COMPARISON OF HR PRACTICES IN RELATION TO WORKFORCE DIVERSITY IN VODAFONE AND EXCEL CALLNET BPO

Dr. Preeti Singh*, Swati Kelay**

Introduction

While all industries experience evolution and change, technology and services companies like BPOs tend to be more in flux than most. Today some of the leading BPO companies are taking steps to contain this by introducing diversity friendly environment. These companies are putting in place various mechanisms and processes for creating and maintaining a diverse work force. This project studies and compares the HR practices to handle diversity in two famous BPOs – one is domestic BPO of Vodafone and other is international BPO Excel Callnet.

For this study, we made a questionnaire with relevant questions aligned with the objective of the study. We used convenience sampling method and the study has been conducted on 30 employees from each organization (at the level of tele-calling/telemarketing executive and customer care representatives) in Vodafone BPO (Mohali) and Excel Callnet (Chandigarh).Data had been analysed using various statistical tools and t-test.

Diversity

Diversity refers to the variety arising out of educational, cultural, racial, ethnic, age, religious and gender differences. The essence of diversity is the acceptance, exploration and leveraging of these differences in a safe, positive and nurturing environment.That means having an open mindset, being inclusive, giving legitimacy to these differences and accepting them with a positive mindset.

Literature Review

Calvert's 2010 study, "Examining the Cracks in the Ceiling: A Survey of Corporatediversity Practices of the S&P 100," evaluated S&P 100 companies according to ten indicators, including: Equal Employment Opportunity (EEO) policy, internal and external diversity initiatives, scope of diversity initiatives, family-friendly benefits, EEO-1 disclosure, compensation, board representation, director selection criteria and overall corporate commitment. The survey reviewed the diversity programs, policies and performance of all companies in the Standard & Poor's 100 Index (S&P 100). Abbott received a score of 90 out of 100, which was significantly higher than the average scores of 72 for its industry sector and 68.5 for all S&P 100 companies.

Oikarinen, Hyypia andPihkala (2007) carried out the research on the effects of HRM practices on employee'snetworks. The datacollection was conducted through questionnaires.

*Associate Professor, GJIMT, Mohali   **Student, SASIIT&R, Mohali

In total the sample was 373, received 160 responses. The tool which they carried out for their research is Regression analysis. The results of regression analysis supportthe proposition thatdiversity can be enhanced by HRM practices. However, the results concerning diverse effects of traditional and discretionary HRM practices are not so clear.

The **2007 State of Workplace Diversity Management Report** is based on a year-long study on the status of diversity in the workplace conducted in partnership with the American Institute for Managing Diversity Inc. The survey included 993 human resource professionals and 330 diversity practitioners from a range of organizations.While the report states that there is evidence of more awareness of diversity in a general sense, managing diversity continues to be a challenge. Specifically, among other hurdles to diversity management, survey respondents emphasized that the field is not well-defined or understood, focuses too much on compliance and places too much emphasis on ethnicity and/or gender.

EEO Trust Diversity Survey (2007) was completed by 364 organisations that together employ 242,813people. For the first time it explored whether organisations had a workplace culture that supported diversity - the majority said they did. It also identified best practice organisations and found they had lower staff turnover than other organisations. Only 21% of respondents measured the effectiveness of their diversity practices, but almost all of those doing so found positive business outcomes such as improved match with customers/clients, and improved recruitment and retention.

According to the **Society for Human Resource Management's 2005 Workplace Diversity Practices Report**- Human resources managers say that promoting diversity within the workforce contributes to the company's bottom line But only 38 percent of managers surveyed say they measure the impact of their diversity efforts on return on investment. Large companies are more likely to measure diversity's ROI. Seventy-eight percent of human resources managers surveyed say their companies' diversity initiatives reduced costs associated with turnover, absenteeism and low productivity.

Objectives:
- ➢ To analyse the HR practices in relation to workforce diversity.
- ➢ To study the benefits and disadvantages of a diverse workforce to the employees.
- ➢ To identify the diversity in the workforce of Vodafone and Excel Callnet BPO.
- ➢ To understand the reasons for emergence of workforce diversity in BPO.

Sample Design:
Universe/Population 1: included the employees working in the Vodafone BPO (Mohali) and Population 2: included the employees working in Excel Callnet BPO in (Chandigarh) Sampling

procedure used was Convenience Sampling. Sample Size of present study was 30 employees in each of two organizations (total 60 employees).

Research Design

Problem Definition- "To compare the HR practices in relation to workforce diversity in Vodafone and Excel Callnet BPO. Working Hypothesis is made as follows:--

Null hypothesis: There is no significant difference between the HR practices of the two BPOs in relation to the workforce diversity. Ho : $\mu 1 = \mu 2$ .Alternative hypothesis is Ha : $\mu 1 \neq \mu 2$

Hypothesis Testing**: t- test** and **two-tailed test** has been used. t-test is used for judging the significance of difference between the means of two samples in case of small samples when population variance is not known. Level of significance is taken as 5%

Method of Data Collection:

Type of data used: Primary data; Questionnaire: For the research I have used **Likert scale to** design the questionnaire. The study has been conducted on 30:30 employees working (at the designations of tele-calling/ telemarketing executive and customer care representative) in Vodafone BPO (Mohali) and Excel Callnet (Chandigarh).

Limitations of the study: The time available for conducting the research was only few months. So, only limited number of respondents could be approached. The respondents were not willing to participate in the research due to their busy schedule.The sample chosen may not be the true representative of the whole population.

Data Analysis

Age group	Vodafone BPO	Excel Callnet	**Educational qualification**	Vodafone BPO	Excel Callnet
16-22	15	10	Under graduate	14	8
22-28	10	12	Graduate	12	16
Above 28	5	8	Post graduate	4	6
Females	10	6			

Work experience	Vodafone BPO	Excel Callnet
0-3 months	11	3
3-6 months	7	5
6-12 months	9	12
Above 1 year	3	10
Native place	Vodafone BPO	Excel Callnet
H.P.	16	5
Punjab	7	8
Haryana	6	2
Chandigarh	1	10
Other	0	5
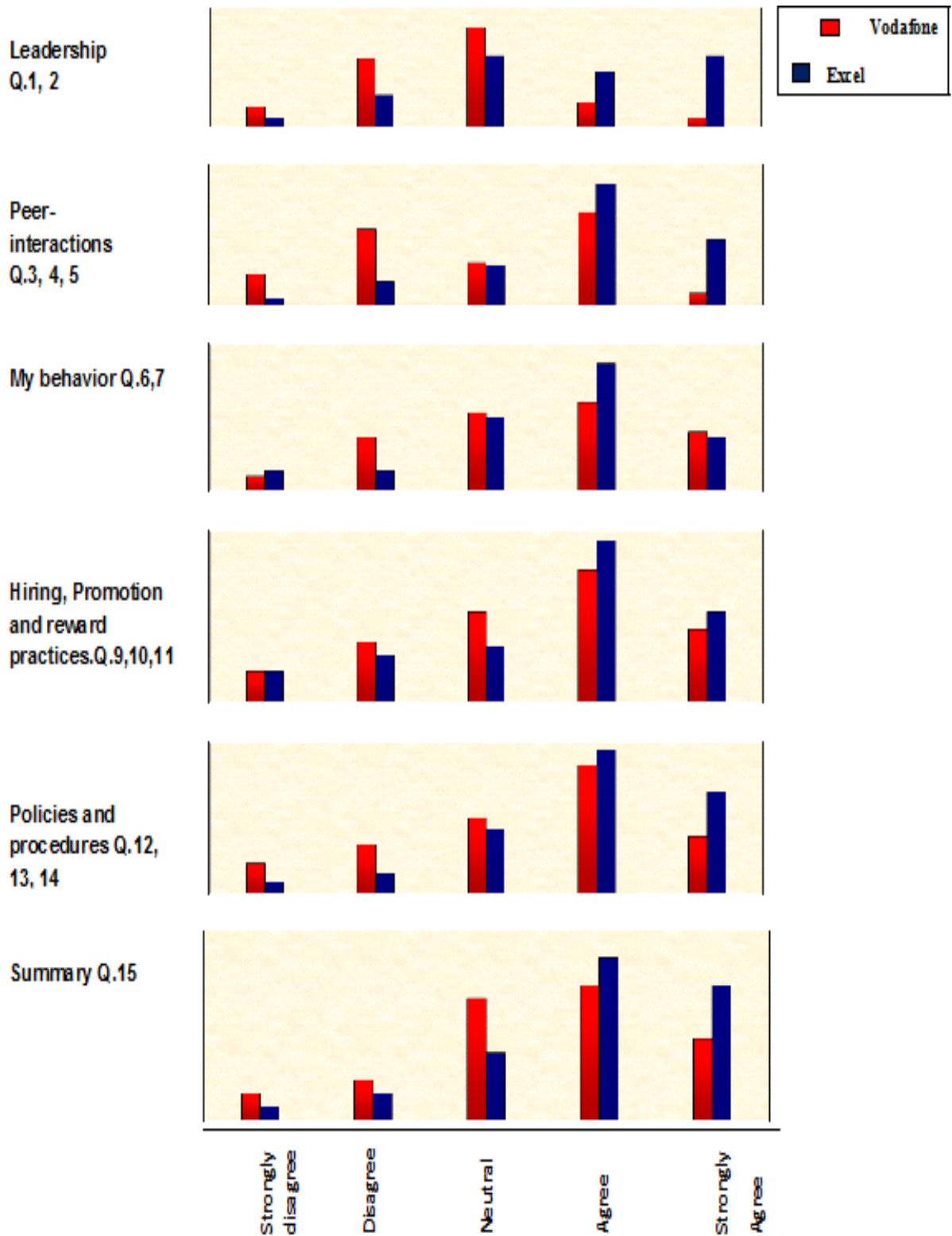
Hypothesis testing

Mean:Vodafone , $\bar{x}_v$ = 1.5056 ;   **Excel Callnet**, $\bar{x}_e$ = 1.750

N1= N2= 14

Standard error

S.No.	$(\bar{x}_v i - \bar{X}_v)$	$(\bar{x}_v i - \bar{X}_v)^2$		S.No.	$(\bar{x}_e i - \bar{X}_e)$	$(\bar{x}_e i - \bar{X}_e)^2$
1	1.261111	1.590401		1	1.783333	3.180278
2	1.427778	2.038549		2	1.983333	3.933611
3	1.594444	2.542253		3	1.85	3.4225
4	1.361111	1.852623		4	2.683333	7.200278
5	1.261111	1.590401		5	1.783333	3.180278
6	1.494444	2.233364		6	1.716667	2.946944
7	2.327778	5.418549		7	1.983333	3.933611
8	2.094444	4.386698		8	2.216667	4.913611
9	1.894444	3.58892		9	1.783333	3.180278
10	1.727778	2.985216		10	1.583333	2.506944
11	2.261111	5.112623		11	2.05	4.2025
12	1.527778	2.334105		12	1.916667	3.673611
13	1.861111	3.463735		13	2.483333	6.166944
14	1.994444	3.977809		14	2.183333	4.766944
$\sum(\bar{x}_v i - \bar{X}_v)^2$	=	43.11525		$\sum(\bar{x}_e i - \bar{X}_e)^2$		57.20833

$\sum(\bar{x}_v i - \bar{X}_v)^2 - \sum(\bar{x}_e i - \bar{X}_e)^2 = -14.0931$; $1/(N1+N2-2) = 0.038462$

$S^2 = [\sum(\bar{x}_v i - \bar{X}_v)^2 - \sum(\bar{x}_e i - \bar{X}_e)^2]/(n1+n2-2) = -366.42$

$S = -19.1421$; **S.E. = -19.1421**

$\bar{X}_v - \bar{X}_e = -0.2444444$; $\sqrt{(1/N1+1/N2)} = 0.377964$;

$t = \bar{X}_v - \bar{X}_e / S.E * \sqrt{(1/N1+1/N2)} = \mathbf{0.033786}$

Degree of freedom	26
Level of significance	5%
Standard error	-19.1421
Statistic **t**	0.033786
Critical value two tailed test	2.056

Result

Ho is accepted.

Ha is rejected.

i.e. There is no significant difference between the HR practices of the two BPOs in relation to the workforce diversity.

Findings

1. There is comparatively younger workforce in the BPOs (within the age bracket of 16-36 years). About 17% more teens or those in early twenties are present in Vodafone BPO. Greater female workforce (33%) is seen in Vodafone BPO. A larger no. of Graduates and 35% more experienced people are there in Excel Callnet. More new comers are placed in the Vodafone BPO. More Chandigarhians are hired in the international BPO Excel Callnet due to the famous **MTI (mother tongue influence) problem**, seen in people speaking regional languages.

2. Increase in women employment is found to be the biggest reason of diversity in Vodafone BPO followed by the unavailability of jobs in rural areas. On the other hand, the higher salary in BPO as compared to other sectors is the foremost reason of diversity in Excel callnet. Next to it is the increase in women employment followed by favourable location of workplace.

3. The employees of Excel Callnet seemed to be happier with their leaders' attitudes as indicated in results. Peer interactions are healthy in Vodafone BPO as well as Excel Callnet. But a high percent of employees in Vodafone BPO find the language as a barrier in flow of communication process. An open-mind approach and a more acceptance are exhibited by the employees of Excel Callnet towards diversity. Both the BPOs have modified their hiring, promotion and the rewards and recognition practices to encourage diversity.A well-defined policy structure related to acceptable employee behaviour is a main part of HR management in the two BPOs. Finally, the two BPOs are found to be well suited for diversity with Excel Callnet employees showing markedly more positive responses as compared to the Vodafone BPO.

4. Studying the benefits and disadvantages of a diverse workforce to the employees, it can be said that there are more benefits to the employees. Employees are found to be more motivated. It also creates flexibility in the organization which attracts and retains employees. On the other hand, there is a problem of language as a barrier in communication among the colleagues, especially in BPO of Vodafone (40% employees). A large no. of employees found to be not comfortable while working in diverse group- 37% in Vodafone and 17% in Excel Callnet.

Recommendations
Managers can improve handling of diversity issues by following these behaviours.
Embrace diversity: Successfully valuing diversity starts with accepting the principle of multiculturalism.
Recruit broadly: Avoid relying on referrals from current employees, since this tends to produce candidates similar to your present workforce.
Select fairly: Make sure your selection process doesn't discriminate.
Provide orientation and training for minorities.

Sensitize all employees: Encourage all employees to embrace diversity. Provide diversity training to help all employees see the value in diversity.

Strive to be flexible: Part of valuing diversity is recognizing that different groups have different needs and values.

Seek to motivate individually: You need to be aware of the background, cultures, and values of employees.

Encourage employees to embrace and value diverse views: Create traditions and ceremonies that promote diversity. Celebrate diversity by accentuating its positive aspects.

But also be prepared to deal with the challenges of diversity such as mistrust, miscommunication, and lack of cohesiveness, attitudinal differences, and stress.

Conclusion

In this study involving the comparison of HR practices of Vodafone BPO and Excel Callnet, it has been found, with the help of t-test, that – **"There is no significant difference between the HR practices of the two BPOs in relation to the workforce diversity".**

The HR practices are well suited to the requirements of a diverse workforce in both the BPOs- international BPO of Excel Callnet and the domestic BPO Vodafone.A diverse workforce is a reflection of a changing world and marketplace. Diverse work teams bring high value to organizations. Most workplaces are made up of diverse cultures, so organizations need to learn how to adapt to be successful.

References:

Clarke, N., "HRD and the challenges of assessing learning in the workplace", *International Journal of Training and Development,* vol. 8, no. 2, pp.140–156, (2004).

http://www.citeman.com/1334-valuing-diversity-role-of-a-manager/

http://www.calvert.com/sri-cracks-in-ceiling-diversity-report.html

http://www.eeotrust.org.nz/content/docs/Diversity%20Survey%20Executive%20Summary%202007.pdf

http://www.eeotrust.org.nz/research/diversity.cfm