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ABSTRACT

The present day working environment is turning out to be more diverse (Hodgetts and Hegar, 2008). Many organizations today endeavour to advance comprehensiveness of under-represented groups through proactive endeavours in order to create an environment where each employee is esteemed and their talents fully utilized to meet both individual and organizational goals. The capabilities of both genders and various diverse groups offer a wider labour pool (Mazur, 2010). An organization with a capacity to draw in and hold qualified people through reasonable and balanced professional success is most certainly going to gain competitive advantage. This paper examined the relationship between workplace diversity management and organizational performance. The objective of the study was to examine how dimensions of workplace diversity management such as age, gender and ethnic diversity impact on organizational performance. The study thus concluded from examined literature that workplace diversity management significantly predicts organizational performance. The study recommended that different generations can have different communication styles and norms. Hence organizations should plan and implement fun hangouts, leisure activities, official dine-outs, lunches and so on, where employees from all age-groups are invited, an organization provide a friendly and enjoyable work environment which will enhance the interchange and cross fertilization of ideas.

Keywords: Diversity Management, Organizational Performance Age Diversity, Gender Diversity, Ethnic Diversity

INTRODUCTION
In a rapidly dynamic global marketplace, marked by the avalanche of technological advancement, organizations demand a more flexible and competent workforce in order to be adaptive and to remain competitive (Sing, 2004). Therefore, the need for well qualified employees becomes a strategic pursuit. Consequently, an organization’s workforce diversity strategy is a key mechanism in ensuring the knowledge, skills and attitudes necessary to achieve organizational goals and create competitive advantage (Peteraf, 1993). The escalation of global competition and the relative success of economies that give an emphasis to investing in training have resulted in the recognition of the importance of training in recent years (Holden, 1997). Indeed, at the turn of the twenty-first century HR managers reported that one of the main challenges they faced involved issues of T&D (Stavrou, Brewster and Charalambous, 2004).

Theoretically, the workplace diversity literature espouses three different theoretical frameworks for the examination of the possible effects of workplace diversity (Williams and O’Reilly, 1998). The first is social categorization, which, according to Turner (1987) describes the categorization of people based on salient attributes like gender, ethnicity or age, resulting in stereotyping on the basis of these differences. The attraction theory, which asserts that similarity on salient and non-salient attributes like race or values increases interpersonal attraction and attachment (Berscheid and Walster, 2008). The third is information and decision making theory, which examines the impact of distribution of information and expertise on work-teams. Social attraction theory predicts that firms with greater employee’s diversity will be better able to mirror increasingly diverse product markets and have more complex inimitable social resources (Richard, 2000). However, little attention has been given to the performance effects of being recognized for workforce diversity management strategies (Dick and Cassell, 2002).

The concept of diversity management entails the application of varying methods of operations that accommodate individuals from different cultural and social backgrounds. According to Henderson (1994), the concept also entails the application of sound managerial strategies that promote optimal utilization of human resources in an organization. Leach et al (1994), explain that managing diversity is an inappropriate term and instead propose the use of the terms ‘working with diversity’ to imply the drive to experiment, interact and reflect on different issues.

Cox (1993) maintains that the invisible aspects of diversity are defined by the values and norms which are socially constructed in the society. To reduce the racial and gender bias in the United States, the government has implemented measures that ensure equal employment chances for all. Diversity management involves utilization of cultural alterations, ideas and creativity in contributing towards realization of corporate goals (Adler, 2005).

Diversity Management
Workforce diversity management refers to the set of variations among employees in an organization (Jackson and Alvarez, 2000). Diversity management is a business strategy whereby organizations use best practices to achieve a diverse and inclusive workplace. A study conducted by Albert (1994) explains that diversity is achieved through mentoring groups, encouraging supplier diversity and involving the services of resource groups, which encourage employee diversity. On the same note, Jackson and Alvarez (1992) identify diversity training, use of diversity committee and creation of awareness as appropriate measures that can be used to promote diversity.
Chatman and Spataro (2005) cite that companies can select to adopt to improve diversity of the workforce. The strategic management model used in businesses proposes that diversity can be achieved through empowering employees, recruiting staff from diverse backgrounds and ensuring sound leadership in the company. Further, diversity can be achieved through the development of a culture that does not tolerate discrimination.

Implications of Age Diversity on Organizational Performance

Creativity and Innovation

Age diversity has been found to be a vital and strategic capability that adds (if not creates) value to the firm especially in the face of competition (Darwin, 2014). One way in which age diversity, brings value to the firm and increases a firm’s overall performance is by facilitating creativity and innovativeness. Creativity refers to the generation of novel ideas which are both useful and appropriate while innovation is the intentional introduction, within a work team of novel ideas, procedures and processes that are new (Rietzchel & Zacher, 2015).

However, Rietzchel and Zacher (2015) contend that despite an increase in empirical studies on age and work, studies focusing on the link between age and creativity or innovation have not been limited. Nonetheless, some of the studies that have been conducted on the issue have found a positive relationship between age diversity and creativity and innovativeness in ideas, procedures and processes in the organization (Rietzchel & Zacher, 2015; Darwin & Palanisamy, 2015). Other studies have associated age diversity with more performance in creative tasks.

Simons and Rowland (2011) found that diversity produces different perspectives, knowledge and skills that enhance creativity and innovativeness and less conformity with past and existing norms. Gupta (2013) asserts that values that people of different age group possess do complement each other and that this increases the innovativeness and creativity of age-heterogeneous workforces as compared to a more homogeneous one.

However, age diversity does not always generate positive results on organizational performance due to common stereotypes that surround the issue of age. Some of the stereotypes are that old workers are prone to more health problems, are unable to adapt to the current technological demands and organizational changes and are generally offer poor returns on investment (Tolbize, 2008). In fact, some studies have found that more diversity in age has significantly less effect on the overall productivity of the firm.

Decision Making and Problem Solving Propensity

Decision-making is a spectrum of cognitive functions that are performed consciously and which incorporate consideration of environmental elements in a given context and time (Cardelle-Elawar, Irwin & Sanz de Acedo Lizarraga, 2007). It is the fulcrum of the functioning of the firm and therefore a critical aspect of organizational performance. Decision making also involves the interaction the person solving the problem and the problem that requires solving in a given context. Zaidi, Saif & Zaheer (2010) has stated that age diversity is an indispensable asset in modern corporations. He states further that owing to their intuition and experience, older employees bring a vital set of experiences and intuition that help in decision-making.

Darwin (2014) considers the young employees as being equally crucial in decision making in modern organization as they are better informed of the information and technological aspects of the modern business environment. Therefore, it can be argued
that a generational mixture comprising of an older and younger workforce is a vital source of salient and new decisions and problem solving.

Glass (2007) observes that current top leadership and managers of firms tap into the power of age diversity within the firm. In so doing, they are capable of making varied and potentially effective decisions having considered the perspectives provided by such a heterogeneous workforce. Further, Zaidi, et al, (2010) contends that age heterogeneity in a workforce enhances the level of creativity in the ideas from which the firm’s top management is capable of defining and implementing novel solutions in anticipation of or in response to problems. It also follows that quality decisions can therefore be achieved through teamwork of age-heterogeneous groups.

Consensus building in response to a problem or conflict is also possible within a heterogeneous workgroup (Tolbize, 2008). Dezo and Ross (2013) note that age diversity may not always lead to informed decision-making or ease problem solving. They point to the potential of such disparities and the stereotypes that underscore them as a real source of conflict if not effectively managed. Simons and Rowland (2011) concur pointing to the social attraction paradigm that perceives a more homogenous group as capable of problem solving and making decisions more effectively. It follows also that the potential of communication problems within a group that is more diverse in age is very real, as the values, perspectives, experiences and possibly skills become the flashpoint for intergroup communication (Darwin, 2014; Tolbize, 2008).

Quality Delivery
Previous research has determined a link between age diversity and aspect of organizational performance such as quality decision making, creativity and innovation. It follows then that age diversity should also have an impact on the quality of services and products that a firm produces. Mutunga and Gachunga (2013) while commenting on succession planning of firms, contend that workforce age diversity in a firm facilitates the upward (reverse mentoring) and downward (mentoring) exchange of information and ideas across the generational groups. These exchanges lead to the change or maintenance of a firm’s service or product quality.

In fact, as Darwin and Palanisamy (2015) observe the various perspectives, knowledge and experiences that people from different age groups bring to the product or service development may lead to important improvement in the quality of the product or service that the firm eventually produces. Parrotta, Pozzoli and Pytlikova (2011) studied the impact of age diversity in firms and found that such a diverse workforce has benefits in terms of production of quality products and services. They postulate that the younger employees bring their knowledge of Information Technology (IT) while older employees bring their better understanding of the market dynamics to generate products and services that are of high quality, which capture the intended market.

Thus, age diversity creates a situation in which generational skills, knowledge and experienced are harnessed in the production process ending the production of good and quality products. Alesina and La Ferrara (2005) share a similar sentiment arguing that workforce that is heterogeneous in age, precipitates more creativity and productivity which ultimately translates into better goods and serves as well as increased productivity of the firm.

Intra-O rganizational Communication
Most studies that have examined the impact of age diversity on intra-organizational communications have found little evidence that it has a positive
impact (Gupta, 2013; Simons, et al., 2011; Ali, Kulik & Metz, 2011). In fact, Rietzchel and Zacher (2015) have found that age is an important flashpoint for communication within the firm. According to Darwin (2014), this body of literature finds that age diversity makes communication both difficult and infrequent and may ultimately result in communication breakdown within the firm. Furthermore, the differences between the young and the old employees may result in disparities in the values and preferences of the different age groups making communication difficult.

Implications of Gender Diversity on Organizational Performance

Quality of Organizational Management and Leadership

Debates are rife on the impact of gender diversity in the top-level management and organizational leadership on the general performance of the organization. Chin (2013) reports that a study found that firms that had high gender diversity in their top-leadership reported significant abnormal returns. Van Knippenberg, De Dreu and Homan (2014) found that while most top leadership and management in most firms are dominated by men, an inclusion of women in such teams make them not only become diverse but also improves the quality of the leadership and top-level management.

Gender diversity in senior management teams has increased, probably due three important reasons. According to the Research Institute (2012) these are; the changing proportion of women board-level positions, increase in government intervention and change in debates on the issue of gender as an issue of equality and fairness to one of superior performance. Van Knippenberg, et al., (2014) are in consensus contending that gender diversity improves the quality of organizational leadership and management by stating that gender diversity enhances managerial information processing and decision making of the managerial team resulting in effective strategy formulation and decision making key processes. Nakagwa (2015) found that gender diversity in addition to other kinds of diversities in the workforce provided more innovative and high-quality solutions, due to a combination of gender-based perspective presented by both males and females in the managerial teams.

In other words, gender diversity accrues a spectrum of insights into the vital strategic leadership and managerial decision enhancing the quality and potential effectiveness of such decisions for the firm. Dezo and Ross (2012) contend that heterogeneous groups (in terms of gender) provide different perspectives and bring different views and experiences that inform leadership and managerial roles and lead to high quality decisions at this level. The authors go further to postulate that a mere presence of a woman, having congruent information on the issue at hand may stimulate a broader and a deeper deliberation of alternative in the top management team (TMT).

Organizational leadership may also benefit in terms of leadership styles. Research has determined that women and men exhibit disparities in their managerial behavioral propensities (Van Knippenberg, et al., 2014). Dezo and Ross (2012) for instance that women lean towards a more interactive leadership accentuating inclusion, participation and power sharing while men tend towards a less interactive leadership style, one focused on goal attainment with little participation. It follows then that moderate to high gender diversity may have a positive result in the leadership style that the organization adopts which can be a hybrid between the managerial behavioral and leadership propensities of males and the females.
Competitive Advantage
According to Ali, Metz and Kulik (2007: 3), the resource-based perspective holds that a firm can achieve sustained competitive advantage (C.A) by exploiting the “valuable, rare, inimitable and non-sustainable (VRIN) resources”. Gender diversity is associated with the VRIN resources that are capable of helping the firm to attain a competitive advantage. Ali, et al., (2007) identify these resources including creativity and innovation, improved problem solving and market insight. It follows that a gender diverse workforce has the potential to enhance the team's general market insight as well as creativity and innovation. Darwin and Palanisamy (2015) make this point when they argue that a diverse workgroup brings different experiences, skills set and insights that enhance overall team performance which promote the performance of the organization.

Studies have found diversity to be a strategic source for the attainment of competitive advantage. For instance, Raza, Ishtiaqi, Kanwal, Butt & Nawaz (2013) found that gender, education, cultural and age diversities has a positive influence on the organizational competitive advantage. According to Darwin and Palanisamy (2015), some studies have found that mixed gender groups are perform more effectively than same gender groups. In this sense, it is arguable that gender diversity does accrue competitive advantages to firms that are more diverse in the gender composition of their workforce than firms that have a more homogeneous gender workforce. Ali, et al., (2007) looks at gender diversity and decision-making and contends that gender diversity enhances organization’s C.A by facilitating the making of quality decisions.

A more gender diverse workforce brings to the firms a spectrum of perspectives, skills and knowledge that an organization can tap into and base its strategic goals up (Ali, et al., 2013). Such a spectrum of perspectives is indispensable when it comes to decision making, and the resultant quality and informed decision accord the firm a competitive advantage when it comes to market analysis and determining a working business strategy.

Implications of Ethnic Diversity on Organizational Performance
Employee Productivity
For virtually all organizations productivity is indispensable for long-term profitability and competitiveness (Muchiti & Gachunga, 2015). Productivity has been defined as the measure or quantification of how effectively resources are adopted in the firm and used to accomplish a set of organizational objectives (Ofoegbu, Olawepo & Ibojo, 2013). Generally, productivity is the qualitative association between resources used in production and what is produced in a particular production. In other words, it is the ratio of input and output (Muchiti & Gachunga, 2015). The lower the ratio, the lower the productivity and vice versa. When applied to employees, productivity is a concept which is both difficult to express and to measure (Ofoegbu, et al., 2013).

Muchiti and Gachunga (2015) contend that four factors can be used as indicators of employee productivity. These include increased efficiency, employee motivation, job satisfaction and product/service quality. According to Nnabuife (2009) motivation can be conceptualized as both the external and the internal driving force which generates the willingness to perform an activity to its conclusive end. As such, employee motivation is the employee’s willingness to perform an activity with utmost dedication to aid the attainment of a predetermined organizational goal.

Efficiency is efficacy or effectiveness of a process or an activity which results in the full and
comprehensive attainment of a predetermined objective (Darwin & Palanisamy, 2015). Job satisfaction is the level of contentment that an employee feels with his or her job and his or her execution of the duties assigned to him or her. Product of service quality is the ability of the product or services to meet or/and exceed customer expectations. Rasul and Rogger (2015) argues that ethnic diversity has an effect on productivity by shaping how people feel motivated about their jobs, the level of efficiency in the firm, employee satisfaction with their job and the quality of products and services that a firm produces.

Hoogendoorn and van Praag (2012) observe that ethnic diversity is one of the most relevant and salient dimensions of workforce heterogeneity. They defined ethnic diversity as the heterogeneity in (mother) or primary languages, races, religions and cultures measured in terms of country of birth, of the parents of/or an individual. It is underscored by a multiplicity of information sets, norms, ability levels and knowledge (Morgan & Vardy, 2009). As such, ethnic diversity can potentially shape how people feel motivated about their jobs, the level of efficiency in the firm, employee satisfaction with their job and the quality of products and services that a firm produces.

Darwin (2014) has contended that ethnic diversity has a positive effect on organizational performance as it creates a pool of skills sets and learning opportunities that the firm can tap into for positive performance results. According to Gupta (2013) ethnic diversity also has a similar impact on organizational performance. This is view is supported by Ostergaard, Timmermans and Kristinsson (2011) who found that ethnic diversity increases creativity and innovativeness in the firm by expanding the perspectives and viewpoints in the firm. Some studies have found that a more ethnically diverse workforce exhibit more creativity, innovativeness than a more ethnically homogenous workforce does (Darwin & Palanisamy, 2015). This is probably because of the learning opportunities, perspectives and complementarities that ethnic diversity brings to the firm.

Ethnic diversity coincides or is associate with a variety of information sets, norms, abilities and knowledge that work to improve not only organizational decision-making but also problem solving as well (Darwin & Palanisamy, 2015). Additionally, Ostergaard, et al., (2011) has argued that ethnic diversity is both directly and intricately linked to team and organization innovative performance.

Gupta (2013) has observed however, that more ethnic diversity has a negative impact on communication and problem solving. Kellough and Naff (2004) have contended that regardless of the concerted efforts to erase ethnic differences that are inherent in a ethnic diverse workforce, the problem is entrenched. Drawing from the ethnic identity theory they contend that people have the tendency of forming ethnic identities and identifying with those from their own ethnic group. This can be linked to the self-categorization and the social identity theories that perceive a tendency among people sharing commonalities in terms of ethnicity, gender and age to form into homogenous groupings and consider as an outcast those with whom they are different (Simons, et al., 2011; Ali, et al., 2011). The formation of ethnic identities and the creation of a feeling of in-groups versus out-groups is one of the major destabilizing factors in ethnically diverse workforce and one which can affect employee job satisfaction and moral and result in poor general organizational performance (Gupta, 2013; Simons, et al., 2011; Ali, et al., 2011).
CONCLUSION AND RECOMMENDATIONS
The present day working environment is turning out to be more diverse (Hodgetts and Hegar, 2008). Many organizations today endeavour to advance comprehensiveness of under-represented groups through proactive endeavours in order to create an environment where each employee is esteemed and their talents fully utilized to meet both individual and organizational goals (Gilbert, et al., 1999). The capabilities of both genders and various diverse groups offer a wider labour pool (Mazur, 2010). An organization with a capacity to draw in and hold qualified people through reasonable and balanced professional success is most certainly going to gain competitive advantage. This thus concludes from examined literature that workplace diversity management significantly predicts organizational performance. It concludes by saying that the various aspects of diversity namely age, gender and ethnic diversity wields significant influence on organizational performance.

The study made the following recommendations:

- **Age Diversity** can lift organizations to new horizons, achieve more goals and be more successful. Different generations can have different communication styles and norms. Hence organizations are should plan and implement fun hangouts, leisure activities, official dine-outs, lunches and so on, where employees from all age-groups are invited, an organization provide a friendly and enjoyable work environment which will enhance the interchange and cross fertilization of ideas.

- Organizations should endeavour to remove every a subtle obstacle that hinders women from claiming up the managerial ladder. All forms of organizational practices and processes which create difficulties and limitations for women attaining the highest position of their particular field must be effectively removed.

- It is important that effective workplace strategies and policies be designed, implemented and monitored, in order not only to eliminate racial discrimination but also to support a more diverse workforce. Employing a diverse workforce – and managing it effectively – not only satisfies legal and ethical obligations, but is also good for business.

- Organizations should put in place policies to accommodate workers from diverse backgrounds so as to minimize the negative potential legal and financial consequences and also key to the enterprise’s adaptability, growth, sustainability and competitive edge.

REFERENCES


