

Cross Cultural Workforce - Challenges and Strategies

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Abstract:-Managers from the large multinational firms to the smallest domestic firms believe that managing people effectively plays a pivotal role in success in today's highly competitive marketplace. The relationship that we have with our people and the cultural norms of our company is our most sustainable competitive advantage. The role of human resources effectively comprises of the activities that organizations use to control the competencies and the psychology of the people who work for them. These competencies decide the profitability, customer satisfaction and many other mandatory measures of organizational effectiveness like Human Resource management. Ensuring these competencies is the key strategic challenge. These factors play a pivotal role in any organization and is important to everyone who work for it. Involvement of everyone in the organization is required to meet the challenges of managing people.

Many companies have cultural diversity in workforces. This is applicable from medium to small sized businesses and as well as to global organizations. The existence of a diversity in cultural workforce derive some important implications for the policies of human resource management. The Multicultural Workforce management takes a systematic approach in connecting organizational features and activities to key discrete aspects of national culture. Workplaces today consists of people who are diverse and unique in their race, religion & culture, language, gender, age & education and the like. To have ease of communication with such diverse people demands good sensitivity to cultural differences. Cultural diversity of a company has a cascading effects on the way its organizational messages are restrained, collected, distributed & perceived and how it is elucidated. Cultural diversity is a universal term used in reference to varying differences in race, religion & culture, language, gender, age & education, abilities, interests & opinions and expectations as well. In this paper an attempt is made to identify the reasons for the development of multicultural workforce, the resultant challenges and the ways to manage effectively the diversified workforce in the global scenario.

I. INTRODUCTION

Culture is the description of a specific way of life that exhibits unique meanings and values. The impact of such factors are not only in art and learning, but also in general institutions and behaviors. It is a collective organization of the mind that differentiates people from one group to the other. Culture at this juncture denotes societal value systems and values with in the building blocks of culture itself. A highly competitive global economy has created unprecedented opportunities and unprecedented insecurity. Smart minds and smart organizations create their own futures, and businesses

with a future are committed to people. Companies with a future have high expectations for performance and supportive work environments. Powerful businesses are getting great results from people. Leaders of large multinational corporations and smaller national businesses say that effective people management is critical to attain success in present day's potential competitive marketplace. The relationship with the employees and the corporate culture is our key sustainable competitive advantage.

Effective human resource management encompasses all the activities that organizations use to improve the skills, behavior and motivations of all the people who work under them. As employee skills, attitudes and motivations affect profitability, customer satisfaction and a host of other mandatory organizational effectiveness measures, human resource management is an important strategic issue. It is important that everyone in the organization is doing well. To meet the challenge of effectively guiding people, all stakeholders in the organization are involved.

Each company differ in their own cultural diversity in workforce. This is applicable from medium to small companies and global organizations. The existence of diversity in cultural workers has important implications for individual policy. The management of a diverse cultural workforce follows a particular way of systematic approach to relate organizational characteristics and activities to specific aspects of national culture. The current workplace increasingly comprises of people who are diverse and unique in their race, religion & culture, language, gender, age & education and the like. To have ease in communication with individuals around the globe and within the organizations, we should give utmost care and consideration to cultural diversities. The cultural diversity of a company influences how business news is conceived, compiled, delivered, received and interpreted. Diversity can therefore be seen as a way in which individuals are unique and different from each other.

II. CONCEPT OF MULTICULTURAL WORKFORCE

Multicultural Workforce concept is gaining importance in India, as a huge numbers of Indian business conglomerates are recruiting people of diverse nationalities for operating their global business with ease. For example diversity may be due to the following:



As organizations strive to manage employees effectively, they face many challenges. And as times and conditions change, these challenges also change. The challenges include the following:

- a) Managing teams.
- b) Managing the multicultural workforce.
- c) Managing globalization.

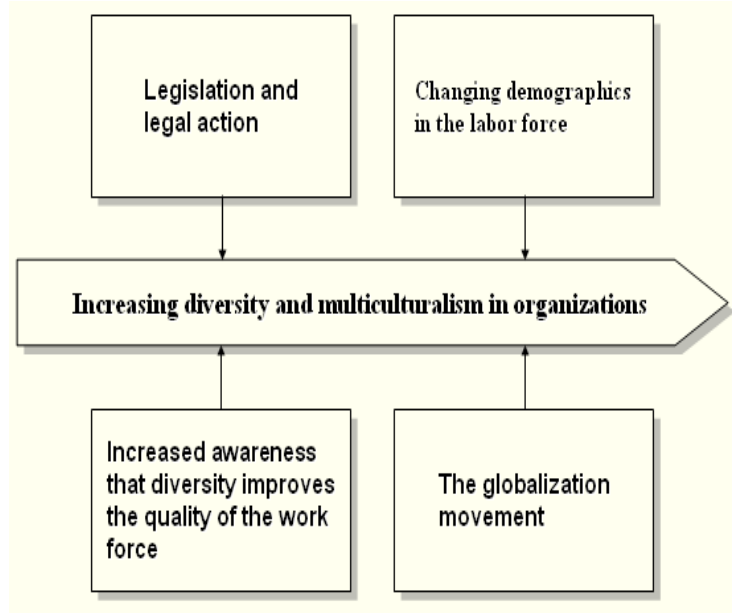


Of these, the basic challenge to be addressed is managing the multicultural workforce. As many companies have started recruiting people irrespective of their diversities in race, religion, gender and nationality, some common problems associated with Multicultural Workforce may arise subsequently.

III. REASONS FOR INCREASING DIVERSITY OF WORKFORCE

Diversity is a universal term used in reference in all kinds of diversities that come in, race, religion & culture, language, gender, age & education, abilities, interests & opinions and expectations as well. The basic reasons for increasing diversity of workforce in India can be seen as follows:

Reasons for Increasing Diversity of workforce



IV. BENEFITS OF DIVERSITY OF WORKFORCE

In practicality, multicultural workforce is associated with a wider range of advantages that have overshadowed some of its trivial disadvantages like cultural diversity, personality conflict and communication problem. Some of the unique benefits of diverse cultural workforce are given below:

- a) Adequate increase in globalization, firms and employees in them moving all around globally.
- b) Major problems arise in international operations because of blunders in human resource management. So, it becomes mandatory to understand human resource management in a global scenario.
- c) The enhanced role of HR in International Operations.
- d) Developing managerial skills in a global business environment
- e) Thorough Understanding and appreciation of employee diversities to construct an effective, efficient and gainful organization.
- f) Identifying the similar features that the specific groups of employees possess, and at the same time dealing with such employees as individual personality with effective utilization of the diversities brings stability to organization's efficacies.
- g) Competitive advantage is attained through Diversity by:
 - i. Increasing flexibility of organizational systems.
 - ii. Added creativity.

- iii. Enhancing market scope of products.
- iv. Resources acquisition basis broadened.
- h) Arriving at different and new ways of finding solutions to organizational problems and in the process of decision-making at all levels of organizational hierarchy.
- i) It gives a competitive edge.
- j) Promotes innovation and creativity in the workplace.

V. MULTICULTURAL WORKFORCE CHALLENGES AND MANAGING STRATEGIES

Diversity in the workplace is a major challenge for modern organizations. The basic concept lies in recognizing and maximizing the talents and skills of the workforce and as a valuable asset to any organization, whether for-profit or not. Today, businesses have an urgent need to recognize and effectively apply these hidden skills and talents to the diverse workforce.

The multicultural workforce can also be a source of conflict. Staff actions (eg recruitment, dismissal and promotion) are for example attributed to the state of diversity of a person and there is a possibility of misunderstanding, misinterpretation or inappropriate behavior between individuals. People or groups. It can also cause anxiety, distrust or individual prejudice. Employees who are respected in the workplace and who are part of the team will stay with their employer. Staff retention reduces recruitment costs and has a major impact on the results. A workforce where people are understood and communicate effectively can work together productively in integrated teams. Then conflicts and tensions can be solved more easily. The management of the multicultural workforce thus becomes essential.

Managing the multicultural workforce can best be achieved in two ways:

1. General Strategies

- a) Individual Strategies and
- b) Organizational Strategies/Approaches

2. Specific Strategies

- a) New Employee Orientation
- b) Religion Aspects
- c) Other Important Strategies

These can be seen in turn here under:

1. General Strategies:

a). Individual Strategies: the multicultural workforce can be managed with individual strategies as follows:

- a) Proper understanding of the features and the nature of organizational workforce diversity and cultures.
- b) Evolving responsiveness in understanding the stand point and situations of others.
- c) Enduring tolerance of cultural diversities.
- d) Readiness to discuss the problems of workforce diversity with different cultures.

b). Organizational Approaches: the multicultural workforce can be managed with Organizational Approaches as follows:

i. Policies of organization:

- Search for a diversified and multicultural workforce.
- Encouraging responses to diverse cultural problems.
- In organization's Mission statement, there should be commitment to cultural diversity situations.

ii. Best Practices

- Provision of specially structured benefits packages and flexible working hours based on diversity in work groups, networks and teams.

iii. Training for Multicultural Diversity

- People are trained enough that makes them capable of functioning in a diversified & multicultural workplace.

iv. Organizational Culture

- Including the values and ethics of diversity into organisational culture.

2. Specific Strategies for Managing Multicultural Workforce:

a). New Employee Orientation:

Orientation and training practices for new employees are designed to provide very important information on the job. In orientations verbal expositions are added with written materials. Many employees find this additional burden and could not remember the concepts at the end. For example English-native spoken employees have trouble feeling while moving with employees who speak limited English. This absence of communication skills creates gaps in workflow information. The proper orientation to new diversified workforce will resolve this issues to a greater extent.

A human resource managers primary responsibilities are as follows:

- a) Clearly elucidate contents of important information highlighting key concepts.
- b) Using different methods to send the messages through video files, audio files, graphics and images which demonstrates the things that are explained in words may be helpful.
- c) Change the way of communication and designed it to the literary level of the workforce.
- d) Communicate and transfer information in the language of our fresh employees.
- e) Hire an interpreter or select someone suitable from our current staff to translate.
- f) Employees' activities for example role-playing of different situations to enhance their understanding.
- g) Using 'peer educator' system with a well-established employees to supervise and undertake new ones will be very much helpful. It would be best if exact culture match can be obtained.
- h) Demonstrate their understanding using various feedback forums.
- i) Contacting employees regularly and verify whether they are apply what they have learned.

For the successful management of diversified multicultural work force needs awareness and action. The actions of HR managers will vary according to the cultural diversity of the workforce.

b). Religion Aspects:

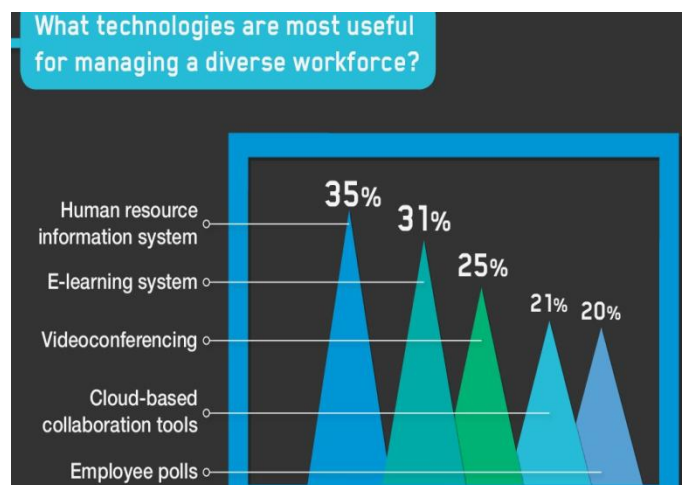
Many religions command practices regarding the methods of prayer, personal behavior, rituals, holidays, clothing and the like. Honoring the religious beliefs of others is sincerely followed in Indian culture. Religions may influence workplace behavior as well. This should be honored and should be accommodated in the work environment.

c). Other Important Strategies:

- a) Educating the employees about workplace guidelines that relate to respectful treatment in the workplace.
- b) Upkeep and boost all employees to participate themselves fully in all levels of their respective work environment.
- c) Make all employees to follow the rules and regulations of work.
- d) Engaging an employee who is voluntarily interested who may be a co-worker who have an association for all new diversified employees. He should be supportive in listening and following up of employees 'anxieties regarding work and work related interactions.



- e) Developing employee evaluation systems and make employees understanding the purpose and procedures of such evaluations.
- f) Discussion with the employees regarding their need at work and the drivers of satisfaction.
- g) Also having discussions with the employees regarding their preferences in the workplace. And it should be noted that all workers may not necessarily have the same preference.
- h) Technological support – Today, technological aspects are playing a great role in managing multicultural workforce.



Benefits:

The following benefits are realized with multicultural workforce.



1. Diverse cultural perceptions can stimulate creativity and initiate inventions and innovations.
2. Cultural diversity and local knowledge means higher quality which enables to target marketing.
3. Culturally diversified workforce means pool of talents which makes possible to keep the best talents in the organization
4. Diversified workforce and skills provides organizations a broader and more adaptable range of products and services.



5. Culturally diversified workforce are more productive and also perform better
6. It ensures Countless opportunities for personal and professional growth of employees and organization.

Challenges:

Multicultural workforce pose the following challenges:

1. Colleagues of some cultural background may hesitate to express their views freely because of the barriers imposed by their culture.
2. Integration between multicultural teams may be difficult in the light of prejudices or negative cultural stereotypes
3. Different cultures and languages possess challenges for professional communication.
4. Managing visa requirements, labour laws and the costs of adapting to the needs of the workplace maybe difficult.
5. Diverse people can have different professional etiquette.
6. Individuals in a team can have different work routines.

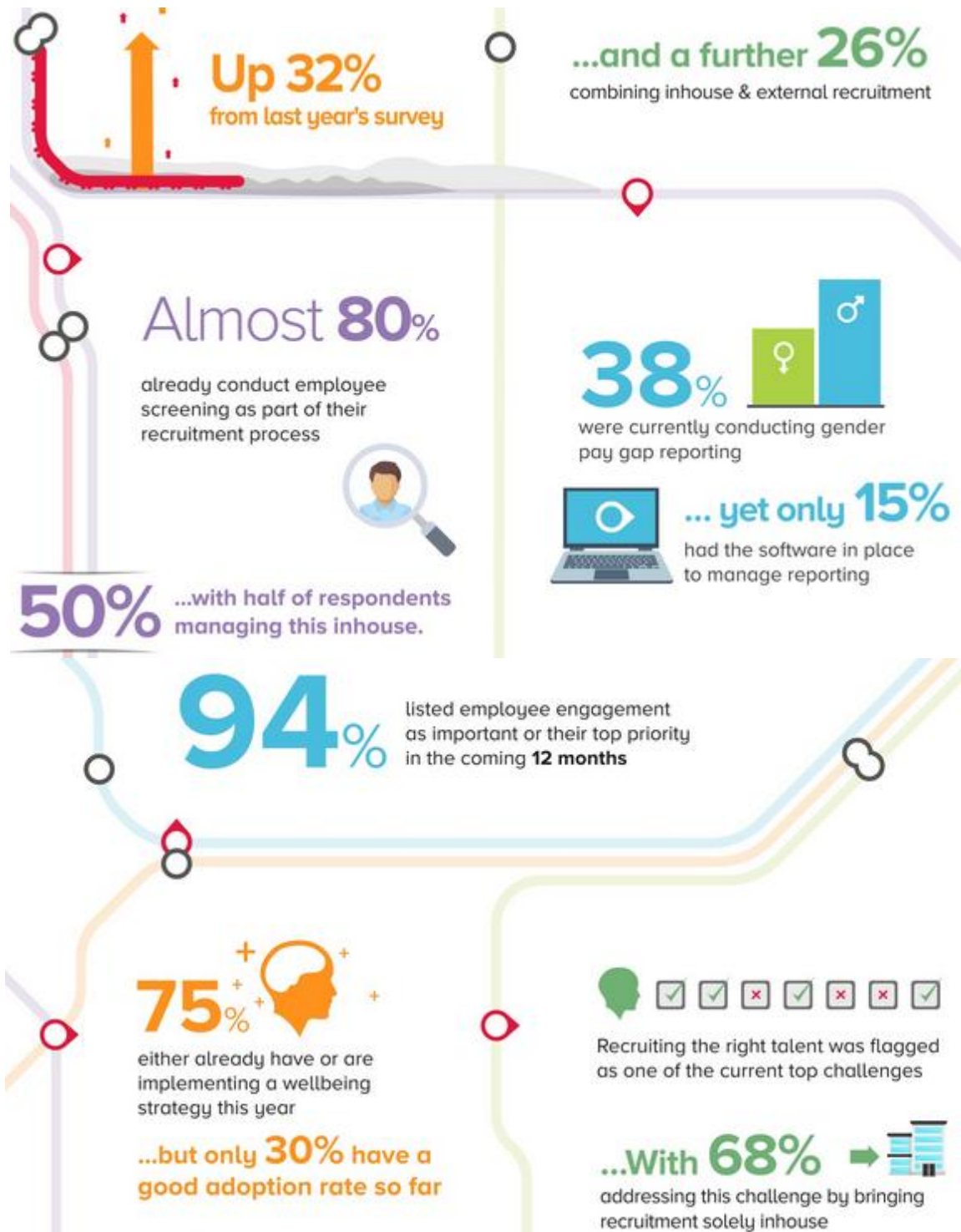
VI. CASE STUDIES

1. Access Group:

HR faces a significant challenge to respond to these rapidly evolving business needs and expectations, but also has an opportunity to reinvent and reinforce its position as the leader of change. It's time to rewrite the rules, reform old organizational practices that are no longer relevant and create new processes, platforms, tools and systems. With these, HR can drive forward digital transformation, efficiency and growth, whilst importantly remaining relevant in line with how employees consume business culture.

At Access, they conduct an annual survey, taking a cross section of UK HR professionals across a cross-section of industries, company sizes and job roles to build a picture of the biggest HR challenges and trends affecting HR year on year. The figure below compiles the responses:





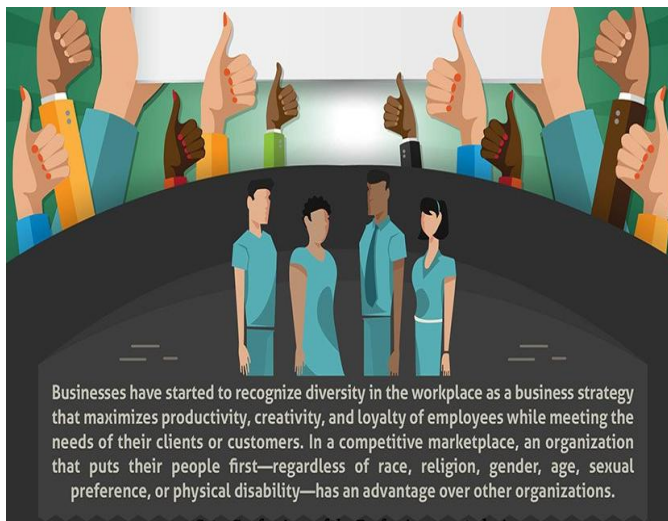
2. Mckinsey & Company:

Mckinsey & Company recently released a survey describing why it is important for companies to increase diversity in workplace. In fact, by 2026, Canada could add \$ 150 billion in GDP growth by only promoting women's equality. The visual resource from University of Ohio highlights the significance of diversity within organizations and its advantages.

Nowadays, Institutions that have the highest levels of racial diversity have an average sales turnover of 1.367% higher compared to the institutions with low racial diversity. In combination with this fact, companies that have the highest degree of gender diversity had 1.325% higher average revenue than companies with the lowest level. The info graphic provides further information regarding diversity in the workplace and how different organizations use it as a strategy to increase creativity, productivity and loyalty while at the same time satisfying the needs of the customers.

3. Ohio University Study:

The results of the survey reveals the following:



4. Earnest Young:

Due to globalization and trends in the demographic, there is a high demand for employing highly exceptional people. Successful companies adapt by strengthening their leadership position through international experience and providing employees with the skills they need to lead the diverse workforce of the 21st century.

EY is already proud of its culture and is determined to do more. Their employees tell them that their culture of teamwork around the world and our desire to create a better world of work make EY a great place to build their career. Their clients tell them that in recent years they have improved the effectiveness of EY teams, built relationships and provided people with a high caliber.

EY is investing in three key elements of their culture that enhance what is important to their clients and their people:

1. Inclusiveness – Attracting exceptional people is just the start. Inclusion means making sure that everyone's voices in the organization is heard and valued. This helps the organization to solve problems effectively.

2. Development – Their approach to development involves proving the employees with skills and education that helps in their personal and professional growth so that they can deliver the best results.

3. Engagement –The environment in the organization should be such that it enables its employees to feel comfortable and enthusiastic working in the organization and it must be nurturing for the employees to give their best efforts.

VII. CONCLUSION

Multicultural diversity management, although based on cultural change, managing multicultural diversity is a pragmatic business strategy aimed at maximizing productivity, creativity and employee engagement while addressing the needs of diverse consumer groups. Positive action is about integrating people into an organization instead of changing the organizational culture. Some believe that if we look at how different people are, we will not realize how they are similar and hence we will not find a common basis for unity. However, learning about other cultures and experiences and their effect on behavior can indeed be an advantage in the hands of a competent human resource manager. Valuing multicultural diversity can be an advantage for building a more productive workforce. The problem is respect. And most people want to work where they are treated with dignity and respect.

Meeting the needs of all types of employees is our ultimate challenge and opportunity. To succeed, companies must create an inclusive work environment that is free of prejudice and discrimination. Managing multicultural diversity can be a difficult and complex task. It offers the opportunity to grow

personally, professionally and collectively, to learn new ways of working together, to set up partnerships that stimulate innovation and problem solving, and to increase productivity and individual satisfaction. Human Resources Managers are expected not only to manage all changes brought about by demographic developments, but also to expect to manage the differences that arise from these challenges as well. Welcome these changes for the opportunities they open.

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