Impact of Diversity on Performance of Employees at Workplace

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Abstract - In this era of globalisation, organizations are becoming diversified and multicultural in nature. Diversity at workplace is found among age, gender, culture, languages known, religion, values and beliefs. This study attempts to measure the impact of workforce diversity on employee's performance. Here, primary and secondary data are used. Data is collected from 100 employees of Haryana by convenience sampling method through structured questionnaire and 15 variables for workplace diversity are considered. SPSS is used for analysing the primary data. The study analysed association between diversity and performance at workplace, and concluded the inevitable nature of diversity which further leads to innovation and enthusiasm at workplace.

Keywords – diversity, employee, workplace.

I. INTRODUCTION

"Inclusion and fairness in the workplace . . . is not simply the right thing to do; it's the smart thing to do". ~Alexis Herman

Globalization and technological advancement promotes people from diverse culture, value and belief to come together and interact. Diversity ensures different perspectives at workplace, as employees come from different background; they will have different skill sets and experience. Management is more focused on diversifying the workplace in order to sustain in the competitive environment as workplace diversity has created an edge for creativity and innovation. This includes bringing people together form different culture, religion, age group into the organization. Characteristics of company's workforce should be diversified on basis of age, sex, culture, national origin and religion so that organization would be benefitted from talent all across the world. Telecommunication has increased workforce diversity as employees of different culture work together from different geographical locations. Workforce diversity and employee engagement are directly related as when employees feel included, they are more engaged. Organizations need to address the importance of diversity so as to engage, appreciate and retain the talent as this will directly impact the performance of the company.

II. REVIEW OF LITERATURE

Diversified workforce and workplace are bounded together. Workforce diversity ensures no discrimination at workplace. A diverse group consists of individuals with different characteristics which base individual's social identity- O Reilly, Williams & Barsade (1998). According to Redman & Wilkinson (2001), diverse workforce ensures creativity and productivity. Organizations with higher workforce diversity will have variety of different perspectives which will be beneficial for planning and executive a business strategy. Barbara Mazur, Politechnika Białostocka (2010) affirmed that diversity management is essential component for effective employee management. If organizations don't have diversified work environment it may hampers the organization performance. As per survey conducted by Glassdoor, while considering job offers, diverse workforce was important for 67% of jobseekers.

Diversified workplace creates an environment where employees can learn from each other and capture the advantages of diverse workforce. Diverse workforce will helps the organizations to solve problems much faster as employees from different background will have different experiences and views which will bring diverse solutions to the problems. Employees working at diverse workplace feel more accepted and valued, which will help them to stay longer with the company and this will results in lower turnover rates. Loden & Rosener (1991) states that diversity will differentiate one group of people from another and mentioned some of the primary and secondary dimensions of diversity.

Primary dimensions are those which influence our identities. These include gender, race, ethnicity, employee age, disability. These factors base our self image and will impact our workplace.

Secondary dimensions less visible variables but influence our personal identity. These include religion, culture, education, nationality, languages known, family status, lifestyle and thinking style.

R. Rijamampinina, T. Carmichael (2005) recognised primary, secondary and tertiary dimensions. The tertiary dimensions include beliefs, assumptions, perceptions, attitude and values.

OBJECTIVES

- To recognise the significance of diversity at workplace
- To identify the types of diversity at workplace
- To measure the influence of diversity at workplace
- To establish a relation between diverse workforce and performance

SAMPLING DETAILS

Data: Primary data for the study are collected from 100 employees from different organizations of Haryana.

Sample Size: 100

Sampling Method: Convenience sampling method

Data Collection Instrument: Structured Questionnaire

STATISTICAL TOOLS

Percentage Analysis: This tool is used to understand the personal profile of the respondents.

Factor Analysis: To reduce 22 statements measuring workplace performance of respondents into 5 measuring employee performance.

Cluster Analysis: This is applied to group respondents based on their response to the factors measuring performance.

ANOVA: To measure the influence of personal profile on factors measuring work performance.

Chi-square: This measures the association between workplace diversity variables and factors measuring workplace performance.

TABLE NO. 1 PERSONAL PROFILE OF THE RESPONDENTS

Workplace Diversity	Respondents Details Variables	Number & Percentage of Respondents
Age	21-30 years	48
	31-40 years	35
	41-50 years	13
	51 & above	4
Gender	Male	66
	Female	34
Educational Details	Graduate	48
	Post-Graduate	27
	Professional	25
Annual Income	Less than 5 Lakhs	36
	5 Lakhs- 10 Lakhs	38
	More than 10 Lakhs	26
Position Held	Senior	22
	Middle	52
	Junior	26
Number of Siblings	2 & Less Than 2	66
	3	18
	More than 3	16

The above table illustrates the level of diversity covered in the study: 48% of the respondents are from the age group of 21-30 years, a majority of 66% of respondents are Male, 34% of them have pursued their schooling under Matriculation, with respect to the analysis on the educational qualification of the respondents shows that 48% of them are graduates, 27% of them are Post Graduates and 25% of respondents are professionally qualified. The analysis shows that 38% of the respondents are earning an annual income of Rs.5 Lakhs- 10 Lakhs p.a. It is also found that 52% of the respondents hold middle level positions in their organisations, 22% of the respondents are in the Senior Positions and 26% of them are in Junior Positions. In the present research 66% of the respondents have 2 or less than 2 siblings.

The study also assembles various other diversity related variables that has an impact on the workplace performance. It is found that 61% of the respondents have Hindi as their Mother Tongue, 48% of the respondents know to speak and write more than 2 Languages. An analysis on the nature of schooling shows that 71% of the respondents have pursued their graduation as Day Scholars. It is also found that 47% of them are brought up in Joint Family system and 64% of them are presently living in Nuclear Family. 33% of them read Non-Fiction Books, 25% of them read Fiction Books on a regular basis. 38% of them enjoy Western Music, 10% of them enjoy only traditional music and a majority of 52% of them enjoys both type of music. It is also interestingly found that 63% of them enjoy any kind of T.V.Shows.

Factor Analysis- Workforce Performance

Sample Adequacy Test: Correlation between variable used in the research are demonstrated by Factor Analysis. Appropriate data used in eths study is ensured by KMO and Bartlett's Test by examining the correlation between variables.

TABLE NO. 2

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.802
Bartlett's Test of Sphericity	Approx. Chi-Square	1201.221
	Df	210
	Sig.	.000

The above table depicts the KMO measure of sampling adequacy along with Bartlett's test of sphericity, with approx. Chi-Square value of 1201.221, are statistically significant at level of 5%.

TABLE NO. 3 FACTORS MEASURING WORKPLACE PERFORMANCE

Factor No.	Q. No.	Reasons for Working	e-values	Name given to the Factor
1	1	Planning and organizing Work	.786	Meticulous Factors
	2	Being result-oriented	.784	
	5	Taking Initiative	.685	
	6	Accepting and Learning from Feedback	.545	
	12	Taking on challenging tasks	.630	
2	4	Working efficiently	.478	Focus Oriented Factors
	10	customer-oriented	.598	
	11	Being creative	.589	
	13	Showing Resiliency (coping with stress, difficult situations and adversities)	.838	
3	15	Dealing with uncertain and unpredictable work situations	.845	
	9	Showing responsibility	.557	Workplace Dynamism Factors
	18	Displaying excessive negativity at work (e.g., complaining, making problems bigger than they are)	.429	
	22	keeping job skills up-to-date	.706	
4	7	cooperating with others	.776	Futuristic Factors
	8	communicating effectively	.630	
	14	keeping up-to-date job knowledge	.608	
	16	Adjusting work goals when necessary	.576	
5	21	Indulging in activities that harm your co-workers or supervisor (e.g., arguing, leaving work for others to finish)	.917	Pessimism Factors
	19	Demonstrating excessive negativity (e.g., complaining, making problems bigger than they are)	.930	
	20	Indulging in activities that harm your organization (e.g., not following rules, discussing confidential information)	.903	

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

The statements are grouped into 5 factors. The factors are Meticulous Factors, Growth Oriented Factors, Workplace Dynamism Factors, Futuristic Factors and Pessimism Factors.

Meticulous Factors: Meticulous is all about giving more attention to detail and being careful and precise at work. Planning and organising work, focusing on the outcome, taking initiative and willingness to learn from feedback helps the people at work to be Meticulous.

Growth Oriented Factors: Progression in career is one of the important factors that motivate employees to perform, learn new things, and update job related knowledge. Therefore, taking up challenging jobs, which are not preferred by others, communicating effectively, cooperating with colleagues and being resilient to sustain are the factors that show the interest level of people to grow in an organisation. These work related attributes are grouped as Growth Oriented Factors.

Workplace Dynamism Factors: In order to sustain and grow in an organisation, ability to be dynamic and flexible towards the needs of an organisation is also an important variable. Showing responsibility and adjusting work goals for the benefit of the organisation as well as for the individual is very much needed. These factors measure the employee's interest towards his work. Hence, these are named as workplace dynamism factors.

Futuristic Factors: These are factors measure an employee's analytical skills at work. With the revolutions in the technological front and changing customer expectations and demands, creates need for updating knowledge of work and predict the future and fill the skill gaps also. Therefore these variables are grouped and named as Futuristic Factors.

Pessimism Factors: There are few factors in the workplace, which have are negative. These are factors such as greedy, jealousy, domination, being rude, disclosing confidential information etc... This is due to avoid performance orientation of

people. Lazy people or those looking for short cuts to climb top positions adopt all these malign behaviour. This is also an important attribute to measure the workplace performance. Hence, statements measuring these aspects of employees are named as Pessimism Factors.

CLASSIFICATION OF EMPLOYEES' BASED ON THEIR RESPONSE TO FACTORS MEASURING WORKPLACE PERFORMANCE

There were five prevalent factors ascertained during the factor analysis by principal component method namely, Pessimism Factors, Meticulous Factors, Workplace Dynamism Factors, Growth Oriented Factors and Futuristic Factors. The average of underlying variables is used to attain the factor presentation in the data set. The sample unit in heterogeneous group is classified on the basis of variables occurred out of these new born factors. This mechanism is achieved through the non-parametric K-mean cluster analysis. Below are the results for the same.

TABLE NO. 4 DISTRIBUTION OF RESPONDENTS AMONG THE THREE CLUSTERS BASED ON WORKPLACE PERFORMANCE

Workplace Performance Factors	Cluster		
	1	2	3
Meticulous Factors	3.78(2)	4.47(1)	3.37(3)
Growth Oriented Factors	3.79(2)	4.41(1)	3.10(3)
Workplace Dynamism Factors	1.30(2)	1.10(3)	1.39(1)
Futuristic Factors	3.95(2)	4.08(1)	3.34(3)
Pessimism Factors	3.94(2)	4.46(1)	3.37(3)
Total	**45**	**16**	**39**

Cluster 1: Adequate preference has been given to Growth, Workplace Dynamism, Futuristic, Meticulous and Pessimistic Factors at work by this group of respondents and hence, they are named Mediocre Performers in the study. These sets of respondents are mediocre performers at work and greater part of them is under this classification.

Cluster 2: This cluster includes the fragment of Employees who give more value to Growth Oriented factors, Meticulous Factors at work in comparison to Workplace Dynamism and Pessimistic Factors at work. These employees are Future Oriented and are High Performers in the workplace. Hence, these groups of respondents are named as High Performers in the study.

Cluster 3: This segment includes the group of Employees who are more inclined towards Workplace Dynamism Factors at work as compared to Growth orientation, Meticulous and Futuristic Factors. Thus, Low Performers is the name given to these groups as they give the least preference to being flexible and are in adaptive to changes in the workplace. They are least leaned towards career growth and does things to harm the organization and co-workers.
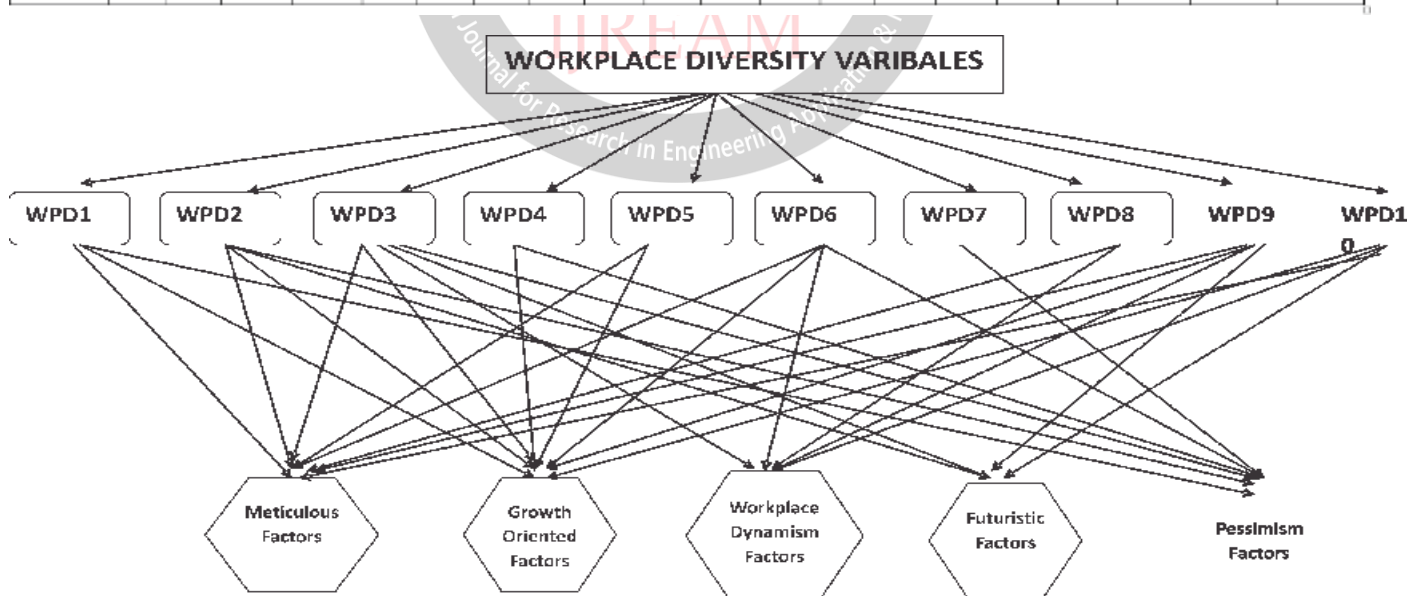
INFLUENCEOF WORKPLACE DIVERSITY VARIABLES ON FACTORS MEASURING WORKPLACE PERFORMANCE

For the purpose of evaluating the workplace diversity and its impact of Employee Performance, employees are considered as independent variables and factors measuring Workplace Performance are considered as dependent variables in the study. Through one way analysis of variance, the effect of distinct individual factors on various dependent factors can be ascertained. The results for the same are as follows:

TABLE NO. 5 ANOVA- INFLUENCE OF WORKPLACE DIVERSITY VARIABLES ON THE WORKPLACE PERFORMANCE FACTORS

Factors	Age		Educational		Annual Income		Mother Tongue		Lang. Known to Speak & Write		Nature of Schooling		Type of Family System (at Present)		Position Held		Type of Book Read		Type of Music Enjoyed	
	F	Sig.	F	Sig.	F	Sig.	F	Sig.	F	Sig	F	Sig	F	Sig	F	Sig	F	sig	F	sig
Meticulous Factors	5.902	.001	6.732	.002	5.802	.004	-	-	1.980	.088	7.836	.000	-	-	4.022	.021	2.522	.034	10.081	.000
Growth Oriented Factors	12.571	.000	6.900	.002	1.519	.224	2.417	.025	2.271	.053	9.209	.000	-	-	-	-	7.973	.000	7.776	.000
Workplace Dynamism Factors	-	-	-	-	.312	.733	-	-	-	-	2.345	.060	-	-	8.324	.000	7.678	.000	6.371	.001
Futuristic Factors	-	-	3.601	.031	4.562	.013	-	-	-	-	-	-	-	-	-	-	4.447	.001	6.793	.000
Pessimism Factors	4.024	.010	6.094	.003	4.664	.012	1.848	.087	-	-	2.723	.034	3.471	.035	-	-	2.730	.024	-	-

Influence of Workplace Diversity Variables on the Factors Measuring Workplace Performance

WPD1= Age, WPD2= Educational Background, WPD3=Annual Income, WPD4=Mother Tongue, WPD5=Languages Known to Speak & Write, WPD6=Nature of Schooling, WPD7=Type of Family System (Living at Present), WPD8= Position Held, WPD9=Type of Books Read, WPD10=Type of Music Enjoyed.

The above analysis shows that Workplace Diversity Variables has an influence on the following Workplace Performance Factors.

Meticulous Factors: Age, Educational Details, Annual Income, Languages Known to Speak and Write, Nature of Schooling, Position Held, Type of Books Read and Type of Music Enjoyed by the respondents have an influence on the Meticulous Factors measuring the Workplace Performance.

Growth Oriented Factors: Age, Educational Details, Growth Oriented Factors: Age, Educational Details, Speak and Write, Nature of Schooling, Type of Books Read and Type of Music Enjoyed by the respondents have an influence on the Meticulous Factors measuring the Workplace Performance.

Workplace Dynamism Factors: Annual Income, Nature of Schooling, Position Held, Type of Books Read and Music Enjoyed have an influence on the Workplace Dynamism.

Futuristic Oriented Factors: Educational Details, Annual Income, Type of Books Read and Type of Music Enjoyed by the respondents have an influence on the Futuristic Factors measuring the Workplace Performance.

Pessimism Oriented Factors: Age, Educational Details, Annual Income, Nature of Schooling, Type of Family System lived at present, and Type of Books read by the respondents have an influence on being Pessimistic in the Workplace Performance.

ASSOCIATION BETWEEN WORKPLACE DIVERSITY VARIABLES THE CLUSTER GROUPS BASED ON WORKPLACE PERFORMANCE

The sample unit has been classified into multiple heterogeneous groups with respect to factors on workplace performance namely, Workplace Dynamism Factors, Pessimism Factors, Growth Oriented factors, Futuristic Factors and Meticulous Factors basis the application on factor analysis accompanied by cluster analysis. Depending upon the response to these factors, employees are categorized into Mediocre Performer, High Performer and Low Performer Groups. Non-parametric chi-square analysis of association is used to identify the correlation between Workplace Performance Groups and Workplace Diversity Variables. This relationship is shown as the Profile of Respondents.

TABLE NO. 6 ASSOCIATION BETWEEN WORKPLACE DIVERSITY VARIABLES AND CLUSTER GROUP OF RESPONDNETS - CHI- SQUARE TEST RESULTS

S.NO.	WORKPLACE DIVERSITY VARIABLES	CHI-SQUARE VALUE	LEVEL OF SIGNIFICANCE
1	Age	23.136	.001
2	Gender	-	-
3	Number of Siblings		-
4	Mother Tongue		-
S.NO.	WORKPLACE DIVERSITY VARIABLES	CHI-SQUARE VALUE	LEVEL OF SIGNIFICANCE
5	Number of Languages Known to Speak	-	-
6	Nature of Schooling	33.599	0.000
7	Nature of residence for schooling or for other educational purposes	-	-
8	Educational Background	17.963	0.001
9	Annual Income	11.888	.018
10	Type of Family System Lived in	-	-
11	Type of Family System you live at present	-	-
12	Position Held	-	-
13	Type of Books Read	29.474	0.001
14	Type of Music Enjoyed	27.465	0.000
15	Type of T.V.Shows Enjoyed	-	-

The analysis shows a high association between Age, Nature of Schooling, Educational Background, Annual Income, Type of Books read and Type of Music Enjoyed by the respondents. Profile of Respondents based on the Cluster Grouping: The association test between the Workplace Diversity Variables and the Cluster group of respondents based on their performance shows that.

TABLE NO. 7 PROFILING OF RESPONDENTS BASED ON ASSOCIATION TEST

Mediocre performer	High performer	Low performer
• 21-30 years • CBSE • Less than 5 Lakhs Annual Income • Graduates • Western Music • Read any book	• 41-50 years • CBSE/ Matriculation • More than 10 Lakhs annual Income • Professionals • Read any book • Like to listen to any type of music- no specific interest	• 21-30 years • State Board • 5 Lakhs- 10 Lakhs Annual Income • Graduates • Non- Fiction • Like to listen to any type of music- no specific interest

Mediocre Performers: The mediocre performers in the Workspace belong to the Age Group of 21 -30 years suggesting the need for Training or Refresher Training in order to build desired performance. Their Annual Income Category is less than Five Lakhs and is from CBSE Board of Education, majorly graduates. They are interested in Western Music and prefer to read any book.

High Performers: The age group of High Performers in the Workplace is 41-50 years. They are all professionals with an annual income of more than Ten Lakhs. These employees are either from CBSE Board or Matriculation Board. They are eager to read any type of book or listen to any type of music.

Low Performers: This segment includes employees in the age group of 21-30 years. Their Annual Income lies between Five Lakhs to Ten Lakhs and they have completed their schooling through State Board. They pose graduation as their educational qualification. They are keen in reading non-fictional books and prefer to listen to any kind of Music.

III. CONCLUSION

In conclusion, Diversity is an essential part of every organization and it is important to recognize how it influences the workforce. Workplace Diversity leads to thriving morale, culture, and employee engagement. It undertakes significance as efficient interactions between employees and customer is a key to successful business. Having diverse employees becomes an asset for the business as the corporations extend their services globally as no matter what the customer's language or culture is, organizations will be able to communicate effectively with the clients and understand their needs completely. Workplace Diversity allows employees to brainstorm together that could result in bringing a wide selection of solutions to the table as they are exposed to different perspectives and viewpoints. This research by thorough analysis of the literature, considered fifteen workplace diversity variables and Twenty Two variables measuring the Workplace Performance. Factor Analysis is applied to reduce these into five factors and cluster analysis is used to group the respondents into three cluster groups. The Study Shows Diversity Variables such Age, Educational Background, Annual Income, Mother Tongue, Languages Known to Speak and write, Nature of Schooling and the Type of Family System lived by the respondents have an impact on the Workplace Performance Factors such as Meticulous Factors, Growth Oriented Factors, Workplace Dynamism Factors and Pessimism Factors. The Association test between the Cluster Groups such as Mediocre Performer, High Performer and Low Performer highly associate with Age, Nature of Schooling, Educational Background, Annual Income, Type of Books read and Type of Music Enjoyed by the Employees.

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