

UNIT 199 – UPSC - Multicultural Management

In global society, cultural and ethnic diversity is a phenomenon used by social theorists since many decades. Theorists illustrate different contact situations and/or explanations for the presence or absence of conflict between different ethnic groups (Schermerhorn 1970). Multiculturalism is recognised by policy makers, social commentators, academics and the general public in certain countries.



In theoretical literature, there are many ways to define multiculturalism. This phrase is used to define many cultures and learning to get on with one another with mutual respect. Multiculturalism stresses the importance of different cultures, races, and ethnicities (Asumah, 2002). It basically refers to a policy developed in the '70s by Australian governments looking for a way of replacing assimilationist policies. It was based on the belief that society would work better if people felt their cultural beliefs were respected and that they did not have to abandon their values to be considered good Australians. Multiculturalism is a belief or policy that endorses the principle of cultural diversity and supports the right of different cultural and ethnic groups to retain distinctive cultural identities. It has often been criticized for being too symbolic and not politically radical enough in challenging racism. It is the principle that several different cultures (rather than one national culture) can coexist peacefully and equitably in a single country.

Studies have demonstrated that the word "multicultural" refers to the existence of linguistically, culturally and ethnically diverse segments in the population of a society or State. It signifies a perception that such uniqueness has some social significance—primarily because of perceived cultural variances though these are frequently related with forms of structural discrepancy. The precise ethnic groupings which exist in a State, the significance of ethnicity for social participation in societal institutions and the processes through which ethnic differentiation is constructed and maintained may differ significantly between individual States, and over time. Multiculturalism is not restricted to political doctrine with a programmatic content or an idealistic school with a distinctive theory of human in the world but it can be understood with respect of visualizing human life. It is sometimes misunderstood by its advocates and challengers and therefore it must be reviewed carefully through deep understanding. The philosophies of multiculturalism designate that human beings are culturally entrenched so that they become adults and learn cultural codes of ethics in highly organized society. In this way,

people can have systematic life and they learn to develop strong social relations in terms of a culturally derived system. It does not specify that they restrict to particular culture and they are powerless to rise above its categories of thought and values but multiculturalism allow them to develop good personality, through customs and morals they have inherited and accepted or thoughtfully reviewed or they have wilfully accepted in cultural system.

The ideological-normative practice of multiculturalism creates the utmost level of argument since it is the basis for political action. Furthermore, it is one where the limited implementation of explicit multicultural programs and policies means that there is a limited range of empirical evidence available on their operation and outcome. The ideological-normative usage of multiculturalism establishes a specific focus towards the management and organisation of governmental responses to ethnic multiplicity. These alternatives constitute a continuum from assimilationism to differentialism, the extreme forms of which are exclusion, apartheid, " ethnic cleansing" and genocide. While assimilationism views the significance of ethnic or cultural differences as transitory and disappearing over time as a result of full political, cultural and social incorporation of minority groups into the nation, differentialism does not imagine or consider possible such an integration.

Theoretical literature denotes that multiculturalism recognises the existence of ethnic diversity and ensuring the rights of individuals to maintain their culture with full access to, participation in, and adhesion to, constitutional principles and commonly shared values prevailing in the society. By acknowledging the rights of individuals and groups and ensuring their equitable access to society, supporters of multiculturalism also maintain that such a policy benefits both individuals and the larger society by reducing pressures for social conflicts based on disadvantage and inequality. They also argue that multiculturalism is an enhancement for the society as a whole. In Australia, there is the further argument that cultural diversity offers an important national resource for foreign economic, political and cultural relations. This benevolent view describes multiculturalism as the theory that it is beneficial to a society to maintain more than one culture within its structure (Macquarie 1985). Koleh in Australia stated that Multiculturalism has served a variety of goals over the years, including, the pursuit of social justice, the recognition of identities and appreciation of diversity, the integration of migrants, nation building, and attempts to achieve and maintain social cohesion. Theorists stated that multiculturalism is assumed as a social compact that involves power and wealth sharing between different ethno-cultural groups. Such compact is usually based on equivalence of status and opportunity of different ethno-cultural grouping. It usually consists of a complex set of agreed national values and goals, normative and structural systems as well as policy.

The Emerging Importance of Multiculturalism

The emergence of multiculturalism as noticeable term in Western discourse that is associated with ethnic diversity, conflict and management coincides with increasing awareness in the Western industrial civilisations. Social theorists such as Durkheim, Weber and Marx, theorised that status based social differentiation was replaced by the social class as the driving force in society. Ethnicity and racial differences were visualized as surviving anachronisms, dating from pre-modern, traditional societies. This appraisal was supported by social commentators and policy-makers who operated with an often implicit view that assimilation of minority groups had either occurred, or was in progress.

Since the decade of 1960s, the ethnic rights movement and turbulence in a number of the Western industrial nations led to queries of assumptions that ethnic differences were of declining significance. The re-emergence of major cultural divisions within the earlier USSR and Eastern Europe has concurred with a major development of international population movements as a response to economic changes as much as political disturbance or demographic pressures (Stahl et al 1993). Along with these changes have meant that in the last decade of the 20th century the

assumptions of the 19th century authors about the expiration of ethnicity as a socially significant force are no longer acceptable. Outside the Western industrial societies, there was never the misapprehension that ethnic and racial differences were insignificant or non-existent. Although multiculturalism as a representation of demographic diversity, it is a world-wide phenomenon, it has led to the existence of programmatic-political multiculturalism at the national or sub-national levels only in some countries. There is no expected link between description and political response. The dynamics of ethnic diversity is more important in the Asia-Pacific region as compared to rest of the world. The links between ethnic relations policy, national identity and social cohesion in States of this region awaits further specification, but certain linkages between national identity and multiculturalism clearly are noticeable. The few nations in the region which have national identity based on homogeneity such as Japan and Korea, have effectually excluded ethnic diversity from consideration and policy initiatives. In Japan the cultural diversity advocated is the one associated with external countries and societies, rather than internal diversity as linked to ethnic subgroups.

Advantages of Multiculturalism

Contemporary multicultural literature has demonstrated that multicultural issues will impact individual career outcomes as well as organizational effectiveness. Among the determinants of behavioural impact, there are individual factors, such as identity, prejudice and stereotype, intergroup factors such as cultural differences, ethnocentrism and intergroup conflict, and organizational factors such as organizational adjustment processes, structural integration and institutional bias. Bulk of theoretical studies showed numerous advantages of managing multiculturalism:

1. Multicultural organizations have a benefit to attract and retain the best available human ability. The exceptional competences of women and minorities offer a rich labour pool for organizations to tap. When organizations attract, maintain and promote maximum utilization of people from dissimilar cultural backgrounds, they gain competitive advantage and sustain the highest qualities of human resources.
2. Multicultural organizations can understand and enter broader and enhanced markets. the MCO embrace a diverse workforce initially as well as it is better suited to serve a diverse external customers. The diverse organizations have an increased understanding of the political, social, legal, economic and cultural environment of different places.
3. Multicultural organizations shows higher creativity and novelty. Especially in research oriented and high technology organizations, the range of talents provided by multicultural personnel becomes invaluable.
4. Multicultural organizations display greater problem solving ability. Researches stated that the culturally diverse organization to exhibit expanded meanings, multiple perspectives and multiple interpretations. Multicultural organizations is more capable of avoiding the consequences of 'groupthink'.
5. Multicultural organizations are better able to adjust to change and show more organizational flexibility.
6. Cross-cultural team work and teamwork are indispensable, if people are to function productively, they must learn to see their differences as assets rather than their liabilities. Diversity is helpful to both workers and companies. Employees are interdependent at their workplace; respecting individual differences can increase marketing opportunities and business image and bring down the possibilities of law suits. When an organization understands and honours diversity, a link develops between employer and employees.

Drawbacks of Multiculturalism

Regardless of numerous advantages of Multicultural organizations, there are many demerits also. Too much diversity in problem solving group have dysfunctional outcomes. Diversity upsurges ambiguity, complexity and confusion. Multicultural organizations may have difficulty in converging meanings, may find it hard to reach to a single agreement, and have difficulty agreeing on course of action.

1. In many Multicultural organizations, cultural differences produce negative dynamics such as ethnocentrism, stereotyping and cultural clashes. These negative dynamics can in turn combine with imbalance power structure to create work disadvantages more badly. If leaders ignore or mistreat multiculturalism, it may decrease performance. Poorer work outcomes, in turn, adversely affects first level organizational measures such as productivity, absenteeism and turnover.
2. Multicultural groups have severe communication problem. Homogenous groups often outperform culturally diverse groups, especially because of communication factor. Cross-cultural training is necessary to enable culturally diverse groups to live up to their potential and overcome communication difficulties.
3. The diversity movement has the potential to separate different social groups and damage productivity while increase sarcasm and resentment, heightening intergroup frictions and tensions and lowering productivity-just opposite of what managing multiculturalism is intended to accomplish. Ignorance of cultural differences is a source of ineptness in the work performance of diverse work groups.
4. Numerous Multicultural organizations face issues of higher turnover and absenteeism. Research reveals that heterogeneity in group members is related with lower level of group social integration which in turn, is negatively associated with individual turnover.

Managing the Multiculturalism

Abundant of literature demonstrate the power and potential of the Multicultural organization. The key to tap the benefit of multiculturalism avoiding the drawbacks is to create an organization in which members of all socio-cultural backgrounds contribute and realise their full potential. This strategy is difficult to accomplish, as it involves maintaining a balance between meeting the objectives of the organization and retaining the individual culture of employees. Leaders have to face a dichotomy. But problem can be sorted out if they follow some measures which is mentioned below:

1. Senior management plays a vital role in making the diversity success. The CEO must exhibit a strong commitment. Leaders must receive diversity training to address myths, stereotypes and real cultural differences as well as organizational barriers that hampers the full contribution of workers.
2. Multiculturalism must be part of an organization's strategic business objective. Diversity goals must be linked to business goals. Diversity must be stressed not only internally but should be an important part of external outreach programs that recognise the organization as a multicultural leader.
3. Managers must be held accountable to accomplish diversity goals. Performance evaluations and rewards should be tied to a manager's ability to develop and manage diverse workforce. Senior management must ensure impartiality.
4. Prosperous Multicultural organizations must improve its supply of diverse workers through aggressive recruiting. It must break the "glass ceiling" and increase the number of women and minorities in the higher salary groups through career development, mentoring and executive appointment. It must empower all of its employees to use their full capabilities.
5. Diverse workforce requires effective communication. Leaders must guarantee that there are open opportunities for personnel to communicate new ideas, grievances, input and feedback.
6. Successful Multicultural organizations must value diversity. A cultural environment must

allow differences to be celebrated rather of purely tolerated. All workers must understand the competitive and moral benefit of diversity. They must respect and support cultural diversity through the acknowledgement of distinctive cultural and religious holidays.

Effectively managing a multicultural business needs at least a basic knowledge of employee's culture and traditions. Familiarity with both is important because each has a bearing on an employee's every day behavior. Multiculturalism in the workplace can form a sense of cultural consciousness among workforces. A multicultural workforce is one in which a wide range of cultural differences exist among the workers in the organization. Generally, a multicultural workforce is one in which employees are heterogeneous, many dissimilar in certain traits. Employees who are exposed to others' ideas will learn to think outside the box when faced with a problem. Once a worker has been exposed to principles of someone whose ideas seem foreign to him, he can begin to reflect on the thinness of his world view and how it adversely affects his ability to think and solve problems. Companies that have a culturally diverse workforce may get advantage from such diversity because they develop a personnel with a larger social system than just one cultural group. This can create an interest for products and services in many ethnic communities within the larger community. Businesses that offers goods and services that appeal to several ethnic groups are more likely to benefit from a multicultural workforce whose members can interconnect with people in those cultural groups. In numerous studies, Multiculturalism has been heavily condemned. Some critics squabbled that multiculturalism requires a continuous inflow of immigrants in order to survive. If multiculturalism is to continue, immigration must continue. It has been documented in studies that Multiculturalism is an indisputable fact of life in today's world. However, managing multiculturalism is great challenge both at the, governance as well as managerial levels. Organizations are increasingly realizing immense diversity within the global market and devising strategies to make the most out of it. In Indian context, multiculturalism is not a new authenticity, unlike many other countries in the world. Indeed, the concept is very much accustomed to Indian society. With diverse cultures, languages, religions and communities, multiculturalism have its reflections in every sphere of social life in the country. The idea of India as given in Indian constitution is as 'an egalitarian, multi-cultural society which is established in rule of law, human dignity and harmonious co-existence of diversity in all good forms, hues and shades' (EOC Report, 2008). Indian corporate sector started thinking of their workforces more representatives of India's diversity and demographic profile. Majority of Indian companies operate at global level and there was realization for a better HR readiness to face the challenge. For example, Tata Consultancy Service, a leading IT and IT enabled service provider, has more than, 100000 workers in the first quarter of 2008, from 64 different nationalities. It is applicable to other Indian IT and ITES giants like INFOSYS, WIPRO etc. Infosys which initiated a programme namely Global Talent Program (GTP), through which it recruits citizens of other countries from which it operates. Moreover, India's diverse group of communities from dissimilar cultural backgrounds getting empowered and achieving education attainments. Additionally, there are increasing number of foreign employees taking up jobs in India's diverse Industrial sectors, both service and manufacturing enterprises especially in BPO, Pharmacy and several other technical sectors. The trend of foreign nationalities coming and working in Indian IT, Pharmacy, engineering, telecom, finance, FMCG, automobile, steel etc. as experts, consultants as well as full time workers is the trend today. According to a study Indo American Chamber of Commerce (IACC), 11.3 million jobs are generated every year in

India which calls for the need to ease visa procedures so that the industry can tap into the resources of highly skilled expatriates. Indian Government many initiative to Promote Multicultural Worksites. Government of India brought in reservation in the state sector on the basis of Mandal commission report. This initiative helped formerly disqualified social groups an entry into the state sector and thereby state sector reflect India's diverse demographic pattern. Sachar Committee recommended for providing incentives to enhance diversity and suggested that companies providing opportunity to all communities should be branded as 'Equal opportunity Institutions' and should be eligible for government incentives.

To summarize, multiculturalism is simply a demographic descriptor of diverse population. Multiculturalism can be used as a normative ideal to be aspired to or philosophical concept about how a diverse society should be organised to be a just. Multiculturalism is demarcated as a organised society cantered around defined cultural ideal instead of a collection of ghettoised individual cultural components. It undertakes that culture is enhanced by diversity rather than contaminated by it and that the diverse cultural elements exist within a cultural casing that creates its own common ground. Fairness, equality, non-discrimination and justice are viewed as all-important bases of multiculturalism. Modern international management literature has identified that the management of multicultural teams is an important feature of human resource management.