

A DESCRIPTIVE STUDY OF WORKFORCE DIVERSITY IN BANKS

Shuchi Gupta

Research Scholar Baba Mastnath University

Dr. Komal Rani

Assistant Professor Baba Mastnath University

ABSTRACT

Diversity management is a relatively new management field that arose from a variety of historical and social challenges. According to (Leopold and Harris 2009), there is no commonly agreed meaning of the word "managing diversity" in the diversity management literature. To select respondents from the purposively selected NCR-Haryana-sub region ,three districts of the region , the study will employ various sampling techniques, to select respondents from selected banks and to determine sample size for each town. In this study, we aim to build on previous work on workplace diversity by conceptualizing and empirically examining the effects of various variables on organizational and employee performance in the context of workgroup working environments in order to better understand the impact of workplace diversity on organizational effectiveness.

Keywords: workforce, gender diversity, age diversity, education diversity.

INTRODUCTION;

Workforce diversity is a challenging subject that will continue to change as the globe becomes more globalized. It primarily evolved as a workplace extension of the equal opportunity ideology. It has grown in importance in modern management as a result of the free mobility of workers and governments' acknowledgement of human rights. Even at banks, the staff has grown more diverse. In India's service industry, banks are

the most important participant. It provides more than a quarter of the country's GDP. The modern Indian financial sector has seen significant changes. Globalization, liberalization, deregulation, the use of information technology, and mergers and acquisitions have all had a significant impact on the operating environment of Indian banks during the previous 12 years. Several reforms aimed at improving the operating efficiency of the banking system were implemented during this time. The efficiency of the banking industry as a whole, as well as the efficiency of individual institutions, is determined by the productivity and performance of its personnel. Workforce diversity is a challenging subject that will continue to change as the globe becomes more globalized. It primarily evolved as a workplace extension of the equal opportunity ideology. It has grown in importance in modern management as a result of the free mobility of workers and governments' acknowledgement of human rights. Even at banks, the staff has grown more diverse. In India's service industry, banks are the most important participant. It provides more than a quarter of the country's GDP. The modern Indian financial sector has seen significant changes. Globalization, liberalization, deregulation, adoption of information technology, and mergers and acquisitions have all had a significant impact on the operating environment of Indian banks during the previous 12 years. Several reforms aimed at improving the operating efficiency of the banking system were implemented during this time. The efficiency of the banking industry

as a whole, as well as the efficiency of individual institutions, is determined by the productivity and performance of its personnel. Workforce diversity is a complex and evolving subject that will continue to change as the globe becomes more global. It primarily evolved as a workplace extension of the equal opportunity ideology. It has grown in importance in modern management as a result of the free mobility of workers and governments' acknowledgement of human rights. Even at banks, the staff has grown more diverse. In India's service industry, banks are the dominant player. It provides more than a quarter of the country's GDP. The modern Indian financial sector has seen significant changes. Globalization, liberalization, deregulation, information technology adoption, and mergers and acquisitions have all changed the operating environment of Indian banks dramatically during the previous 12 years. During this time, several reforms aimed at improving the banking sector's operational efficiency were implemented. The efficiency of the banking industry as a whole, as well as the efficiency of individual institutions, is determined by the productivity and performance of its personnel. Workforce diversity refers to the perceived differences and similarities among an organization's workforce. Gender, age, religion, language, personality, education, culture, social standing, and other factors may all contribute to these variances. As a result, employees with various demographic characteristics form a diversified workforce. In today's enterprises, workforce diversity is a prevalent challenge.

Every nation in the globe now has a population that is demographically and culturally diverse. With more immigration, more individuals working overseas, and the existence of numerous ethnic groups, each population has its own culturally distinct way of life. As a result, organizations are becoming

more diverse, with more women, minorities, and ethnic groups, as well as young employees, handicapped persons, and people from various socioeconomic backgrounds. The effectiveness and efficiency with which these different workforces are handled will have an influence on employee performance and the organization's competitiveness. As a result, one of the most pressing concerns in modern human resource management is workforce diversity and its influence on employee performance. In today's competitive environment and worldwide corporate development, employee diversity has become a hot subject among academics and executives. Many studies have shown that companies that practice good diversity management outperform those that do not. Organizations with a varied staff may deliver better services because they are better able to grasp changing client preferences and can tap into niches and diversified market segments. Furthermore, diversity fosters creativity, innovation, and competitive advantages for businesses.

Increased workplace globalization results in a more diverse workforce in a firm. A more varied organization will be beneficial to the company. Globalization has shifted in recent years, not just among countries but also beyond borders. Globalization resulted in a positive workforce migration. It is vital for multicultural companies to cope with employees from varied cultures and backgrounds. Due to changes in management methods, the multicultural workforce helps HR managers address new difficulties. Only when successfully managed, the proclivity to enhance the organization's variety and heterogeneity is lucrative. Until the mid-1980s, when a widely publicized study asserted that "demography is destiny" and claimed that substantial changes were taking place in the labor force, the word "diversity" was not generally used to characterize labor force characteristics. The

key concepts that support this management strategy, as well as the distinction between affirmative action and diversity initiatives. Age diversity refers to a company's ability to accommodate a wide range of ages among its ranks. It is due to the age diversity in the workforce. Various organizations must handle the composition of people of various ages in different ways. On the one hand, firms will face an older workforce, but on the other, they will manage a positive worker composition. As a result, they'll have to make good use of both older workers' expertise and new employees' excitement. Since 1969, when the Indian government nationalized 19 banks, the banking system has been administered by public banks. Various private sector banks have developed in the Indian economy since deregulation. They've grown faster and larger in the two decades after deregulation, thanks to improved technology and frequent improvements. In India, there are now 21 private sector banks. Private-sector banks are those in which private shareholders own more than 50 percent of the stock or equity. The influence of various diversity variables on the performance of bank workers is the topic of this research.

LITERATURE REVIEW:

Rizwan et al. (2016) In their study, "The Impact of Workforce Diversity on Employee Performance: Evidence from the Banking Sector of Pakistan," they look at the impact of diversity on employee performance in Pakistan's banking business. According to the experts, there are a variety of elements that might influence an employee's performance, but this study just looks at the most important ones. The researcher selected 230 workers for the study. Gender, ethnicity, and educational background all have a beneficial influence on employee performance, whereas age diversity has a detrimental impact.

Ritesh Kumar (2017) If correctly handled, diversity may be very beneficial to a company's success. Age diversity refers to the age variety within an organization. There is a generational struggle in every company. In organizations, conservative and contemporary thinking lead to decision resistance. Both experienced and youthful staff may be beneficial to the company if they were properly handled. This article focuses on how the age diversity of private bank workers impacts their performance. Using the convenience sample approach, 100 workers from various private sector bank branches in Rohtak city were sorted out for this research. Data was collected from respondents using a self-structured questionnaire. This research employed a variety of statistical approaches to assess the hypothesis, including descriptive and correlation statistics. The findings demonstrated a marginally favorable association between employee performance and age diversity.

Suresh B.H (2018) Today's management faces an emotionally engaging and very crucial problem in the form of workforce diversity. Workforce diversity promotes innovative thinking, wide perspectives, and better problem solutions. The major goal of this research was to determine the impact of workforce diversity on employee performance at banks in the Mysore area of Karnataka. The research also wanted to see how gender diversity, age diversity, and physical impairment affected the performance of staff in Mysore district banks. This study employed a descriptive research approach. The responders that are targeted are bank employees. Commercial banks in the Mysore area of Karnataka were sampled using a suitable random sampling procedure. The information was gathered using a questionnaire from a group of 80 bank workers. The data was evaluated using SPSS software once the

reliability test was completed. The findings revealed that workforce diversity has a substantial impact on employee performance. Employee performance in banks is favorably correlated with gender diversity and age diversity. Physical handicap was likewise shown to have no substantial impact on job performance.

Tamunomiebi (2019) Diversity and ethics are part of any civilization, and they're a huge difficulty that's transformed into concerned scenario for everyone, resulting in organizational demoralization. Many people feel that, when properly handled, social diversity and ethics are essential for company effectiveness. Employees in any firm have a variety of views, cultures, religions, ages, genders, and educational backgrounds. Managers and executives need to know what morally suitable or incorrect behaviors to do in their everyday working scenarios. The manner in which individuals vary in an organization may have an impact on the workers' tasks and relationships. While ethics is the study of moral duty, or differentiating right from evil, it also involves behaviors such as ethical judgments and acts of social responsibility. This research focuses on organizational diversity and ethical challenges. This research project is a nature descriptive study. Secondary data was gathered from books written by various academics and researchers, articles published in various magazines and periodicals, conference papers, working papers, and websites that evaluate literature in the field of organizational diversity and ethics. As a result, I would suggest that management change their ways in order to manage diversity and ethics in the workplace. Management should also analyze the present amount of diversity inside the company, starting with culture, ethnicity, and education. For constant change and progress in the company, management should promote a high diversity culture.

Deepu Kumar (2020) Workforce diversity has evolved into an emotionally engaging and vitally crucial problem for today's management. Workforce diversity promotes innovative thinking, wide perspectives, and better problem solutions. The major goal of this research was to determine the impact of workforce diversity on employee performance in Mysore's commercial banks. The research also looked at the effects of employee gender diversity, age diversity, and educational background on their performance. This study employed a descriptive research approach. Respondents who work in commercial banks are the target audience. To collect samples from commercial banks in Mysore, a straightforward random sampling approach was adopted. The information was gathered using a questionnaire from a group of 120 bank workers. SPSS software was used to examine the data. The findings revealed that workforce diversity has a substantial impact on employee performance.

RESEARCH METHODOLOGY:

Research Design:

The plan for accomplishing research goals and answering research questions is the study design (John A.H. et al., 2007:20-84). It's a master plan that lays out the techniques and processes for gathering and evaluating data. It guarantees that the research is relevant to the topic and employs cost-effective methods. Because it explains the current condition of events, the research is descriptive in character. The influence of diversity characteristics on organizational success is then described and evaluated in this research.

Data Collection:

The research collected data from both primary and secondary sources.

Primary Sources:

The research used a well-designed structured questionnaire to achieve the goal. Employees/managers have provided the necessary information. The questionnaire's design has been kept basic to encourage responders to fill it out completely. The questionnaire includes multiple choice and likert scale items. The purpose of the questionnaire is to evaluate how diversity characteristics affect organizational performance in the banking industry (selected banks) in NCR-Haryana-sub region (Faridabad, Gurugram, Rohtak). A pilot research was carried out to verify the questionnaire, and a few items were changed to make them more understandable. In addition, E-questionnaires with the bank's managers/assistant managers/officers/clerks have been mailed and filled, hence data collection is undertaken.

Secondary Sources:

Secondary data was gathered from files, historical documents, office manuals, circulars, and policy papers at several banks in various locations. It assists researchers in providing more information when necessary. To make the research more productive, a range of published books and government papers, websites, bulletins, and newsletters were evaluated.

Sampling Technique:

This descriptive research will be undertaken in the NCR-Haryana,sub region chosen banking sector (public and private). For the study, the researchers will utilize the sample size determination of chosen banks.

$$n = \frac{Z^2 (P) (1-P)}{C^2} = \frac{1.645^2 \times (0.5) (1-0.5)}{(0.05)^2}$$

$$270.6 = 271 (\approx)$$

According to: "Scott Smith, Ph.D,

A Z-score refers to your confidence level. For this equation, a constant value is required.

The z scores for the most frequent confidence levels are as follows:

- 90% – Z Score = 1.645
- 95% – Z Score = 1.96
- 99% – Z Score = 2.576

DATA ANALYSIS:

The information for this research came from both primary and secondary sources. In addition, utilizing questionnaires, inside the banks ,study was conducted. A total of 100 people from various places were surveyed. Data is gathered and variables such as age, gender, education, tenure, religion are studied.

Profile of Respondents:

Table 1: Age of Respondents

Age Group	Frequency	Percentage	Cumulative Percentage
20-25	20	11.9	11.9
26-30	15	46.9	58.8
31-35	17	21.4	80.2
0	19	11.43	91.63
41 & Above	29	8.48	100
Total	100		

Table 1 indicates the age of respondents' characteristics. 46.9% of respondents are between the ages of 26 and 30, while 68.3% are between the ages of 26 and 35. According to the statistics, a significant share of the workforce is in their prime producing years.

Table 2: Gender of Respondents

Gender	Frequency	Percentage	Cumulative Percentage
Male	70	82.65	82.65
Female	30	17.34	100
Total	100	100	

The gender breakdown of responders is seen in Table 2. Male respondents made up 82.65% of the total, while female respondents made up

17.34%. When comparing male and female genders, the evidence shows that male gender is more predominant.

Table 3: Tenure of Respondents

Tenure	Frequency	Percentage	Cumulative Percentage
1-5 Years	48	52.39	52.39
6-10 Years	22	33.57	85.96
11-15 Years	15	12.17	98.13
16-20 Years	15	1.84	100
Total	100	100	

Table 3 reveals that 52.39 percent of respondents have worked for the bank for 1-5 years, while 33.57 percent have worked for the bank for 6-10 years, for a total of 85.96 percent of respondents who have worked for the bank for 1-10 years. It's a positive indication for banking business; most individuals are seeking for career chances in the banking sector.

Table 4: Religion composition of respondents

Religion	Frequency	Percentage	Cumulative Percentage
Hindu	20	86.71	86.71
Christian	18	4.05	90.76
Protestant	35	5.53	96.29
Muslim	27	3.69	100
Total	100	100	

Table 4 demonstrates that Hindu accounts for 86.71 percent of the respondents, with Christians accounting for 4.05 percent, Protestants for 5.53 percent, and Muslims for 3.69 percent. Since a result, religion in the banking profession is up to par, as they deal with people of many religions at various institutions.

Table 5: Education Level of Respondents

Education level	Frequency	Percentage	Cumulative Percentage
Graduate	50	76.75	76.75
Post Graduate/ Pursuing	20	10.7	87.45
Others	30	12.54	100
Total	100	100	

Table 5 reveals that 76.75 percent of the respondents have a graduate degree, 10.7 percent have a post-graduate degree, and 12.54 percent have another degree. Because banking business is rapidly expanding, more individuals are employed with strong educational backgrounds. Overall, 87.45 percent come from both graduate and post-graduation; this reflects the significance of education in banking occupations.

Table 6: The above all independent variables with diversity impact

Age Group	20-25	26-30	31-35	36-40	41 & Above
Frequency	32	127	58	31	23
Percentage	11.9	46.9	21.4	11.43	8.48
Diversity impact	4.6	18.14	8.28	4.42	3.28
Gender	Male	Female	Total		
Frequency	60	40			
Percentage	82.65	17.34	100		
Diversity impact	32	1.47			
Tenure	1-5 Years	6-10 Years	11-15 Years	16-20 Years	Total
Frequency	40	24	33	5	
Percentage	52.39	33.57	12.17	1.84	100
Diversity impact	20.28	13	4.8	0.8	
Religion	Hindu	Christian	Protestant	Muslim	Total
Frequency	27	20	28	25	
Percentage	86.71	4.05	5.53	3.69	100
Diversity impact	33.6	1.6	2.14	1.42	
Education level	Graduate	PG/Pursuing	Others	Total	
Frequency	50	20	30		
Percentage	76.75	10.7	12.54	100	

The correlation analysis of the various variables explored with group effectiveness metrics is shown below. These connections are shown in Table 7.

Table 7: Correlations of Diversity Predictors with Measures of Effectiveness

	Age	Gender	Tenure	Religion	Education
Age	1	-0.005	0.777*	0.016	0.411*
Gender	0.005	1	-0.052	-0.071	-0.021
Tenure	0.777	-0.052	1	0.009	0.413*
Religion	0.016	-0.071	0.009	1	-0.113
Education	0.411	-0.021	0.413	-0.113	1

The above table 6 shows that age has a strong positive link with other factors, grow significantly. Tenure has a strong positive connection with age (0.777*), education (0.411*). Tenure has a strong positive connection. This clearly shows that tenure, age, and education are all interconnected and interdependent.

CONCLUSION:

The study showed significant correlations between various diversity dimensions as well as individual diversity variables. These all also have impact on organizational effectiveness. Overall, there was no empirical evidence for the two proportions about the effects of workforce diversity on organizational success. When workforce diversity is regulated by worker settings, the influence on organizational success is low, according to the findings of this empirical research. Because of several limitations, this single case study may not be generalizable. The investigation was confined to just a few dimensions, which may have hampered its validity. In addition, the study's sample size might have influenced the findings. Despite these flaws, this field research has added to the diversity literature by establishing experimentally that there is no correlation between worker diversity and organizational efficiency.

REFERENCES:

1. Suresh B.H(2018) workforce diversity and its influence on employees' performance in commercial banks in mysore district International Journal of Recent Scientific Research Vol. 9, Issue, 10(A), pp. 29118-29121, October, 2018
2. Deepu Kumar(2020) impact of workforce diversity on performance of the employees in commercial banks of mysore
3. Ritesh Kumar (2017) age diversity in the workplace: a study on private sector banks employees ISSN- 2350-0530(O), ISSN-2394-3629(P) DOI: <https://doi.org/10.29121/granthaalayah.v5.i8.2017.2196>
4. Tamunomiebi (2019) Diversity and Ethical Issues in the Organizations. International Journal of Academic Research in Business and Social Sciences, 9(2), 839–864.
5. Rizwan, M., Khan, M. N., Nadeem, B., & Abbas, Q. E. (2016). The Impact of Workforce Diversity Towards Employee Performance: Evidence from Banking Sector of Pakistan. American Journal of Marketing Research, 2 (2), 53-60.
6. Bedi et al (2014). Workforce Diversity Management: Biggest Challenge Or Opportunity For 21st Century Organizations. Journal of Business and Management, 16 (4), 102- 107.
7. Patrick, H. A., & Kumar, V. R. (2012). Managing Workplace Diversity: Issues and Challenges. SAGE Open, 1-15.
8. Farman Afzal (2013), –Comparison of Workforce Diversity in Public and Privat Business Organizations|| in Research journal Vol.3, No.2, 2013.
9. Mercy GacheriMunjuri, –Workforce Diversity Management and Employee Performance in The Banking Sector in Kenya|| 2012, Vol 3 No 1 pp. 1-21.
10. Ogbo, Ann I. KiforduAnyibuofu Anthony, –The Effect of Workforce Diversity on

Organizational Performance of Selected Firms in Nigeria|| Vol 5 No 10, June 2014.

11. MerafLeykun, Banking in Ethiopia: Regulations and Procedures, Published on 07 February 2012
12. MashaviraNhamo, Gender Diversity Management in the Banking Sector in Masvingo Urban, Zimbabwe, Volume 4, Number 1, 2013, 59-75
13. Brooke, E., Taylor, P., Mcloughlin, C., & Biase, T. D. (2013). Managing the working body: Active ageing and limits to the 'flexible' firm. Ageing & Society.UK: Cambridge university press.
14. Gautam, U. R. (2014, may 15). Workforce diversity in Banking Sector. The Rising Nepal daily newspaper.
15. Kundu,S.C., &Mor, A.(2016). Workforce diversity and organizational performance: A study on IT Industry in India. Employee Retention, 39(2), 160-183.