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Dynamics of Employees' Perception Towards Cultural Diversity at the Workplace: An Exploratory Study

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ABSTRACT

Due to globalization, the workplaces have become much more diversified and the issue of cultural diversity at the workplace poses several challenges and threats. In this context, this study aimed to identify key dimensions of employees' perceptions towards cultural diversity within business organizations. Within this scope, factors defining perception towards cultural diversity that are important in workplaces are considered and the answer to the question "how do employees' perceive cultural diversity?" is sought. The study yielded a four dimensional framework for employees' perception towards cultural diversity at the workplace. The study also revealed the impact of age was evident on the employees' perception towards cultural diversity at the workplace while the impact of gender was found to be statistically non-significant.

Key words : Cultural Diversity, Workplace Diversity, Employees' Perception, Exploratory Factor Analysis, Reliability Analysis, One Way ANOVA, T Test

INTRODUCTION

Today's global competitive market has made a world small place. The current workforce has become much more aspirational, ambitious and mobile. This mobility of the workforce has created a cultural diversity in organizations. People belonging to various castes, background, religion, gender as well as country work at one place and create a cultural diversity in an organization. Hofstede (1980) conducted research on employee attitude data in 67 countries and found that the data can be grouped into six major dimensions and that countries systematically varied along these dimensions. The six cross cultural dimensions are-

1. Individualism-Collectivism
2. Power distance or the extent to which power is unequally distributed
3. Uncertainty Avoidance Versus risk Taking
4. Masculinity/feminity called achievement orientation
5. Pragmatism
6. Indulgence

The six dimensions have been a useful framework for understanding cross cultural differences in employees' attitudes, as well as recognizing the importance of cultural causes of employee attitudes. More recent analysis have shown that country/culture is as strong a predictor of employee attitudes as the type of job a person has (Saari, 2000; Saari & Erez, 2002; Saari & Schneider, 2001).

It is a challenge for organizations not only to manage diversity effectively by implementing fair policies and reinforcing appropriate managerial behaviors but also to pay attention to their employers' perceptions of discrimination (Ensher et al, 2001). Patrick and Kumar (2012) explain the notion of diversity as having differences in gender, personality, cognitive style, ethnic group, race, tenure, age, education, organizational function and background etc.

Organizational behavior is a study of individual, group as well as an organization. This paper will focus on few aspects of individual as well as group and organizational behavior. This study will make an attempt to investigate the employees' perception towards cultural diversity at the workplace.

NEED OF THE STUDY

Cultural diversity can be defined as the representation, in one social system of people with distinctly different group affiliations of cultural significance (Mazur, 2010). It has been studied in laboratory settings and as well as field settings. The laboratory studies guided by the value in diversity perspective have shown that diversity within work groups increases their effectiveness (Cox et al, 1991). On the other hand, field studies guided by social identity and related self-categorization theories, have suggested that diversity is associated with negative performance outcomes (Pelled et al. 1999). In groups with high levels of cultural heterogeneity, everyday social contacts and communication are more likely to involve the members of different social/gender groups. Further, the in-group pressures that inhibit social interaction without group members should be weakened (Blac, 1977). In management groups with high heterogeneity, out group discrimination is thus less likely to exist.

Empirically, diversity at organizations was found to have a contrasting dual implication on organizational effectiveness (Ehimare & Ogaga-Oghene, 2011). Some studies have found that various forms of diversity are associated with greater innovation, improved strategic decision making and organizational performance. Other research shows that various types of team and organizational diversity sometimes increase conflict, reduce social cohesion and increase employee turnover (Jackson & Joshi, Erhardt, 2003; Webber & Donahne, 2001). The study conducted by Aluko (2003) revealed that irrespective of the cultural backgrounds, workers in the textile industry appeared to have imbibed the industrial way of life. The results of the analysis of the cultural variables showed a high level of commitment to work, low level of labor turnover and absenteeism, positive beliefs about work, positive work values, attitudes and norms in all the firms studied.

Though a lot of studies have been conducted on diversity, yet there is a scarcity of empirical and exploratory researches in the Indian landscape, as how the employees working in the organizations here perceive the concept of diversity. This study aimed to bridge that gap in the already existing literatures and endeavoured to find key insights pertaining to employees' perceptions towards cultural diversity in the Indian landscape.

OBJECTIVES OF THE STUDY

- To identify the key dimensions of employees' perception towards cultural diversity at the workplace.
- To analyse the Reliability and Internal

Consistencies of the questionnaire
Using Cronbach's Alpha.

- To determine whether there is a statistical significant difference in perceptions of Cultural Diversity based on age and gender amongst work force employed with Global organizations in Delhi-NCR.

RESEARCH METHODOLOGY

The nature of the study was exploratory since the research endeavoured to explore the key dimensions of employees' perception towards cultural diversity at the workplace along with the impact of the demographics viz. age and gender of the employees on the perception towards cultural diversity at the workplace.

STATISTICAL TECNIQUES

Exploratory Factor Analysis was implemented to identify the key elements of diversity that play influential role in the workplace settings while Cronbach's alpha was used to determine the reliability. Principal Component Method was implemented for extraction of factors while in order to obtain uncorrelated factors, Varimax rotation was used. **T Test** was implemented to explore the impact of gender of the employees working with Global organizations in Delhi-NCR on the perception towards these key elements of diversity while **One Way ANOVA** was implemented to explore the impact of age of the employees working with Global organizations in Delhi-NCR on the perception towards these key elements of diversity.

SAMPLING FOR THE STUDY

Sampling for this study was done through Convenient Sampling method. The sample was collected from employees across different departments of Global organizations that have their head offices or branches in Delhi-NCR. The questionnaire was mailed to the respective HR departments after an initial discussion of the aims and objectives of the study. The permission to collect samples was allowed on the ground of anonymity.

DESIGN OF QUESTIONNAIRE

The questionnaire consisted of two parts: the first part recorded the demographic details of the respondents while the second part was adopted from the instrument developed by De Meuse and Hostager (2001). The original instrument had 20 items, of which some was reverse scaled. However, they were made straight forward for this study. A five point Likert type scale was used with the following anchors: "1 -Strongly disagree", "2-Disagree", "3-Undecided", "4-Agree", "5-Strongly Agree".

DATA ANALYSIS

Table:1
KMO and Bartlett's Test of Sphericity

KMO Measure of Sample Adequacy	.897
Bartlett's Test of Sphericity	.000

Table: 2
Final Selected Items for Employability Skills

Factors	Variables
Personal Consequences	I feel frustrated with diversity
	I feel hopeful about diversity
	Diversity is rewarding for me
	Diversity is stressful for me
	Diversity is enriching for me
	Diversity leads me to make personal sacrifices
	I feel supporting towards diversity efforts in the organization
Personal Opinions	I believe that diversity is worthless
	I believe that diversity is fair
	I believe that diversity is good
	I feel resentful about diversity
	I believe that diversity is unjustified
Behavioural Reactions	I withdraw from organizational diversity efforts
	I resist organizational diversity efforts
	I participate in organizational diversity efforts
Organizational Perspective	Diversity is expensive for organization
	Diversity is an asset for organization
	Diversity leads to harmony in the organization
	Diversity is NOT profitable for organization

Table: 2
Eigen Values and Percentage of Variances explained by six factors of Employability Skills (n=257)

Factors	Eigen Value	% of Variance Explained By The Factors	Cumulative % of Variance
Personal Consequences	7.006	35.029	35.029
Personal Opinions	1.772	8.862	43.891
Behavioural Reactions	1.369	6.884	50.736
Organizational Perspective	1.121	5.604	56.340

Table: 3
Cronbach's Alpha Reliability and Internal Consistency of Perception towards Diversity Questionnaire (N=257)

Cronbach's Alpha	.78

Table: 4
Independent Samples T Test: Impact of Gender on Perception towards Diversity

Male Mean Score	Female Mean Score	T Statistic	Sig Value
50.96	51.05	-.079	.937

Table: 5
One Way ANOVA: Impact of Age on Employees' Perception towards Diversity

	Sum of Squares	Df	Mean Square	F	Sig
Between Groups	2717.5	4	679.4	10.3	.000
Within Groups	16647.5	253	65.8		
Total	19365.0	257			

FINDINGS AND CONCLUSION

Employees' Perception towards Cultural Diversity

Results of factor analysis yielded a four dimensional framework for Employees' Perception towards Cultural Diversity: Personal Consequences, Personal Opinions, Behavioural Reaction and Organizational Perspective. The four factors accounted for around 56% of variance which indicated that these four factors explained 56% of Employees' Perception towards Cultural Diversity. The factors along with the variables comprising the factors are given in Table 1.

Table 2 showed that Factor I (Personal Consequences) had an Eigen value of 7.066, which explained 35.029% of the total variance, whereas Factor II (Personal Opinions) had an Eigen value of 1.772 and explained 8.862% of the total variance. Factor III (Behavioural Reactions) had an Eigen value of 1.369 and explained 6.884% of variance; while Factor IV (Organizational Perspective), had Eigen values of 1.121 explaining 5.604% of the total variance. The total variance explained by the five factors was 56.340%.

This model supported the earlier model prescribed by De Meuse and

Hostager (2001) where they mentioned a five dimensional framework for employees' perception towards diversity comprising of Emotional Reactions, Judgements, Behavioural Reactions, Personal Consequences and Organizational Outcomes. Thus this study can be considered as a successful application of similar study in Indian landscape.

In order to establish the internal consistency and reliability of the questionnaire, Cronbach's alpha was computed and the results were shown in Table 3. Results in the Table 3 showed the reliability of the Employees' Perception towards Cultural Diversity construct was 0.96 which indicated moderately high internal consistency.

Impact of Gender on Employees' Perception towards Cultural Diversity

Independent samples T Test was conducted to analyse the impact of gender on Employees' Perception towards Cultural Diversity and the results are given in Table 4. The results suggested that there was no impact of the gender on Employees' Perception towards Cultural Diversity, since the level of significance, α for the study was .05 and the obtained Sig value was .937 which was greater than the level of significance, .05. Hence, though the mean scores for the female employees were marginally higher than their male counterparts, the findings were statistically insignificant.

Impact of Age on Employees' Perception towards Cultural Diversity

One Way ANOVA was conducted to analyse the impact of age on Employees' Perception towards Cultural Diversity and statistically significant results were obtained (since the level of significance, α for the study was .05 and the obtained Sig value was .000 which was less than the level of significance, .05) which are given in Table 5. Thus, the results from One Way ANOVA suggested that age had an impact on Employees' Perception towards Cultural Diversity.

The findings of this study were in line with a few earlier researches which proved the authenticity of this research. Dombai and Verway (1999) postulated that there were not much gender variances between male and females while studies conducted by Robbins (2003) suggested that homogeneity between male and females tend to outweigh the differences. In another study by Dombai et al. (1999), it was found that the younger employees were more positive about the diversity issue at the workplace where as the elder counterparts exhibited a lukewarm attitude towards it. However, all these studies were conducted in foreign landscape and thus, it can be concluded that this study seemed to be among a few successful pioneers in the Indian landscape.

RECOMMENDATIONS OF THE STUDY

The aim of the study was to identify the key dimensions for employees' perceptions towards cultural diversity at the workplace and the study revealed four primary factors. They were Personal Consequences, Personal Opinions, Behavioural Reaction and Organizational Perspective. The satisfactory test statistics for reliability analysis indicated moderately high internal consistency among the questionnaire. However, Confirmatory Factor Analysis should also be carried out in order to reconfirm the findings of the study.

Further, the analysis of the impact of gender and age on the employees' perception towards cultural diversity at the workplace revealed mixed results. While, age was found to be impacting the results, there was no statistically evidence of the impact of gender on employees' perception towards cultural diversity at the workplace. However, for better insights, it is recommended that Post Hoc tests should be done so as to locate the level of age group at which there was a deviation in the results. Further, it is also recommended to include other demographic factors like qualification, designation, tenure with the organization, nationality etc. along with the interaction effects of two or more demographic in order to analyse the impact of the interaction effect of demographic factors on the employees' perception towards cultural diversity at the workplace. The researchers of this study are committed to take this study further and to explore different facets of cultural diversity at the workplace and its impact on employee performance and commitment.

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