

Course Name: Organizational Behaviour: Individual Dynamics in Organization

Professor Name: Prof. Dr. Abraham Cyril Issac

Department Name: School of Business

Institute Name: Indian Institute of Technology Guwahati

Week – 02

Lecture – 08

Lecture 8: Perception of diversity and inclusion

Hello students. Welcome back to the course on Organizational Behavior, Individual Dynamics in Organization.

We have moved to the second module and this will be the third lecture of the second module where we will look into what diversity is in detail. We will look into perception of diversity and inclusion.

I am Dr. Abraham Cyril Issac, Assistant Professor at the School of Business, Indian Institute of Technology, Guwahati.

If you have been going through the classes in a religious way, you will understand that in the module 1, our focus was mainly to introduce you to the topic of organizational behavior, OBM, Organizational Behavior Management as such. We introduced you to organization, what do you mean by behavior, we looked into different aspects of behavior, we looked into different perspectives which are there in the OBM field, how OB has emerged as a discipline, how different streams of knowledge like psychology, sociology, anthropology, etc. have contributed to the single body of knowledge called OB. We have also looked into different analysis or different types of perspectives which OB has, for example, how we look at OB in terms of a systematic view or something like evidence-based management or the intuition.

So then we proceeded ourselves to what is the one of the greatest elements in organizational behavior today which is diversity. So, we introduced you to what diversity is, what do you mean by diversity and inclusion specifically.

And in this lecture, I will go a bit deeper and make you aware about what do you mean by perception of diversity and inclusion. So how relevant is diversity, how relevant is perception of diversity and inclusion. Let's start with this quote, exclusive focus on cognitive diversity might allow organization to ignore systemic inequalities. So, this lecture, the theme would be to unravel how cognitive diversity might allow organizations

to ignore the systemic inequalities.

Now let's understand from the basic, what do you mean by perceived diversity. The last two lectures we have clearly seen what do you mean by diversity. It is a representation of different types of people who are coming from different background, be it cultural, be it religious, be it differentiation in terms of caste, creed, sex, race, whatever it would be. But when you look into diversity, how it is perceived within the organization, you will see that degree to which people recognize that a group or area is made up of different social categories. So, in nutshell this is what diversity is.

Now this is quite a clear definition because it does not bring in a lot of jargons or you know lot of keywords, functional words etc. But when you look into perceived diversity, you have to understand it's a subjective assessment of the variety of backgrounds, experiences and perspectives and knowledge level represented within the workforce. So many a time within this lecture I will be making use of these critical functional words which are variety of backgrounds, experiences, perspectives and knowledge level.

Now let's understand one by one. What do you mean by background? Background is something which we have already seen. People coming from different culture, different households where the CRPs, the child rearing practices were different, different food habits, different attire, different way they behave in certain context or certain situations. Experiences are nothing but the experiences they have gained over the period. Let us look into a person who has just ventured into organization.

Let's look into Satish who has just come into an organization as a graduate engineering training. Now prior to his joining as GET, let's look into his career. He has worked in different organizations at a managerial post, but he wanted to change his domain. Maybe the reason would be that he has started from the base, from the scratch and joined to the organization as a GET. Now interestingly this person Satish brings a whole lot of experience. His experience might be in the FMCG. Now he has ventured into let's say manufacturing. Whole lot of experience he has gained in the FMCG sector, he is going to bring that to the table. Now this is what experience means. Experience can also mean life experiences. The experiences, the hardship he has faced over his time period of education, how he has taken up or how he has been able to conduct himself during the tough times of his life. He might not have the situations or the conducive environment to study.

So all these perspectives have put him to a different pedestal in which he is much above than others in terms of experience. It could be in terms of how he has seen or perceived the world. Maybe his world view, his reality, the view of reality would be different from the others who are joined with him. So, this is what you mean by experience. That brings

me to what is called as perspective.

Now every single individual, let's say there might be some individual, for example, Satish would take a blame or advice or let's say quarrel or an argument or let's say a direction in a very positive manner. It could be a constructive criticism; it could be even a direction or maybe a scolding from his boss. He would take it in a very positive angle. But let's look into Ramesh who has been in the system, who has also come into the system as GET. But every single statement the boss makes he is very much cynical about; he is very critical about. So, this is the lookout, the way they are seeing how it is meant to be. This is known as perspective.

And knowledge level is obviously determined by what you have gained over the period of time where you were actually harnessing your knowledge. It might not be the official qualification you have. Please do not try to corroborate it with the official qualifications. Many a time we do the blunder of actually equating the knowledge with what you have as a degree. No. It might not be, you might have a lot of degrees but it does not mean that you carry the requisite knowledge to do that particular task or to understand that particular context or to decipher that context and to put things into action. So, these are two different things. So, basically when you are looking into something called as perceived diversity it is nothing but a subjective assessment of the variety of backgrounds, experiences, perspectives and knowledge level represented with the workforce.

Now let's look into a certain bit of research that has happened in the element because I would always, as I have already mentioned in my first few sessions, I would also try to bring in certain elements of research because that is where you get updated and you get be the right person in the job with the right updates and you always are aware about the recent trends that are happening in the industry. Otherwise if we follow the textbook entirely or if we try to follow whatever we have gained it might not bring you a clearer perspective.

Research brings you a more solid, robust understanding of the concept plus what is happening in real time that is what you are getting with the research. So why we need to know about perceived diversity when the effects of diversity is already known. Let's say we know an organization, we see that okay because of lack of diversity this organization is suffering like this or because of the excellent way they are conducting or they are handling the diversity issue they are excelling in the domain, be it in terms of sales, be it in terms of revenue generation, be it in terms of branding, whatever it is they are already aware of the consequences of what perceived diversity would bring. But then why do we need to know about perceived diversity? Researchers who have studied both diversity and the perception of diversity have found out that, diversity perceptions are stronger

predictors of diversity effects than actual diversity. They are stronger predictors.

So if you know that there are certain effects of actual diversity but still if you want to know how the organization is excelling in terms of diversity you need to have the perception about diversity. And this is the core theme of this lecture, diversity perception. So that sets the background of why we need to know perceived diversity.

Now let's look into why or what would be the outcomes, what is the need to study perceived diversity as we see from the outcome-based mechanism. In OBM or in organizational behavior management studies, direct relationships don't explain the whole scenario and hence focus is on the contextual variable which explains the phenomenon more accurately. If you remember the introductory video in the first class, the pitching of this entire course on OB is structured or this whole syllabus is structured in a way and how it is different from the existing OB courses across different platforms is that we are trying to understand that the individual is not the sole authority in the entire organization. In all the OB classes specifically, we tend to give asymmetrical importance to individual and his behavior. Rather we tend to ignore what is the relevance of context. So, this course on OB specifically brings the context into the forefront. So, this is where I would like to bring contextual variables for the first time here which explains the phenomenon more accurately.

So research in the Indian setting, let's look into this study of Jaiswal et al. 2019 has revealed that the following outcome of perceived diversity. Now let's look into this model. Perceived diversity leads to employee well-being and this is mediated by what is known as inclusion. So, kick-board into mediation.

Now I'm not going into the research part of the mediation. Let's look into A is leading to a behavior of B. Now if A is leading to behavior of B or A is leading to any other variable B, if A can take a route through C that becomes a mediator. It is as simple as telling that your personality leads to the performance in the organization. But there could be also another factor that your co-worker support or the organizational climate as such. This is what is actually making or actually having an effect on your performance. So, your personality can have an association with your performance base, no doubt about it. But there could be also mediation where organizational climate or co-worker support could mediate the performance of what you are doing or the performance in its core terms with respect to you in the organization.

Similarly, we take this inclusion as a construct. We see that inclusion is a mediator in this relationship of perceived knowledge diversity to employee well-being. So, inclusion happens to be as part of Jaiswal et al. 2019. The study has revealed that inclusion is the mediator between perceived knowledge diversity and employee well-being. We will also

look into what perceived inclusion is because here we have introduced the term inclusion but it is only customary to look what do you mean by this perceived inclusion.

Now according to Guillaume, perceived inclusion according to Guillaume et al. 2014, perceived inclusion PI or the inclusion beliefs deals with employees' perception of being valued, respected and empowered in a team. So perceived inclusion or PI or inclusion beliefs deal with employees' perception of being valued, if you are valued, if you are respected and if you are empowered. So, this is what inclusion is. Now inclusion could be that there is, you know the higher management is claiming that there is a lot of diversity within the organization. So, there are people from different walks of life, we are rich in terms of diversity. That said the discussion might end there.

But if you go to the real picture, you will see that though the diversity exists in paper, inclusion has not happened. Inclusion or the perceived inclusion is when people are actually valued within the organization, they are respected and they are empowered in the particular team. Mor barak 2017 speaks of this perceived inclusion as derived from an individual's sense of involvement in decision making and their ability to access information. Now I will come to the sense of involvement later.

First I will try to go to the ability to access information from other groups. Many a time what happens that even though diversity exists, even though there are people from different walks of life are welcome to a particular group, the problem is that they do not share information as such. In the coming modules and being my core research area, I will stress on what is knowledge hiding and what are the effects or how it is detrimental to the organization etc. But at this point in time, I would like to stress on the fact that there are certain groups where sharing information is not common. Similarly, access to information is also all the more very difficult to a certain segment of people or to certain individuals.

So, this is what Mor barak is very critical about. To access information, this ease of access makes the inclusion more relevant or more visible. So, this is the first part.

Second part is involvement. Now involvement is a bigger term. Involvement is a bigger term than participation, just a thought outside. What do you mean by participation and what do you mean by involvement? Is involvement equal to participation? In common terms we think of, let's say you are a team leader, you are a manager, you will tend to identify the participation of individuals within your team or within your group. But does that equate to the involvement? So, I will say that involvement is little more than participation.

It is P plus C. Commitment. If the individual within your group is actually giving the commitment and is participating in whatever activity it is, then there is involvement. So, involvement is P plus C. The participation plus the commitment of the individual makes

the involvement vital or makes the involvement full. So, this is what I would try to say when you are looking into something called a sense of involvement. Sense of involvement is that you are not only welcoming the other person, let's say party X to the group, you are also giving them the right path to get involved. So involvement is not mere participation. It is being giving a chance of what is also called as commitment. So, the individual commits himself to the cause whatever is of the group or the larger organizational goals whatever is at disposal or whatever is at discussion plus the participation will ensure that there is a sense of involvement. So, this is what Mor barak is. Mor barak tells about what you mean by perceived inclusion.

If you look into perceived inclusion, it no doubt reflects the degree to which an individual considers themselves a part of a group or critical organization process. So, moment they are having the right access to all the information. Sometimes we see that, let's say you are a very robust solid employee within the group of the whole organization. Let's say you are in a functional department. So that XY functional department, you are one of the core persons. Now suddenly there is a change in the higher authority, higher management. What you see is that the access to information is actually cut down. It is curtailed. In that particular moment, it is that you get the recognition that somewhere the higher management is cutting you, chopping you out of the information patterns that is available across the organization. So, this is the first step to make you or cut you to size. So, this is what generally you see that the first aspect is access to information.

Second is if you are not getting the sense of involvement. Let's say you are part of a group and in that particular group there are a few people who take decisions. We will look into things like group think etc. So, there are few people who are the decision makers. So, you are certainly becoming redundant within that group. This is where your sense of involvement is getting affected. This is where your involvement takes a hit and you try to detach yourself from the group in the first place and in the organization in the second place. So perceived inclusion gives us a lot of insight into what organization is, if you generalize it what society is.

Now let's look into how we can foster perceived inclusion. The first and foremost step is leadership and organizational culture. Fostering perceived inclusion starts with leadership and organizational culture. It is said that you have to have a strong viable vital key democratic leadership and a strong organizational culture of absorbing everything and taking in everything in a good spirit and with respect to the straight objectives of what the goals have set. So, this is something which is very critical when you come to perceived inclusion. Diversity initiatives and policy, many a time organization says okay our organization is pretty much diverse. So, we have done it without any serious policy initiatives. So, let's continue the way it is. Many a time you see that organizations becoming very casual about what diversity is. This is a wrong move. The moment you

see that there is diversity that's okay, but there could be always a potential to improve. Also, there is a need to actually put down policies in such a way that diversity does not as I have already tried to underscore does not just exist in paper, but also has certain ramifications when it comes to perceived inclusion.

The third aspect is communication and transparency. Now you are looking into communication and transparency if the entire group, let's look into the same set up of what Satish was having in that particular group. In that group if he is not communicated with, let's say being from a different culture he is being avoided or he is not given access to critical information. He is not given even access to the let's say some critical financial documents which otherwise are quite visible to other people within the group. He will feel a sense of disconnect. He will not get the sense of belongingness. He will not get the sense of ownership. So, this is also very critical in fostering perceived inclusion.

The fourth aspect is social interactions and relationships. When you are looking into social interactions and relationships this is more interpersonal level. An organization will have definitely different groups. There could be intra-internal communication, intra-internal personal relationships. If this is not vital or this is not maintained properly there are chances that the organization might suffer heavily in terms of communication issue. So, the communication can translate itself into issue if we are not fostering perceived inclusion.

Career development and opportunities. If as an individual look into yourself, as an individual if you are not getting the right career move or you are not seeing that your ambitions are in line with the organization's realization of potential. You are not getting the self-actualization what you wanted. You are not getting the realization of the potentialities you are otherwise having. Your skill set is not matching with what the job is demanding. All these situations your career development gets a hit. And when the career development gets a hit, you feel dis-encharmed, you feel disconnected with the organization and there is a clear possibility that you do not get the sense of belongingness and you simply phase out of the organization. So, if you want to foster perceived inclusion you have to look into the leadership organizational culture, you have to look into the diversity initiatives and the policies associated with that what the organizations are taking. You have to look into the communication and the transparency that is going on within the group, within the team, within the organization as such. You have to be very critical about the social interactions and the relationships that are emerging. You have to look into how intra-intergroup communication patterns are encouraged within the organization or there are managers whether there are managers who are trying to hinder, who are trying to curtail any level of information transfer or any level of discussion and what happens to the career development and opportunities. Are your aspirations and ambitions in line with the organizations perceived goals.

Now look into something which is very critical addressing the theme of today's session is diversity of thought. We have seen that diversity could be many, diversity could be in terms of what we have seen in terms of ethnicity, in terms of differences in where from area coming from, in terms of a culture, region, religion etc. But what do you mean by diversity of thought, the cognitive diversity?

It is nothing but the range of mindsets, thought processes and perspectives. Now this is vital that can be found within an organization's workforce. Many a time we see that, we see different people from different segments, it could be as all the patterns which I have mentioned and we tend to jump to conclusion that okay this organization is diverse. But wait a second, is the organization actually having the desired level of cognitive diversity and by cognitive diversity I mean range of mindsets, thought process and perspectives.

So whether the organization is trying to encourage different mindsets coming into the picture and taking the organization together. Whether the entire organization is working on the synchronization of thought processes, are they welcoming the different thought process in the first place and are they trying to allow the synchronization of the thought processes. What about the perspectives? Are the individuals allowed to bring different perspectives from their educational qualifications, their experiences, their life structure etc. And is there a synthesis of this perspective? So, this is what diversity of thought in general is. Idea of bringing together individuals from different culture, backgrounds and personalities to share their thoughts.

Now let us look into diversity of the thought and why studying diversity of the thought is critical as a part of diversity initiative and how is it debatable. Let us look into the first topic, demographic diversity versus cognitive diversity. As we have discussed in detail, demographic diversity is the diversity what we all know in layman's language. When we look into or hear the word diversity what we tend to address to or we tend to link it to is demographic diversity. Whatever are the differences in terms of caste, creed, sex, race, demographic, entire sort of age, anything related to demographic will get addressed in demographic diversity.

But when you are looking into cognitive diversity as I already discussed, the different thoughts, the different perspectives, different ideas that these people can bring in, that different people from different backgrounds can bring in, are they synthesized? A synchronized output is being developed for the betterment of the organization. This is what cognitive diversity is. So, if you are trying to outweigh demographic diversity against cognitive diversity then you are at your own burden. You are actually doing something which is not in line with the interest of the organization. When as if you recall in the first initial few lectures, I have already mentioned that why evidence-based management is critical when it comes to organization.

Evidence based management actually brings in a certain subtle level of scientific evidence to the forefront. Modern problems require modern solutions. So, this is where the relevance or the criticality of cognitive diversity comes in. We need not only have demographic diversity. We should also go for what is known as cognitive diversity. We should also have this idea of cognitive diversity in our mind. It might be a simpler group. It might be a small team. You always tend to even in your group assignments there is an urge to pick the people who you know. There is an urge to always make yourself into group within the organization in a very homogeneous way.

You tend to actually ignore people who are from different background. This typical ignorance if you introspect is not because of any inherent dislike. There might be individuals who inherently dislike but many a time I will say the lion share of the entire transactions is not because there is inherent dislike. It is that you are more comfortable at least you perceive that you are more comfortable with the people whom you know or make within the homogeneous group. But many a time it lacks cognitive diversity. It lacks a different sense of perception. It lacks a certain sense of perception. It lacks a cognitive diversity in its entirety. So, this is where different thought processes, different ideas, different perspectives can actually make your organization thought a better way.

Second would be benefits of cognitive diversity. This is very critical as I already mentioned modern problems, modern solutions. You need to look into the same problem from different angles. If you are too specific that this is a mundane problem and we have been solving it and we can solve it through X mechanism. There might be a person Y who would be ready to give, in fact who would be knowledgeable, who would have the idea, who would have the thought process to think in a different way and to give a much easier and economical solution. But are you willing to take that? Are you actually facilitating Y to actually share his or her thought? This is what benefits of cognitive diversity underlines. This is what benefits of cognitive diversity embellishes.

So let us look into the third aspect potential pitfalls. The moment you are trying to outweigh the demographic diversity over the cognitive diversity, diversity will not lead to inclusion. So, the inclusion takes a hit when you are looking into the potential pitfalls of diversity. You will see that you are an organization ABC with very good diversity at least in paper. But within the group you see that there is always conflict. Within the teams there are always conflict. The organization is not doing well in terms of achieving the targets. The organization is not doing well in terms of meeting the deadlines. The organization is not doing well in terms of satisfying its clients. So once the customer base fades out, once the customer base faces out, you will tend to see that diversity what you were proclaiming or what you were claiming in the first place has not essentially translated to what you mean by actually inclusion.

So there should be a balancing act. There should be a balancing act with what you have in paper, what you call as the demographic diversity is actually balanced by the cognitive diversity. You are actually giving the right space, right amount of freedom, what we call in detail psychological safety. If there is a psychological safety within your group that anybody can raise his opinion or her opinion and that opinion even if it seems not so great or brilliant, they have that courage or they have that freedom to actually raise that. This is what psychological safety is. This balancing act will give them the confidence next time to bring up more better ideas. This confidence to bring up more suitable ideas to the context. So, there should be a balancing act where the cognitive diversity takes a front seat. There is an appreciation of different thought processes, different ideas, different perspectives that have to be brought.

The fifth one would be inclusivity and respect. The moment you see that the diversity is restricted to the paper, restricted to the document, you will not see inclusivity. The moment you see cognitive diversity where people have the psychological safety as I have already mentioned to discuss the thought processes, discuss their ideas, discuss their solution towards a particular problem, they feel that they are more committed, they are more involved in the entire scheme of things. This is where you tend to get the inclusivity and respect.

And the sixth thing is measurement and assessment. It is always difficult. You can always go into your demographic diversity and say that these many people belong to this background, this is the demographic diversity you project. But being a latent variable, being a process, which is associated with your thought, being something, which has got to do with your perspectives, it is very difficult to measure and assess. But if you are using any of the latent scale mechanisms to measure and assess what the cognitive diversity is, it will be a better way to move forward towards inclusion.

So before concluding, I would try to take a small case, this is from the textbook, just to understand what we have discussed. This case will show you where do we stand specifically in terms of what diversity is and what inclusion is. Let us look into this.

A question of discrimination. One of the first problems Jennifer faced at her father's Carter Cleaning centers concerned the inadequacies of the firm's current HR management practices and procedures. One problem that particularly concerned her was the lack of attention to equal employment matters, which essentially translates to what you understand as diversity. Each store manager independently handled virtually all hiring. The managers had received no training regarding such fundamental matters as the types of questions they should not ask of the job applicants. It was therefore not unusual, in fact, it was routine for female applicants to be asked questions such as, who is going to take care of your children while you are at work? And for minority applicants to be asked questions about arrest records and credit histories. So these are some of the insensitive

questions that you are looking at, that they are getting, the job applicants are getting from the company. Non-minority applicants were not considered, not asked these questions as Jennifer discerned from her interviews with the managers. Based on discussions with her father, Jennifer deduced two reasons for the laid-back attitude toward equal employment. First, her father's lack of sophistication regarding the legal requirements. And second, the fact as Jack Carter put it, virtually all our women workers are women or minority members anyway. So no one can really come here and accuse us of being discriminate, can they? So can they? This is a question.

Jennifer decided to mull the question over, but before she could, she was faced with two serious equal rights problems. Two women in one of her stores privately confided to her that the manager was making unwelcome sexual advances towards them. And one claimed he had threatened to fire her unless she socialized with him after hours. And during a fact finding trip to another store, an older gentleman, he was 73 years old complained of the fact that although he had almost 50 years of job experience in the business, he was being paid less than people half of his age who were doing the very same job.

So here in general, the first and the foremost thing to address would be their complacency as a person who is owning, who is the manager or who is the chairman or who is the, who is the all-in-all of the particular shop, you will try to understand that the first thing is to understand that what they are complacent about. They are categorically stating that it's not discriminatory because there are a lot of women employees, there are a lot of minorities, most of the employees are minority employees. So that in itself gives them the confidence that this organization is full of diversity, full of diverse people. But again, the theme of today's class is having diverse elements, having diverse people, diversity in paper does not translate itself into what is known as inclusion. So this complacency is the first and the critical issue that is there.

Second would be obviously that they were not aware about the legal requirements that diversity can bring in. The second aspect which is legal can always and already be addressed at any point in time. But the complacency, the way of overestimating yourself as the diverse workforce will be actually detrimental to the organization. So, on this note, I will try to end my lecture today.

We have looked into diversity, we have understood diversity, we have tried to decipher what do you mean by diversity. But when you look into diversity, there is also a possibility of what do you mean by inclusion. Whether your diversity strictly restrict yourself to be just a member in the organization, that's it. You don't have an opportunity to raise your voice, you don't have an opportunity to give your opinion or give your ideas, you don't have an opportunity to belong to the organization. There is no sense of

ownership. Are you being reduced to that? Then this is not diversity. It does not give you the perceived inclusion the organization otherwise should have.

There is also another aspect of cognitive diversity which is a consequence of the former. Cognitive diversity is where you are not looking only into the demographic diversity. Demographic diversity is an easy task. It is there with the recruitment being done in a data centric way in an established and scientific manner, there would be people coming from different backgrounds especially when there are legal ramifications. But that said, is there a possibility that people from different backgrounds, are they coming together and do they have the sense of belongingness to the organization? Do they have the sense of ownership? Are there options of raising the opinion? Is it a group where group think is the thing that whether people are just going with a decision of certain small set of people, everybody do they have the necessary psychological safety? On that note, we will end today's class.

Thank you for being with us. We will see you in the next class. See you all. Take care. Bye-bye.