99	79	25	8	4.09	2
3	Enhances brand goodwill of organisation.	189	124	23	24	40	3.995	4
4	Creativity and innovation	196	101	75	16	12	4.1325	1
5	Decision-making	193	102	54	28	23	4.035	3
6	Employment Relations	178	102	24	68	28	3.835	5

Inference: Diversity Management has so many advantages. First advantage is Creativity and innovation. Second advantage is larger customer base. Third advantage decision making. Fourth advantage is brand goodwill of the firm. Fifth advantage is employment relations and sixth advantage is customers feel connected to a diverse brand.

6. Findings

A. Mean for different diverse mix – Gender: 4.14, educational background: 3.78, functional background: 3.45, different regions/states: 3.43, tenure: 3.07, people from religions: 2.99, age: 2.21 and national background: 1.86.

B. Diversity is opportunity to employment relations is acceptable by 89.50% people and diversity is threat to employment relations is acceptable by 10.50%.

C. The performance of employees is upright in diverse environment.

D. Organisation's attitude is positive towards diversity.

E. Retail Sector is not managing diversity properly. They have to adopt certain measures in order to manage and motivate the diverse workforce.

F. Diversity training is analysed on the basis of 4 statements. Mean of four statements were ranging between 2.79 to 3.53 which shows that their focus on Diversity Training is average.

G. Mean for obstacles to diversity are: For stereotyping: 4.22, for absence of Clear Diversity Policies: 3.87, For lack of diversity training: 3.71, for biasness error: 3.68, for lack of funding: 3.67, for no commitment to management: 3.59, for glass ceiling: 3.15.

H. Issues for diversity conflict are:

1. Conflict among employees (Mean: 4.03)

2. Difficulty to maintain employment relations (Mean: 3.99)

3. Inclusion problems (Mean: 3.83)

4. Alternative lifestyle acceptance (Mean: 3.77)

5. Disrespect (Mean: 3.66)

6. Communication related problems (Mean: 3.42)

7. Challenges related diversity policies (Mean: 3.22)

I. Diversity Management has so many benefits. First Benefit is Creativity and innovation having mean of 4.13. Second advantage is larger customer base having mean of 4.09. Third advantage decision making having mean of 4.04. Fourth advantage is brand goodwill of the firm having mean of 3.99. Fifth advantage is

employment relations having mean of 3.84 and sixth advantage is customers feel connected to a diverse brand having mean of 3.77.

Summary of Hypothesis Testing:

1: The performance of the employees is not upright in diverse environment: Rejected

2: Organisation's attitude towards diversity is not positive: Rejected

3: Retail sector is properly managing diversity: Rejected

7. Suggestions

- A. Leaders and managers within organizations must be accountable for the accomplishment of diversity strategies.
- B. Organisations have to encourage participative management in order to get range of perspectives towards problems and situations.
- C. Establish a Facebook page and encourage the posts regarding the organisation's diverse culture.
- D. Organisations must try to identify the barriers of Diversity and will put necessary efforts to remove those barriers.
- E. Proper Diversity Training should be conducted in the organisation in order to manage the diversity effectively.
- F. Errors like stereotyping and biasness must be eliminated while judging the diverse workforce.
- G. Providing equal opportunity to females in the organization can help the women to break the glass ceiling.
- H. Interpersonal conflicts among employees must be resolved on time.
- I. Organisations must comply the provisions of Laws and must go beyond that in order to satisfy and motivate them.
- J. Organisations must involve diversity in each and every part of Talent Management.
- K. Free flow of communication must be practised in the organization.
- L. Fair employment practices and obligation for diverse talent is better able to fascinate a varied pool of skilled applicants.
- M. People from assorted experiences and education may help running in improved decision-making, by proposing recommendations from a comprehensive choices of standpoints and alignments.
- N. People should be open minded to accept and value diversity.
- O. Diversity training must include language training (if necessary).
- P. Organisations must put all diversity related policies in writing and implement zero tolerance policy.

8. Conclusion

Globalization and up gradation in Technology has compelled us to be diverse. Adoptability to Change has become a defined characteristic. Diversity is vibrant. Equality in the place of work is imperative for cheering employees from all backgrounds to sense self-reliant in their capability and accomplish their greatest. Significance of Talent management can continually prosper in attaining their purposes as they contemplate workforces as their definitive power and have faith on teams is positively successful to contribute great yields and support them accomplish their objective. A diverse work setting, if managed successfully can result in synergetic results. With the emerging diversity, an organisation necessities to confirm that the total strategies and guidelines are comprehensive to all and do not differentiate in contradiction of or good turn a specific set of workforce. It has to prove to be a thumb rule i.e. Diversity is development, leading to "Vasudev kutumbkum."

References

- [1] Williams, K., & O'Reilly, C. (1998). The complexity of diversity: A review of forty years of research. In B. Staw & R. Sutton (Eds.), *Research in organizational behavior* (Vol. 21, pp. 77-140). Greenwich, CT: JAI Press.

- [2] Griggs, L.B. (1995), *Valuing diversity*, McGraw-Hill Inc., California.
- [3] Emuze, F. & James, M. (2013). Exploring communication challenges due to language and cultural diversity on South African Construction Sites. *Acta Structilia*, 20 (1), 44-65.
- [4] Vedpuriswar, A.V. (2008). "The Power of Differences". *Indian Management* 47 (1) : 76-83, 2008.
- [5] Cox, T., Blake, S. (1991), "Managing cultural diversity: implications for organizational competitiveness", *The Executive*, Vol.5, No.3, pp.45-56.
- [6] Bell, M., Connerley, M., & Cocchiara, F. 2009. The case for mandatory diversity education. *Academy of Management Learning & Education*, 8(4), 597-609.
- [7] Cilliers, F. (2007). A systems psychodynamic exploration of diversity management: the experiences of the client and the consultant. *South African Journal of Labour Relations*, 31(2), 32- 50.
- [8] Mike Bagshaw (2004) is diversity divisive? *Journal of industrial and commercial training*, 36(4): pp.153-157
- [9] Holzer, H.J. and D. Neumark (2000), What does affirmative action do? *Industrial and Labor Relations Review*, . 53(2): p. 240-271
- [10] Richard, O.C. (2000) Racial Diversity, Business Strategy, and Firm Performance; a Resource Based View, *Academy of Management Journal*, Vol. 43(2), pp. 164-177