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ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

EFFECT OF WORKFORCE DIVERSITY ON EMPLOYEE PERFORMANCE:

THE CASE OF SAVE THE CHILDREN ETHIOPIA

BY: SAMSON MEKASHA

JUNE, 2020

ADDIS ABABA, ETHIOPIA

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BY: SAMSON MEKASHA (ID NO. SGS/0187/2011A)

**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE
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ADDIS ABABA, ETHIOPIA

ST. MARY'S UNIVERSITY
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DECLARATION

I, the undersigned declare that this thesis is my original work, prepared under the guidance of Solomon Markos (PhD). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Samson Mekasha _____

St. Mary's University

June, 2020

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

St. Mary's University

Signature

June, 2020

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LIST OF ABBREVIATIONS AND ACRONYMS

SPSS: Statistical package for Social Science

STCE: Save the Children Ethiopia

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ABSTRACT

Diversity is increasingly recognized and utilized as an important organizational resource with regard to whether the goal is to be an employer of choice, to provide excellent customer service, or to maintain a competitive edge. Workplace diversity is a multi-faceted concept that will continue to evolve as more industries move towards a global marketplace. It also has proven to have led to a perception of being fundamental for employee performance. This fundamental belief forces managers to embrace and comprehend the concept of workplace diversity, its barriers and benefits.

The purpose of this research is to investigate the effect of work force diversity on employee's performance. The research also focuses on workforce diversity which includes the gender, age, ethnic, culture and education background of the employees which is the most critical variables among all the others. The investigation was done by distributing 144 questionnaires to targeted 144 employees. Questionnaire with five-point Likert scale and semi structured interview issued to collect primary data. SPSS software 26.0 version is used to analyze the collected data by using descriptive statistics such as frequencies and percentages. It was discovered that Save the Children Ethiopia sees diversity as an importance factor that cannot be disregarded. To show its commitment to diversity and make certain that diversity policies are integrated into its corporate practices, the management created a diversity team that make certain that its acquires a diverse workforce. This is seen in its workforce characteristic such as; gender, age, ethnicity, culture, education, etc.

The findings indicate that workforce diversity predicts employee performance.

Keywords: *Diversity, Diversity management, Workforce diversity, employee performance*

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

These days, organizational culture has become a significant and critical factor not only in the business organizations but also in the International Non-Governmental Organization (NGO) as organizational culture frames actions and behaviors of individual members of the organization by sharing norms values, belief and view. According to Firdous (2010), Effective and efficient utilization of the diversified workforce plays a significant role in enhancing the performance of workgroups and any organization by achieving its various goals and objectives. Thus, any organization that aims to be successful must have an endless view and an underlying commitment to ensuring that workforce diversity is part of its routine organizational activities.

Workforce diversity refers to organizations that are becoming more heterogeneous with the mix of people in terms of gender, age, race, and education background (Robbins, 2009). A diverse workforce for instance, includes gender, age, ethnicity, and education background According to Robbins (2009), workforce diversity has important implications toward management practices and policies. Frequently, diversity is viewed in a limited fashion, primarily addressing issues of race or gender differences, and linked to the laws providing protected status to certain groups. We have used a very broad definition of diversity, to encompass most characteristics that individuals possess that affect the way they think and do things.

Human resource is an important asset for any organization, and as such, having a diversified workforce is a primary concern for most organizations. Although, it has become necessary for organizations to employ a diversified workforce, at the same time, it has become quite challenging for organizations with increasing diversified workforce to reap the benefits of diversity while managing its potentially disruptive effects (Kreitz, 2008) (Kreitz, 2008; Saxena, 2014).

Organizations have recognized the fact that it is through the collective effort of its diversified workforce that monetary resources are harnessed to achieve organizational goals. For organizations to reach its goals, the skills, knowledge, attitude and efforts of its workforce have to

sharpen occasionally to optimize the effectiveness of its workforce and to enable them to meet greater challenges. Organizations are made up of individuals and without the workforce; organizations cannot achieve its goals (Mullins, 2010). For this reason, the management of its human resources is also a crucial issue for organizational leaders (Saxena, 2014).

To be successful, it is imperative that organizational leaders understand just how the social work environment have an effect on the employees' beliefs about work and they must have effective communication skills to be able to develop the self esteem and confidence in all its members (Griffin & Moorhead, 2014). Hence, to achieve and maintain competitive advantage over competitors, managers must be able to draw from the most valuable resources i.e. the competencies of its workers. Based on the growing richness of diversity in the world and in the workforce, managers have to spread out their outlook and use innovative approaches to achieve success.

This study was focused on concepts of workforce diversity and its effect on the employee performance in organization. In accordance with the view of work force diversity, the focus of the study is Save the Children nongovernmental organization, which was established in the United Kingdom in 1919 to improve the lives of children through better education, health care, and economic opportunities, as well as providing emergency aid in natural disasters, war, and other conflicts. The organization is one of the largest international nongovernmental organizations which had established its branch in Ethiopia and hired large number of employees. The organization has diversified work force therefore, the study examined the effect of work force diversity on the performance of Save the Children organization employees by using different variables.

1.2 Statement of the problem

Today, workforce diversity is a cross cutting issue across the globe from small to large complex business operational places. Any corporate that aims to be successful must have an endless sight and a fundamental obligation to make sure that workforce diversity is part of its routine corporate behavior (Childs, 2005). Besides, understanding the effect of diversity on organizational outcomes, such as organizational performance, employee satisfaction, and turnover, has become essential (Sungjoo and Rainey, 2010). When these trends were first identified in the mid-1980s, they were proclaimed as an opportunity for organizations to become more creative, to reach previously

untapped markets, and in general to achieve and maintain a competitive advantage (Loriann and Carol, 2007; Cox, 1994; Robinson and Dechant, 1997; Thomas and Ely, 1996).

Erasmus (2007) indicated that management of diversity and workforce diversity is a forced combination that makes battle and doubt in the labor force as management is not capable in the discipline of diversity management and its principles. As a result, managers do not know how to effectively practice diversity management, and what factors contribute to effective diversity management and task that can deal with diversity related issues in the work place.

Directing work force diversity in the workplace therefore, should be a part of the culture of the entire organization (Alder, 2005). Management of diversity tradition therefore enhances productivity, effectiveness, and sustained competitiveness. Organizations that promote and achieve a diverse workplace will attract and retain quality employees and increase customer loyalty (Alserhan, Forstenlechner and Al-Nakeeb, 2010).

Human resource diversity management strategies have broadened beyond affirmative action and equal employment opportunity staffing efforts. Equal employment opportunity starts externally and is enforced through legislation, whereas workforce diversity management starts internally, through the efforts to create an atmosphere of equality and a fully inclusive organizational culture at work (Gordon, 1995). The concept of workforce diversity management has its origin in business management, and it describes the heterogeneity of the employees and identifies different ways to take advantage of it for the benefit of everyone involved and the success of the organization (Cox, 2001).

Various studies have been conducted on the effect of workforce diversity, which has been operating in the in different organizations of Ethiopia, for instance Bethlehem Demesew in 2019, Kelali Alene 2018, Saron Eshetu in 2017 and Assefa Wondimu in 2014 has been studied on the effect of work force diversity on share companies of Ethiopia. However, to the best of the researcher knowledge and experience no research studies conducted on the effect of work force diversity on the performance of international nongovernmental organizations in particular to Save the Children. Thus, this study investigates the effect of work force diversity on employees' performance comprehensively in accordance with the view of gender, age, ethnicity, cultural and educational background of employees.

1.3 Research Questions

1. What are the workforce diversity practices of the study area?
2. What are the relationships between elements of workforce diversity and employee performance of the study area?
3. What are the mechanisms of workforce diversity management of the study area?

1.4 Research Objective

1.4.1 General Objective

The general objective of the study was to assess and analyze the effect of work force diversity on employee's performance of Save the Children international organization head quarter of Ethiopia.

1.4.2 Specific Objectives

The study has the following specific objectives:

1. Examine work force diversity practice.
2. Describe the relationships between elements of workforce diversity and employees performance.
3. Identify mechanisms of workforce diversity management of the study area.

1.5 Significance of the study

This study will be beneficial to employers and employees as value for person variation can raise efficiency, advertising prospects, enhance staffing, resourcefulness and company figure. Research findings will be important to the management of the international Non-governmental organizations firm in the sense that it will enable the firm identify, manage and address managerial challenges associated with the concept of workforce diversity effectively and efficiently.

This study will pave the way to understand that diversity would lead to synergistic performance when team members are able to understand and appreciate each other, and knowledge and perspectives. Through effective communication, members would be able to evaluate problems and situations from various viewpoints, determine underlying cultural assumptions and create a common social reality, ascertain and explain culturally synergistic alternative solutions

appropriately, and establish agreed-upon norms for interaction (Choy, 2007; Adler, 1980; Maznevski, 1995).

To the government and policymakers the study provides vital information on how work diversity influences employee performance that can be used to formulate policies to enhance the implementation of workplace diversity in terms of gender, age, ethnic and religion in international non-governmental organizations in Ethiopia.

1.6 Scope and limitation of the study

The diverse world in which we live is a composite of many cultures, values and ways of interacting with one another. The dimensions of diversity include gender, religious beliefs, race, marital status, ethnicity, parental status, age, education, physical and mental ability, income, sexual orientation, occupation, language, geographic location, and many more components.

Scott & Sims (2016) defined workforce diversity “as a strategy that promotes and supports the integration of human diversity at all levels and uses focused diversity and inclusion policies and practices to guide this approach in work environment” . All these definitions simply shows that diversity is all about these characteristics that makes us different or similar to one another. In an organizational setting, a diverse workforce consists of a mixture of employees from various genders, ages, races, ethnic backgrounds, religious beliefs, etc. However, this study will focus only on limited workforce diversity dimensions gender, age, ethnicity, cultural and educational background of employees.

This study conducted at the Save the Children, Addis Ababa and included senior and middle level management, supervisory management and general staff. The researcher investigated workforce diversity on employee performance at Save the Children office in Addis Ababa. Focusing on Addis Ababa helped the researcher on the workforce diversity and employees performance aspects of the study in greater detail and collect data without incurring significant travel costs.

1.7 Organization of the study

This research is structured as follows:

In chapter 1, the researchers presented the overview of the study context and explain the research problem. This chapter addresses the research objective to be achieved, the research question to be answered and briefly explain about the importance or contribution of the research.

Chapter 2 focuses on the literature review of the theoretical argument from secondary sources such as journal, articles and etc. The empirical studies will be done in this chapter to enable the researchers to construct the conceptual framework of the research.

Chapter 3 is conducted to describe how the research is carried out in terms of research design, population, sample and sampling procedures, data collection methods, operation and the methods of data analysis.

The results of the analysis presented in chapter 4, will be using the data and results generated from the procedures set in chapter 3.

Finally, chapter 5 concludes with overall findings and provides the recommendations of the present research. Besides, the limitation in carrying out this research will also be included as well as the suggestion for the future research.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

This chapter focused on the reviewed literature gathered from secondary sources; articles, journals, books, internet, etc. that were relevant to the study. The conceptual framework was discussed to investigate the correlation between the dependent variable (employee performance) and the

independent variable (workforce diversity) express in terms of age, gender, ethnicity and educational background. The chapter also reviewed theoretical and empirical literature relevant to the influence of workforce diversity on employee performance. The ideal employee according to Grubb (2016) is one who is not only excellent great at his job but also know how to be part of a diverse workforce.

2.1 Definition of Diversity

Evans & Henry (2007), said diversity means the mixture of workforce from different socio-cultural backgrounds working together in an organization. It could be seen as the characteristics of a social grouping that reveals the degree of objectives or subjective differences existing among groups (Knippenberg & Schippers, 2007).

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2.1.1 Primary Dimension:

This aspect reveals the key dissimilarities among diverse individuals as well as the highest impact on initial encounters, it could be quickly detected and it also serve as a filter through which people view the world. It includes visible identity characteristics such as; gender, age, sexual orientation, physical abilities, ethnicity, race, etc. (Sayers, 2012). Powell (2011) said they are those essential unchangeable personal characteristics that exert significant lifelong impacts and they shape our basic self image sense of identity.

2.1.2 The Secondary Dimension:

Secondary differences such as; educational background, communication style, marital status, organizational role and position, religion, geographic location, income, work experience and work style, are those qualities that are not noticeable in the first encounter and can even change throughout different encounters. These dimensions are appear to be less visible, exert a more variable influence on personal, and add a more subtle richness to the primary dimension of

diversity (Sayers, 2012). People are usually less sensitive about these aspects because they are element we have made a choice on and we have the power to change them. The secondary dimensions of diversity are referred to by organizational researchers as Experience-based diversity. This form of diversity includes a wide range of differences that are acquired, discarded, and/or modified throughout one's lifetime and as a result, are less pertinent to one's core identity. Powell (2011) said the secondary dimensions are our personal changeable characteristics. Characteristics that over the years we have acquired, we may decide to modify or even abandon throughout our life time.

2.1.3 Organizational Dimension

This dimension deal with characteristics within the organization, such as; word location, organizational structure, part time or full time, organizational climate or culture, status, etc. (Sayers, 2012). The basis for secondary and organizational dimensions of diversity is information processing and decision making theory. This perspective suggest that diversity when managed will have positive implications on work group outcomes since such groups will have a wide array of views, skills, and information. Educational background, functional and industrial experience are part of the competencies that one employs when undertaking a task. The ability to productively discuss and examine task related content issues grounded in a diverse set of perspectives can enhance performance.

2.1.4 Factors Contributing to Increased Diversity within the Workplace

Griffin & Van Fleet (2014), outlined three factors that contributed to organizations becoming more diverse.

➤ Globalization

Globalization is that process whereby organizations start operating in an international scale. Globalization has resulted in the removal of barriers between markets thereby, allowing a free flow of goods and services, skills and ideas. As these barriers were eliminated, organizations saw an opportunity to enlarge their operations worldwide and increase their market share in order to gain more competitive advantage over their competitors (Nwinami, 2014). Also, when organizations open offices and branches abroad, it must learn to deal with the different customs and social norms of the country where is it opening branches. As the managers and employees move form one job

assignment to another across the national boundaries, organizations and their subsidiaries become more diverse.

➤ **Government Legislation and Judicial Regulations:**

The government legislation and judicial decisions have forced a lot of organizations to explain its recruitment strategy and hire more broadly. Unlike like before where organizations were allowed to hire as the deemed fit, women could hardly even be seen in office jobs not to mention being among executives. There were issues of stereotype and prejudice that resulted in discrimination against women and other minorities. Today, organizations by regulations and law must employ people based on their qualifications.

➤ **Composition of the Labor Force**

The composition of the labor force is becoming more and more diverse. Organizations are recognizing that by hiring a diverse workforce, they promote the most talented people available which will improve their overall quality of their workforce and increase effectiveness. By spreading a wider net in recruiting and looking beyond the traditional sources for new employees, organizations are discovering more largely qualified and better qualified employees from different segments of the society.

2.1.5 The Concept of Gender Diversity

Powell (2011) defined gender as the physiological inference of a someone being either male or female, like expectations and beliefs regarding what kind of attitudes, behaviours, values, knowledge, skills, and interests areas are more suitable for or typical of one sex than the other. The study of gender diversity focuses on how individuals believe that males and females differ. These gender variations influence the manner in which individuals react to the behaviours of others in the work settings or any other group coalition. Gender diversities are visible in prejudice, stereotypes, and discrimination.

In the last decades, those organizational barriers that hinder women from advancing to the top in their career have been a vital area in organizational research. Singh & Vinnicombe (2004) in their study discovered that women are almost if not completely absent when it comes to occupying senior positions in organizations. However, male directors often form an elite group at the top of the corporate world and only very few women are able to breakthrough these glass ceiling into this

elite group, despite making inroads into middle management. This point out that gender in the board of directors in some big organization is a barrier for career advancement. Singh & Vinnicombe (2004) argued that this is a matter of concern, because the talents of women are not being fully utilized. The private sectors is seen and characterized as influential, powerful, financially important and generally not controlled by the state. Historically, the private sector, including the board of directors has been male dominated where men have controlled the majority of high-level positions and especially those related to power (Healy, Kirton, & Noon, 2011).

One of the most prevailing metaphors used to describe women's absence in senior organizational positions has been that of the 'glass ceiling'. Mavin (2016) citing Morrison & Von Glinow (1990) said the phrase 'Glass ceiling' was made up in the 1960s. This is used to describe a subtle

obstacle that is so clear but yet very powerful that it can hinder women from climbing up the managerial ladder. Glass ceiling was coined to describe those organizational practices and processes which creates difficulties and limitations in which women encounter when trying to attain the highest position of their particular field. Here, women may be unable to reach the top of the management hierarchy even though they can see it (Gatrell & Swan, 2008).

Although women work in organizations purporting to have policies that offers equality of pay and opportunities, and though they most of the time appear to be well qualified, the career ladder for women in large organizations appear to be often shortened, while the male ladder extends to top of the career tree. Women are often hived off into specialist or gendered positions, such as human resources- known as the 'velvet ghetto' (Gatrell & Swan, 2008). These practices and processes do not only appear in large organizations and public service organizations but also in small and big firms, women are often absent at board level within family businesses, where sons continue to take precedence over daughters and where women's contribution is frequently marginalized. Men have thus become the 'somatic norm' in organizational roles involving management and decision making.

The glass ceiling appears to restrict women's access into top management positions only because they are women (Powell, 2011). Powell adds that in terms of pay, the average female full time worker continues to receive pay that is lower than that of their male counterparts. The economic status of women in most organizations remains lower than that of the men. This gap exists partly

due to the lower average wages of workers in female intensive occupations than that of workers in male intensive occupations. Glass ceiling is not a barrier that is based on women's lack of ability to handle upper level management positions. Instead, the barrier keeps women from advancing higher in an organization because they are women.

Removing the glass ceiling and other obstacles to women's success, represents a major challenge to organizations. As such, those policies that promotes equality in pay and other benefits programs for women; policies that promotes equality in pay for jobs of equal value and encourage other benefit programs of special interest to women are needed in organizations.

2.1.6 Concept of Age Diversity

Age diversity is a shared phenomenon that is present in nearly all groupings, such as families, higher institutions, sport teams, and work or team groups with members of varying ages (Kunze, Boehm, & Bruch, 2013). Explained that workforce is unique in its generational diversity, which presents new challenges to organizations attempting to attract, retain, manage, and motivate quality employees. Each generation believes that its strengths are unique and they do not enhance those of other generations (Rowe, 2010). Where age diversity is practiced, the benefits accrue both to the organization and the employees. Having an age diverse environment produces and creates better working relationships and enhances social cohesion for all.

2.1.7 Concept of Educational Background

It is a common perception that people who are educated can perform certain tasks easily, effectively and efficiently than those who are not. This means an individual who knowledgeable can perform better at tasks that requires that skills and knowledge. Educational background could be seen as the type of formal training or education or even career that a person has acquired over the years. Daniel (2009) discovered that different types of education and levels of education expect different mobility rates. For instance, there are various occupations that are available for different sets of people. The type of occupation that is available for someone who has gained some years of work experience but does not have a university degree in a course of study is different from the one who has the required certificate from the university. Based on Daniel findings, a person's productivity depends on the level of education he/ she has acquired. Tracy & David (2011) discovered that (Milliken & Martins, 1996). Nevertheless, as the minority group grows, most of the problems encountered tend to fade away. Based on the study of Timmermans, Ostergaard, &

Kristinsson (2011) ethnicity can stand as a replacement or substitute for cultural background and ethnic dissimilarity can be bring about positive creative and innovative performance among members, seeing as it expands the point of view of employees in the organization Furthermore, following the study of Timmermans, Ostergaard, & Kristinsson (2011) few level of ethnic dissimilarity could have a positive correlation with creativity and innovation while a higher degree of ethnic diversity could have a negative effect because it has the tendency to create in-groups due to social categorization, create conflict among employees and cause poor cohesion among work team (Dahlin, Weingart, & Hinds, 2005).

2.1.8 Concept of Ethnic Diversity

Ethnicity could be seen as an assembly of individuals who share common cultural traditions and customary practices and also provide their members with a self conscious identity as a nation (Sayers, 2012). Ethnic diversity implies diversity in language, religions, races and cultures. There has been an increase in multicultural workforce in the organization for utilizing greater participation and synergy to improve and increase both employee satisfaction and business performance. A moderate level of ethnic diversity has no effect on team performance in terms of business outcomes i.e. sales, profit, and market share. However, if at least the majority of team members are ethnically diverse, then more ethnic diversity has a positive impact on performance (Gupta, 2013). Following the raise of diversity in recent times, there has be a raise in work groups with the intention of making increased participation to enhance employee and organizational performance as a whole. However, in as much as the nature of the composition of employees is speedily getting more and more varied in terms of ethnicity, age, gender, education, etc., similar attention has been growing with respect to the effect of these diversities in academic institutions (Watzon, Johnson, & Zgourides, 2002).

2.2 Diversity Management

Scott & Byrd (2012) diversity management have emerged as a power strategy for handling diversity issues. Valuing and managing diversity is becoming more and more essential for delivering higher level of performance and creativity, enhancing problem solving and decision making. Scott & Byrd (2012) citing Roosevelt (1990) said diversity management does not mean containing, controlling or stifling diversity rather it means management recognizing the utility of every feature of diversity and tapping the potentials.

Evans & Henry (2007) defined diversity management as a planned methodical commitment of an organization to attract, recruit and retain an heterogeneous group of people. Managing diversity means enabling employees to make use of their full potentials by making the work environment an equitable one where no employee the other has advantage over him. Organizational leaders are responsible for creating effective diversity policies and ensuring its implementation. To effectively manage diversity means they must work to ensure that unfair discriminations are eliminated within the work environment (Robbins & Judge, 2013). Top executives play the role of communicating the value of diversity and a commitment to diversity within the organization while the managers ensure that the work environment is one that embraces diversity (Scott & Byrd, 2012).

According Morais, et al., (2014) diversity management is much more than hiring a heterogeneous workforce but more about ensuring that an environment that welcomes, appreciate and respects such diversity is created, such an environment where the needs of the employees are also taken into consideration. Diversity management means to recognize people's differences and then accept these differences as valuable. Diversity management goes beyond gaining knowledge on age, gender and race. As such, organization leaders must try to view diversity as a strategy that can enhance both employees' creativity and overall organizational growth (Betchoo, 2015).

2.2.1 Benefits of Diversity and Diversity Management

Research indicates that when diversity is accepted and valued, it boost employee effectiveness, organization's productivity, and ensure the organization's continuous competitiveness. Managers that are able to encourage and promote a diverse work environment invariably attract and retain valuable workforce and thus, enhance the loyalty of customers. Looking at public corporations, this also turns into a successful delivery of vital services to communities with varied wants.

Loewy & Guffey (2011) suggested three benefits of diversity. They are;

1. Work Team

In organizations, employees are sometimes group into teams. These teams are made up of people from different background. When people from different background come together in a team, it gives room for creativity, effective problem solving techniques and quick decision making.

2. International Non Governmental Organization

Diversity is an important bottom line NGOs strategy use to improve employees' relationship and increase their productivity. Organizations that create time and put aside resources to cultivate, harness and take advantage of diversity will experience less discrimination law suits, less union conflict and fewer government regulatory actions.

3. Consumers

Customer preferences are always changing. Consumers desire for organizations to have specialized products and services that will always satisfy their needs at all times. When organizations have teams made up of persons from various backgrounds and experiences, such groups are better equipped to create products that the consumers required. Having employees from different backgrounds provides the organization with array of skills and experiences in recommending ideas that are flexible in adjusting to changing customer demands (Saxena, 2014).

2.2.2 Barriers to Effective Diversity Management

There are some barriers to that could hinder effective diversity management in the workplace. Some of such barriers are; (Kreitner & Kinicki, 2001) spoke about gender stereotype as an idea people have that it is because men and women have different traits and abilities, that makes them most appropriate for specific roles.

- Stereotypes- these are those set of beliefs people have about the personal attributes of groups of people. It is about generalizing. It comes as a result of our learning, thinking and remembering the differences between various set of people. The reason why there is stereotype in the workplace is that role assignment according to gender still persists. That is, organizations and the environment at large are still classifying some jobs or occupations as women's jobs and are given less value and other occupations or jobs are only suitable for their men counterparts. Stereotyping are the firm philosophies we have about a group of people. It shows up our bias and experience with one member of a group is applied to every member of the group. Stereotype is closely connected to what we see, how we judge and what actions. Hubbard (2004) said Stereotype "is a double-edged sword" as it may be rational (rational stereotype helps us predict how an individual is most likely to behave or what might occur in a given situation) or irrational (this stereotype is the type we have already formed in our minds without adequate evidence). Therefore there is a possibility that as more women take up masculine roles, there will be a significant change in gender stereotype. Men

could also be stereotyped in the sense that there are some jobs that they are not seen as being fit to perform e.g. stereotype about men that they cannot make good flight attendants (Syed & Ozbilgin, 2015).

- Prejudice- People, who displays prejudice or negative attitude towards members of other groups, are engaging in an emotional activity. Prejudice can show up in different forms. It can show up during the hiring process, promotion, or even the daily interactions that take place with the work environment. It can show up even in generational differences, when the older workers make assumptions about the younger workers and vice versa.

Organizational leaders should uphold and maintain policies that will enable everyone to be successful. To address the issues of prejudice, it is very important for managers to recognize and acknowledge its existence with the organization. Secondly, managers should recognize those issues and situations that cause people to feel devalued and disrespected in the workplace. Managers should encourage these sets of people to apply for positions where they are qualified for.

- Discrimination- is a behavioral activity, and it is demonstrated in the way people treat individuals of other groups and in the kinds of decisions they make about others. The fear of experiencing discrimination could make some individuals feel reluctant when it comes to applying for jobs where there are various nationalities other than their own. It is the act of treating people negatively, differently and unequally because they belong to a certain group. Prejudice unchecked turns into stereotypes and then develops into discrimination (Hubbard, 2004). Discrimination in the workplace has the tendency to affect employees' career progress, their trust level, motivation, and their relationship with their co-workers and also their productivity level (Hubbard, 2004). Discrimination affects employees in every phase and aspect of their work experience, such as; the recruitment practice.

Budget: to implement diversity initiatives, budgets cannot be left out. When a country is experiencing a downturn in its economy, this can affect an organization leading to layoffs or loss of employees. This could be as a result of the organization must have the financial capacity to maintain a diverse workforce.

- Resistance to Change: some employees may be so comfortable with the old system that they refuse to welcome or accept a new system of work, processes, procedures or even new policies or

new rules set by the organizational leaders. To show their discomfort and disapproval, they may rebel against the organization by sabotaging management efforts to change (Foma, 2014).

- Language: this can also be a barrier to diversity management. Diverse workforce comes into the organization with different types of language and cultural traditions. This can lead to communication problems, whereby employees' can not adequate communicate each other. It can also lead to mistrust.

All these barriers must be well assessed in order to establish a starting point for implementing diversity initiatives. Stereotype, prejudice and discrimination have the tendency to hurt people and as result destroy the effectiveness of an organization.

2.2.3 Best Approaches for Managing Diversity

Diversity management is a process that encompasses systems, policies and practices. It is creating a workplace and making it one where employees' differences and views are valued, respected and used to increase the capacity of the organization (CDMP, 2004).

According to Mor Barak (2014) diversity management "refers to the voluntary organizational actions that are designed to create through deliberate policies and programs greater inclusion of employees from various backgrounds into the formal and informal organizational structures". It is recognizing how individual's similarities and differences can be organized for the good of not just the individual and the organization but for the society as a whole. Diversity management strategies can help organizations to construct a link between its internal and external aspects of work. That an organization is having or hiring a diverse workforce does not at all translate into positive benefits. Instead, managers and organizational leaders must effectively manage diversity in order to reap the benefits thereof (EU, 2015). The focus of diversity management is to maximize the ability of the entire workforce, to contribute to achievement of organizational goals (UCSF, 2012).

Ignoring diversity issues could cause organizations its time, money and efficiency. It could also result in unhealthy tensions, inability to attract and retain all kinds of talented people (which could result in lost investment in recruiting and training), low productivity due to increased conflict, increased complaint and legal actions.

To avoid the costs associated with ignoring diversity and to successfully manage diversity, it is important that organizations take active measures to build an inclusive culture (NIWGW, 2009). According to Oracle (2014) organizations can adopt these strategies to build an inclusive workplace are;

➤ **Look Beyond Compliance**

To build an inclusive organization, the first step is to have an understanding that diversity management is much more than just complying with the initiative of affirmative action (Oracle, 2014). Diversity management indicates a shift away from the assumptions and activities of affirmative action to inclusive management practices that embraces the similarities and differences of all the employees (UCSF, 2012). It is about building a workforce that is as diverse as the organization's customer base and utilizing those differences to ignite creativity and improve efficiency that will drive business to success.

➤ **Identify New Talent Pool**

Often time, organizations only limit their recruitment to traditional new hire source such as; the university programs and industrial organizations. To make the workplace inclusive one, organizations must enlarge its recruitment scheme to spot and inculcate new talent pools both within and outside the organization.

➤ **Address Diversity in Every Aspect of Talent Management**

Managers should address diversity issues all through the employee's lifecycle. Diversity and inclusion topics should go beyond recruitment and selection and also extend beyond human resource to the organization as a whole. It should also be considered in every phase of talent management starting from recruitment, selection, on-boarding to workforce planning, leadership training, performance management, professional development, etc.

➤ **Make Diversity a Part of the Organization's Brand**

Diversity and inclusion should not only be a word a mouth thing by managers should ensure to also work the talk. The society should know that the organization is one that welcomes, celebrates and utilizes differences and this is achieved by making diversity and inclusion a part of the business brand. To achieve this, management can promote volunteerism among employees, offer scholarship and internship to individuals from the underrepresented groups, etc.

➤ **Encourage Reverse Mentoring**

The traditional idea about mentoring normally involves an experience mentor developing a subordinate mentee. On the other hand, reverse mentoring acknowledges that the junior workers also have insights which some senior employees do not have and can benefit from the junior employees (NIWGW, 2009). Management should allow the junior employees to feel valued by encouraging the senior employees to gain fresh insights and perspective from the younger employees as this can help to improve older employees' effectiveness and relevance within the organization.

➤ **Promote Diversity from Top-Down and Bottom-Up**

Encourage an inclusive culture from all levels and corners of the overall organization. Having everyone involved is vital for the success of diversity management. Hence, everyone should be involved including the top management in the effort to embrace diversity and inclusion.

➤ **Model Good Behaviour**

Executive management should model the behavior they expect to see in the managers and employees by living according to the values of the organization, demonstrating an inclusive behavior and taking active part in all the initiatives that promotes diversity, inclusive and harmonious work environment (NIWGW, 2009). Executives should be models of diversity and inclusion. The fact is workers often follow the cue of their top management. Therefore, top executives should be capable of articulating the business case for diversity. Let the employees see that their top executives support diversity (Kampf, 2017).

➤ **Communication**

The importance of diversity, inclusion and other organization's cultural practices should be well communicated to all employees so as to set the tone for the organization. Managers can inculcate this during company events, management meetings, or even at informal meetings with employees (NIWGW, 2009). New employees' orientation and induction periods can be effectively used to communicate the culture of diversity and inclusion to employees.

➤ **Training**

Diversity training is vital strategy to address workplace diversity issues. As organizations become more diverse, it is imperative that management conduct trainings on diversity for all hierarchical

levels within the organization. This is enable all the management and employees to be aware of the elements of individual's difference among employees and how to accept, respect and value the similarities and differences among differences (Scott & Byrd, 2012).

Management of diverse organization should ensure to train everyone on diversity issues. Managers must be well-informed on the subject of diversity and the practices necessary for achieving diversity. Employees have to receive the mentoring, coaching and skills they need to be able to work with each other. Without training, organization is at the risk of losing its best talents to its competitors. Team members should receive training on how to deal with behavioral issues that arise in teams and how to cooperate with each other. Training in areas like conflict management, communication and decision making is valuable (Powell, 2011). Diversity training should also help team members to be aware of gender and age stereotypes and the possible effects of these stereotypes on members' interactions. Diversity trainings should not only be for a selected few or for only men or only women. Rather the training should be conducted for all employees irrespective of gender. Powell advised that women could be coached to increase their task contributions while men to elicit and consider women's contributions.

2.3 Concept of Employee Performance

Durga (2017) defined performance as the act of executing a task or an accomplishment or achievement. He adds that employee performance is how well an employee is effectively fulfilling his/ her job requirement or discharging his/ her duties so as to achieve good results. O'Flynn, et al. (2001) citing William and O'Reilly (1998) said employee performance is defined using three criteria. First criteria, is that employees' output meets the standard of performance set by the organization's external customers. Secondly, employee performance can be defined in terms of how the social processes utilized in the performance of their jobs enhances or maintain the capability of the employees to work together on subsequent group tasks. Finally, that employee's personal needs are satisfied instead of them being frustrated by the group performance. Performance is an individual's behavior and results. It is also seen as the way in which people get their work done (Armstrong, 2012). However O'Flynn, et al. (2001) citing William (1998) argues that the performance of employees is not truly representative of what a group performance is. Rather, it is the personal experience of group members and the subsequent ability of the employees to perform in the future that also defines the employee's performance. O'Flynn, et al. (2001) citing

Ancona (1992) argue that there are multiple dimensions when it comes to rating of performance seeing that different constituents have their different performance criteria and access to data. For instance, management may be more interested in looking at the output of the employees whereas; the employees make be interested in creating a productive environment for themselves. They make have daily information about their interactions with co-workers or group members and use this data to evaluate performance. Information and decision making theory predict that a positive outcome exist between employee performance in intellectual and complex tasks and information as employees have diverse knowledge, skills, experience and expertise which results in innovation, new product design and improved decision making.

Different scholars have developed different formulas or factors that are considered to determine performance such as;

Employee Effective: Effectiveness is a function of performance (i.e. the value free maker of employee behavior) (Borman, Ilgen, & Klimoski, 2003). It is the capacity of the workforce to generate the right results. It has to do with employees working on those things that creates or adds value and their ability to produce high quality (Blackard, 2000).

Employee efficiency refers to either cost of achieving a task or the speed at which task is accomplished (Secord, 2003). Blackard (2000) sees efficiency as the general cost of the employee's effort in relation to the results achieved. Efficiency is making better use of time and/or materials to achieve result (Khan, et al., 2015). Employee efficiency looks at the degree to which an employee is able to accomplish task with minimum resources available.

Effective is the ability to accomplish a purpose or produce an intended or expected result. Employee performance, effectiveness or efficiency according to Vroom (1994) cited in Armstrong (2012) is a function of ability and motivation. Thus, employees need both ability and motivation for effective performance. This formula is also supposed by (Robert, Leonard, & Leonard, 2015) who stated that performance = f (ability x motivation) and it is a means by which human resource management conceptualize the determinants of performance. This means that if employees' motivation or ability is low, the resulting effect is that employees' performance will also be low.

Rahman, Hussain, & Hussain (2011) citing Stott and Walker (1995) stated that employee performance can be determined based on three factors; work environment, ability and motivation,

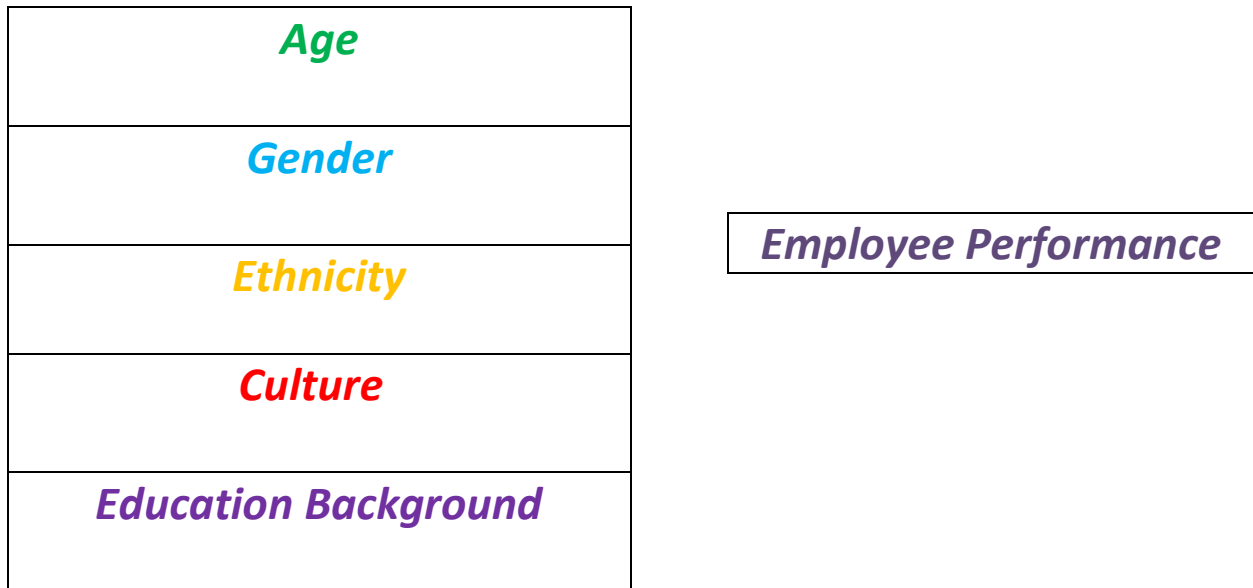
thus expressed by the formula; Performance = f (work environment x ability x motivation). Ability here has to do with the employee's physical, emotional and intellectual capability to carry out his task. That is the employee possesses the skills and knowledge needed for the job. Robert, Leonard, & Leonard (2015) listed performance indicators as ability i.e. competencies, commitment and self efficacy (self efficacy is a motivational factor and it is that believe that an employee has concerning his or her ability to perform the task assigned to him/her); motivation- contingencies, goal-task clarity, feedback; system- technology, task interference opportunity, workplace layout. System factors include factors such as poor relationship among employees, lack of adequate training, etc. Motivation looks at the employee's desire and commitment to his job.

2.4 Conceptual Framework of the Study

The conceptual framework of the study illustrates the five dimensions/elements of workforce diversity namely; age, gender, ethnicity, education and culture herein referred as the independent variables. The dependent variable is individual performance. The study seeks to show how the variations in individual performance may be explained by the aforementioned independent variables. Thus, the independent variables have direct effect on dependent variable.

Although the focus of the study is to establish the effects of workforce diversity on individual performance, a set of extraneous variables that are not related to the purpose of the study may affect the dependent variable. It is recognized that these factors are likely to influence the relationship between the dependent and the independent variables. These factors include but are not limited to; religion, staff members opposite sex love relation, and human resource Strategy among others. These extraneous variables would be factored as the error term of the correlation model in a study situation.

<u>Independent Variables</u>	<u>Dependent Variable</u>
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2.5 Theories Related to Diversity

Workforce diversity is a very broad field which arguably, has been generalized across many boundaries. That is, management research, functional categories, social categories and psychological research.

Diversity theorists have recently turned to the well-established field of social psychology for insights into how diversity affects individuals and groups in organizations. Social psychologists have examined the processes involved with social identity and intergroup relations and diversity scholars recognized that this research tradition can provide a solid background for emerging theories on workplace diversity.

Organizational researchers often refer to inborn human characteristics as dimensions of diversity, or social category diversity. The theoretical foundations for primary dimensions of diversity include the self categorization theory (Turner, 1982), the social identity theory (Tajfel, 1978), the similarity paradigm theory (Thatcher, 1999), and the racial identity theory (Jehn,1999). These theories describe how people react to observable demographic characteristics. The primary dimensions of diversity shape people’s perception and behavior without regard to work-task relevance. According to O’Flynn, Ricciotti, Nicholas, Lau, Sammaritino, & Fisher (2001) the three most commonly used theories of diversity are the social categorization theory, the similarity

attraction paradigm and the informational diversity and decision making perspective. These theories according to the researchers all produce inconsistent and contradictory results.

2.5.1 Similarity-Attraction Paradigm

This theory was put forward by Byrne (1971) and it is used to explain group formation. This theory focuses on people's preference to interact with other individuals who share common life values, beliefs and experiences with them. One reason for this preference is that having knowledge of this shared attitude could help them to predict the future behavior of the other person or people.

Similarity attraction theory assumes that people like to associate themselves with those whom they perceive to be like them based on demographic characteristics such as age, ethnicity, etc. It is believed that this attraction helps to promote cohesion, communication and cooperation among team members (Kunze, Boehm, & Bruch, 2011). For instance it is possible to find younger employees in an organization pursuing common social activities with fellow colleagues within their age group and even going for lunch breaks with their colleagues who are of the same age group. This kind of attraction and personal ties tends to promote communication and cooperation among them because they are able to share similar life and work experiences with one another and as such develop their similar life attitudes and beliefs. However, employees who are either older, middle aged or younger than such unified group, may conclude that the reason why they are not invited or accepted in such group is due to their age and as a result may start generating and exhibiting age prejudiced attitudes in the organization (Kunze, Boehm, & Bruch, 2011). This paradigm also assumes that people tend to apply negative assumptions and attitude to their colleagues who are different from them. Thus, stereotypes and prejudice, based on gender, ethnicity/race, and age often reflect the categorization process of distinguishing between similarity and difference, and often lead to miscommunication.

The theory helps to explain how variables such as educational background, cultural background can be a motivation which a set of needs hold for a particular employee. Such needs could be satisfied by meaningful social and interpersonal relationships with other employees (Aswathappa, 2007). Employees may be motivated to work by the good relations he/ she has with co-workers (Koontz & Weihrich, 2010). Relatedness needs are those needs that draw people into interpersonal contact for social- emotional acceptance, caring and status. Belonging to such category may make them feel accepted and thus increase their job motivation (Singh K. , 2015). This theory deals with employees' need to be accepted by others, achieve mutual understanding on matters that are important to them and exercise some influence over those with whom they interact with on daily basis in the organization (Acquinas, 2006).

The similarity attraction paradigm is said to result in improved communication among employees, increase their social integrations and also increase their longing to maintain group relationship (O'Flynn, et al., 2001). Most studies have found the similarity attraction theory, the social identity theory and the social categorization theory to be the reason for the negative effect of workforce diversity; seeing that it can result in members liking, cooperating and favoring each other against

the out-group, and these behaviors can bring some negative outcomes like; low communication, cooperation, cohesion and increased conflict. For instance if an employee is from a different ethnic background as compared to the rest of his/her colleague, it is assumed that such employee may have less job satisfaction and may showcase less organizational commitment, and have turnover intent as oppose to workforce of the same ethnic background working in a group.

2.5.2 Social Identity Theory

This theory predicts that people tend to group themselves into specific groups based on certain areas which are of personal importance to them such as demographic characteristics like ethnicity, gender, etc. the result of this is that they tend to favor colleagues of their in-group at the expense of the out-groups.

This theory was initially formulated by Tajfel (1978) to explain exclusion in the workplace. Tajfel (1978) said social identity theory is “that part of an individual’s self concept which originates in his/ her membership in a social group(s), along with the importance and the emotional importance attached to that group membership”. Korte (2007) citing Hogg et al., (1995) said that social identity theory tries to explain group membership and behavior. It is a theory that explains the conditions under which a person perceives the collection of people (plus themselves) as a group as well as the consequences of perceiving people in group terms. This theory puts forward a negative effect between workforce diversity and performance (O’Flynn, et al. 2001).

Turner (1982) said when individuals engage in the process of classifying themselves and others into social categories using most important attributes; it allows them to define themselves in terms of the social identity that links to a particular social group. Therefore, when individuals assign themselves to a particular group, it raises the perceived similarity between their social identity and the identity of the group and the perceived differences between their group and other groups is increased. As a result, such individual does not see him or herself as a unique person any more but now sees himself or herself as a representative member of the group where he or she belongs and that their behavior symbolizes the group’s model social identity.

Furthermore, it is possible for people to easily identify themselves with their own ethnic group seeing that it connects them with those who are from the same background and share common culture; it also gives them a sense of belonging. Thus, when people identify themselves with a certain ethnic group (e.g. Yoruba to Yoruba, etc.) which usually happens, the social identity theory expects that individuals will most likely favor those who share the same ethnicity with them (in-group) over those of other ethnicity (out-groups).

2.5.3 Social Categorization Theory

The most popular theory for explaining diversity is the social categorization theory. This is so because the theory is based used in explaining overt, explicit or easy identifiable dissimilarity (e.g. age, ethnicity and gender) existing between individuals and reveals association of a particular social category (Knippenberg & Schippers, 2007). This theory builds on the assumptions already

made in the social identity theory. Categorization involves the arrangement of persons into groups based on such characteristics as gender, age, race/ ethnicity, religion, status or tenure, etc. These classifications become social when a great number of individuals begin to draw similar judgments of individuals based on similar characteristics. The theory predicts that in a work group with outstanding characteristics as age and gender, diversity will work to hinder group practices than add to group positive performance (Wegge, Roth, Kanfer, Neubach, & Schmidt, 2008). From this theory it is assumed that the degree to which an employee identifies him/herself with a social group depends on the specific perspective of the group. This theory posits that people classify themselves and other into familiar categories in order to predict the nature of subsequent interactions. These groupings are used to define the social identity of self and others (e.g. young, male) (Maltbia & Power, 2009).

The focus of the social categorization theory is to identify the social cognitive processes which are the primary cause of in-group (a group which individuals identifies, admires, belongs to and feels loyal to) and out-group (the group which individuals do not want to associate with) formation, and the achievement of group identification (Ferrante & Caldeira, 2016). It also seeks to explain the achievement of group identifies which in turn shapes inter and intra group relations, cognitive biases, prejudice, stereotypes attitudes and conflict. Thus, it can be said that there is a possibility that the differences that exist between workgroup members have the tendency of jeopardizing the classification of other individuals as either similar/ in-groups or dissimilar/ out-group, a categorization that may possibly disrupt group procedure (Knippenberg & Schippers, 2007).

2.5.4 Human Capital Theory Explaining Age Diversity

According to Grund & Westergård-Nielsen (2005) an organization that houses diverse workforce (both old and young employee) can benefit from both human capitals. The younger employees have the physical resilience and the ability and willingness to learn new things. They also bring new ideas and skills on new technologies into the organization, and older employees have their range of experiences to the organization. They also have the working morale, awareness of quality and knowledge about the intra firm structures and the relevant knowledge about relevance markets and networks due to their years of experience. For the human capital to be fully utilized, social similarity is very essential for group cohesion, interaction and communication. Hence, where there is social dissimilarity between employees, it could result in less communication, dissatisfaction and an aggravated efficiency of the organization. In looking at employee performance in terms of age diversity, researchers Schlick, Frieling, & Wegge (2013) argue that although older employees have years of experiences, they tend to learn at a very slow pace and they have reductions in their reasoning and memory abilities. As such, they are most likely to have difficulties in adjusting to the new ways of performing their job. This theory has been used to explain discrimination against older workers, suggesting that they are to be blamed for their disadvantage position in the labour market because they tend to fail to keep their skills up to date and thus maintain themselves as

sufficient competitive workers. Also this theory shows that having both older and younger employees in an organization can enhance both employees' and organizational effectiveness as older employees can mentor younger employees and the younger employees can also share their skills and knowledge with older employees in a process called 'reverse mentoring' (NIWGW, 2009).

2.6 Empirical Literature

A number of research findings have showed a harmful correlation linking diversity and group effectiveness. Milliken & Martins (1996) study on one hand found that workforce diversity (especially ethnicity, age and gender) as having a positive effect on teams as it increases the opportunity for creativity among members. Though, on the other hand the study, it negatively affected team members as it increases the likelihood that team members would be dissatisfied and fail to identify with the group. Their decision was that for the time being, there are a few negative outcomes related with workforce diversity for example absence of responsibility from bunch individuals, disappointment, absence of recognizable proof with the gathering; saw segregation, business related rubbing; job strife; job equivocalness; issues with social gathering mix, and so on though in the long haul, they anticipated negative ramifications for employee performance.

As indicated by Dansby, Stewart, and Webb (2001) and Kirton and Greene (2016) the discoveries of scientists on workforce assorted variety have produce conflicting result. There are parts and blended and contradictory evident surrounding diversity effects (Leonard and Levine, 2003). The explanation is that various elements of decent variety are frequently observed to have distinctive impact on group results in various business and hierarchical settings. A large portion of these examinations that found an adverse impacts utilized social character hypothesis as an exploratory structure, contending that individuals are attracted to comparable other and even work better when they are in bunches whose individuals are like them This is regularly called similitude fascination worldview (Kirton and Greene, 2016). Joshi and Roh (2009) announced a negative relationship between age assorted workforce and the gathering work fulfillment, development. Organizations that energize and utilize a differing workforce, draws in and keep high ability representatives. Subsequently expand its client unwaveringness, remembering that clients feel associated with association when they see and connect with individuals who are such as themselves. They feel better working with that organization that comprehends their requirements (Durga, 2017).

Assorted variety achieves increment in advancement and imagination, improved issue clearness which thusly brings about improved consultation of choices and better answer for issue. Gilbert and Ivancevich (2000) contend that it is fundamental for the board to make an arrangement of equivalent open door for all representatives and guarantee decent variety the executives' strategies that would ensure the upkeep of workers fitness to watch the associations competitive position. Weiliang, Mun, Fong, and Yuan (2011) said when assorted variety expands it represents a test to the executives. For instance as the workforce gets more seasoned, chiefs will be battling with expanded clinical expenses and commitment of annuity. Workforce should comprehend that their

advantages move alongside the vision of the association; thusly, the degree of their responsibility will fundamentally increment. Durga (2017) contend dependent on his discoveries; that no association exist between workforce assorted variety and associations' viability, just an insignificant effect was found. Conversely, a few examinations have discovered a positive relationship among's decent variety and execution (Wegge, Roth, Kanfer, Neubach, and Schmidt, 2008). One of such examinations is the discoveries of Weiliang, Mun, Fong, and Yuan (2011) announcing a connection among sex and worker execution. This implies all workers regardless of the sexual orientation must meet the yearly objective that is set by the association. Then again, the analysts found no impact old enough assorted variety on laborers execution. One explanation behind this is the way that age decent variety impact isn't as articulated as the numeric peculiarity among male and female troughs.

Darwin and Palanisamy (2015) study on workforce diversity and employee performance demonstrated that age, sex and ethnic decent variety have no critical effect the presentation of workers. The discoveries uncovered that employees had an unbiased discernment about workforce assorted variety. The representatives neither have a favorable opinion of workforce assorted variety as an advantage to them nor scrutinize it as something to be stayed away from. In any case, not many investigations have been directed analyzing the potential mediators of this relationship for example Van Dick, et al. (2008). Though the constructive outcome old enough decent variety fall in accordance with desires drawn from models of data preparing in gatherings. Data and dynamic hypothesis expect that workforce assorted variety realizes an expansion in the measure of data and point of view accessible during bunch conversation, which thusly, may encourage cooperative choices making and improve execution. The social arrangement hypothesis reports a negative impact old enough assorted variety (Tajfel and Turner, 1986). Decent variety is esteemed to encourage the utilization of information and the accessibility of various (unshared) data by increasing intellectual clashes in groups, in this way improving and progressively creative conceivable (Antonioni, Cooper, Chrousos, Spielberger, and Eysenck, 2009).

Harrison and Klein (2007) said age decent variety is the degree to which the times of all workers vary. All things considered it very well may be said that there is least age assorted variety when all individuals are of a similar age gathering. The self order hypothesis of Tajfel and Turner (1986) together with the data preparing model, anticipate age decent variety to significantly affect a few group procedures and results (Schlick, Frieling, and Wegge, 2013). The self-arrangement hypothesis accept that age decent variety practices its impact through remarkable old enough contrasts in groups (for example the foundation old enough groupings as the root of self-definition). Data handling model suggest that age assorted variety influences group result because of the natural dissimilarities among more established and more youthful people concerning information, aptitudes, and encounters.

Age generalizations are highlights given to individuals who have a place with a particular age gathering. They are intended to control people during the procedure of social associations. More often than not, generalizations depend on inadequate information about changes in abilities and

skills. In reality, different age generalizations are contrarily hued. For example, it is expected by individuals that more seasoned people are adaptable, hesitant to change and fail to meet expectations (Kite, Stockdale, Whitley, and Johnson, 2005). Regardless of the pervasiveness of the pessimistic age generalization against more established individuals, more youthful representatives are not forgotten about as they are accepted to need tolerance, social capability and encounters (Schlick, Frieling, and Wegge, 2013).

Kim, Bhawe, and Glomb (2013) while watching the reaction centered feeling guideline as a result old enough decent variety, found a positive relationship while inspecting 274 work gatherings. The discoveries uncovered that when individuals work in a unit that is age enhanced, it include the requirement for enthusiastic work and passionate limitation which are brought about by the negative sentiments towards individuals from various age gatherings. The social personality hypothesis and related procedures of sub-bunch development and common separation (Tajfel and Turner, 1986), clashes (assignment and relationship struggle) have been anticipated as the presumable aftereffects of segment contrasts (Matthijs, Kooij, and Rousseau, 2015). As to strife, Jehn (1999) watched a MBA workgroup to analyze the impact old enough difference in relationship struggle, found no connection between's them. In any case, a positive connection was found between social class decent variety (made up old enough and sexual orientation) and relationship struggle. Also, a few specialists found that age difference in work unit regularly reports significant level of enthusiastic clash among individuals. Likewise, age decent variety inside gatherings is adversely related with the soundness of individual workers. Then again, this impact is widely higher for more youthful and more established workers while the wellbeing of the moderately aged representatives isn't adversely influenced by age assorted variety.

As per Antoniou, Cooper, Chrousos, Spielberger, and Eysenck (2009) the unsafe impact old enough disparity appear to be more grounded than the constructive outcomes dependent on ends from past investigations by a few analysts. It was found that bunches with expanded age dissimilarities are frequently described by a terrible atmosphere (for example lower work fulfillment, less attachment), have less correspondence, a higher turnover rate (more established individuals particularly leave the gathering prior), and more issues in dynamic and lower execution. Kurtulmus (2016), in his investigation found that decent variety the executives affects the authoritative citizenship practices of the workforce. The discoveries uncovered that when assorted variety is overseen appropriately in the work environment, the dedication of representatives is relied upon to perform more. In that capacity, decent variety the executives can assist the board with predicting the authoritative citizenship practices of the representatives. Ng and Feldman (2008) in their investigation gave an all-inclusive meta-examination on the relationship among's age and employment execution which included ten parts of occupation execution; significant errand execution, inventiveness, hierarchical citizenship practices, security execution, execution in preparing programs, lateness, generally speaking counter-profitable work practices, office hostility, hands on substance use, and truancy.

The discoveries exhibited that however age was essentially not connected to center assignment execution, execution in training projects and imagination, it anyway indicated a more grounded relationship with the remainder of the seven measurements. Besides, discoveries likewise focused on that the connection among age and center assignment execution, just as counter-gainful work practices are bended in nature and some example uniqueness and information assortment qualities moderate the relationship old enough performance.

2.6.1 Gender Diversity and Employee Performance

Arokiasany (2013) observed that many organizations prefer to hire more of the male workers than the female workers because they are of the opinion that male workers have the ability to perform their jobs and can manage their jobs well. The general creativity and innovativeness of an organization may be enhanced by the combination of both male and female in the organization. From research, it has been discovered that gender diverse groups have the ability to make quality decisions much more than an homogeneous team. Based on resource based view of an organization, gender diversity is seen to have a positive correlation with performance whereas, the social categorization and social identity theories shows a negative correlation. It is assumed that the negative side of gender dissimilarity. The negative side gender diversity delays decision making process because of internal conflict among members. Researchers argue that female and minorities are often seen as bringing different skills, values, ways of thinking and life experiences to the organization, which organizations could harness to achieve performance gains, particularly to enhance innovation and creativity Kirton & Greene (2016).

2.6.2 Age Diversity and Employee Performance

Robbins & Judge (2013), said the relationship between age and employees' job performance is likely to be an issue of increasing importance during the next decade. According to them, the reasons for this are; first, the common believe that job performance diminishes with increasing age. Secondly, the present workplace is characterized by aging population. As such, quite a number of employers recognize that older workers signify a massive potential pool of high quality applicants. Thirdly, is the regulations set by some countries that outlaw mandatory retirement e.g. the USA. It is a common to assume that as people get older, their skills in terms of agility, strength, speed and coordination begins to decline and job could become boring and lack of intellectual stimulation all contributes to reduced productivity. On the contrary, researches conducted find that the age of employees and their job performance are not correlated and older workforce are more likely to take part in citizenship behavior (Robbins & Judge, 2013). This commitment is seen more in older employees than younger environment seeing that they have lower rates of avoidable absence and thus equal rates of unavoidable absence, e.g. sickness absences. Older employees often gets fulfilled in their work, report better relationships with their fellow employees and are committed to their organization's goals. Josef (2010) said several studies have examined the correlation between age and performance, but no clear correlation could be found between age and performance. It is true that the performance is a function that requires speed and precision with

regards to sight, hearing and movement, the performance of older employees can decline. However, positive correlation can be found in situations where older employees with greater experience achieve higher performance than their younger employees. Older employees have over the year's accumulated wealth of knowledge and experience that they come along with in the organizations. As such, organizations that embraces multigenerational workforce can provide mentorship on organization's history, culture, etc. based on the reservoir of knowledge and accumulated abilities. Most organizations that know the benefits of multigenerational workforce are utilizing the older workers to act as mentors to impart their knowledge and to the younger employees. The benefits of an age diverse group can only be achieved once organizations overcome those extra communication costs and problems associated with emotional conflicts amongst them. Employees' productivity can be affected negatively by the age heterogeneity of the workforce as a result of the difference in the values and preferences of dissimilar age groups.

2.6.3 Ethnic Diversity and Employee Performance

It is important to look closely to how individuals and different groups within the working environment interact with each other at work as organizations are becoming more diverse in its ethnicity (Weiliang, Mun, Fong, & Yuan, 2011). Weiliang, et al., (2011) citing Pitts and Jarry (2005) said as workforce becomes more heterogeneous in terms of ethnic composition, managers are having a growing interest to know how having a diverse workforce influences the cohesion in the workplace and the overall organizational performance.

Base on empirical studies, having a workforce that is ethnically diverse can be beneficial or detrimental to an organization. Hence, it is essential for managers to have knowledge on diversity and ways in which they can manage ethnic diversity of their workforce in ways that will help the organization take full advantage of the beneficial aspect of ethnic diversity while reducing the negative effects that could sprout out in form of conflict or communication issues (Milliken & Martins, 1996; Benschop, 2001), discrimination, poor workplace harmony, as well as difficulty in getting coming to (Van Knippenberg, De Dreu, & Homan, 2004). According to the social identity, social categorization and similarity attraction theories, when a workforce is ethnically diverse, it could result in psychological processes like in-group liking, in-group attraction and worst of all in-group favoritisms. The consequence of this may affect the behaviors of employees in a way that group members may only choose to favor those belonging to their ethnic background. This could also bring about a lot of negative outcomes like; less communication, less cooperation, less cohesiveness and even conflicts. Furthermore, it could lead to high turnover intension and less job satisfaction (Oerlemans, Peeters, & Schaufeli, 2001).

2.6.4 Educational Background Diversity and Employee Performance

Cohen & Bailey (2001) said differences in the educational background of employees can bring about a significant effect on group performance just like their different capabilities since it promotes a wide assortment of talents. Holland (1997) mentioned that a person's preference of a

certain field of knowledge can in some way reveal the personality and the strong point of such individual. This entails that the background education of a person point out the competences of the individual. As such, managers welcome individuals with different educational background as a way of encouraging the workforce to effectively work with each other in order to achieve organization's goals (Gwendolyn, 2002). For example, a computer scientist is often expected to possess knowledge that is different from that of a marketer (Hambrick & Mason, 2002). When an organization has a workforce that has different educational background, it is likely to enlarge the assortment of its knowledge base revealing the different educational background of its employees (Cohen & Levinthal, 2000). Educational diversity is showed to have a positive relationship with employee group performance (Jehn & Bebrukova, 2004). A study showed that different educational background and global experience have a strong correlation with the way an organization is strategically positioned other organizations (Carpenter & Fredrickson, 2001). Though having different educational background positively impact on the employees and the organization, it can also affect the performance of groups and group cohesion in a negative (Cohen & Bailey, 2001). Study also showed a negative correlation of educational diversity and the ability of top management to come to an agreement in decision making (Knight, et al., 2009). Empirical studies of educational diversity seem to report an increase in the level of distress and disagreement that often results in reduced cohesion. Hence the dissimilarities in the educational level of members were connected with the turnover intentions of individuals (Weiliang, Mun, Fong, & Yuan, 2011). Jehn, Chatwick & Thatcher (2007) said when there is a big gap between the educational backgrounds of group members, it can result in improved task related deliberation.

2.6.5 Cultural Diversity and Employee Performance

Cultural diversity can be defined as the variety of differences between individuals in a business organization. This includes race, personality, cognitive style, tenure, organizational function, background, gender, ethnic group, age, education and so on. Cultural diversity is defined as the heterogeneity of national cultures of team members. An individual's national culture is considered to be that of his or her country of residence according to Berry and Sam (2013). Diversity refers to people from various groups such as gender, religious groups, younger and older groups of people, ethnicity and nationality (Guirdham 2005).

Further studies observed diversity as categories of differences and similarities between one individual to another. It can include several human qualities, that is; age, origin, religion, ethnicity and gender. These qualities show the differences among various individuals. Nkomo and Taylor define diversity as "a mixture of people with different group identities within the same social system" (Nkomo & Taylor, 1999 p. 89). Diversity can be defined as acknowledging, understanding, accepting, and valuing differences among people with respect to age, class, race, ethnicity, gender, disabilities, etc. (Esty et al. 1995).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design and Approach

Research design is, generally, the procedures for collecting, analyzing, interpreting and reporting data in research studies (Creswell and Clark, 2011). The research applied mixed approach which includes both qualitative and quantitative data. Therefore, the research uses concurrent triangulation design which is familiar to mixed method approach. The "triangulation" method is a mixed method design proposed to be used for the study as it increases the validity of evaluation and research findings (Mathison, 1998). It helps to overcome intrinsic biases (measurement bias, sampling bias and procedural bias) and other problems associated with a single research method (Yeasmin and Rahman, 2012).

Data relevant to meet the objectives of the research collected from the research sites in Addis Ababa. The quantitative aspect of the data mainly focus on description of key demographic profiles, measurement of selected workforce diversity variables and analysis of relationship among the dependent and independent variables. Thus, the study used proportionate stratified and systematic sampling techniques for the selection of target groups and sample sizes respectively.

The qualitative data is “an inquiry process of understanding” where the researchers develop a “complex, holistic picture, analyzes words, reports detailed views of informants, and conducts the study in a natural setting” (Creswell, 1994). Additionally, to attain the objective of the study purposive sampling will be adopted. Under the domain of purposive sampling, a combination of snowball and intensity sampling will be followed. Snowball sampling will be used in order to track participants until the information deem suffice.

3.2 Sample and sampling Technique

3.2.1 Sample Size

A sample size is the group of people who you select to be in your study (Cooper and Schilndler 2006). The researchers will consider available fund and time used by similar past studies and own judgment to determine the sample size. The following formula is selected for sample size determination. The sample size is determined by Yamane’s sampling formula (1967).

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{563}{1 + 563(0.05)^2}$$

$$n = \frac{563}{2.40}$$

$$n = 235$$

The level of confidence is 95% with the precision or standard error of 0.05 percent.

Table 3.1 Sample size proportion of the target groups

Kebeles	N(Population) By Staff member	%(Percentages)	P*n
Male	355	63	148
Female	208	37	87
Total	563	100	235

Where: N= Population, n- sample size, P-proportion,

3.3 Data Types and Source

Data's which are relevant for the successful accomplishment of this study collected from primary and secondary sources from Addis Ababa Save the Children Organization staff members and different published and unpublished reading materials, reference books respectively.

3.3.1 Data Collection Method and Instruments

This section discusses the methods that used to collect data in this study. The study used cross sectional survey. In cross sectional survey, information on all variables collected at specific point in time. In order to understand assessment of workforce diversity, the researcher planned to collect data by using survey key informant interview, field observation and document review. But, due to Corona Virus the collection of relevant data for the study was the target group questionnaires distributed. The types of questions used in the questionnaires was closed ended questions.

Survey

The survey is the major tool that used to collect facts and information in the study. The survey tool principally examines the effect of workforce diversity on employee performance. To generate information from the target group, cross sectional survey was undertaken using structured questioners. Three enumerators used to be recruited based on their proficiency in communicating using the target group's language, educational background, and prior exposure to similar work. Training was given to enumerators on the content of the questionnaire schedule and procedures to be followed in the process of data collection.

3.4 Data Processing and analysis method

The sources of the data are quantitative and qualitative in nature. Therefore, data collected from the questionnaire analyzed using descriptive statistics and correlation model. Based on the survey data, descriptive statistics such as percentage, mean, standard deviation and inferential statistics such as correlation and regression analysis were employed. In order to analyze and manage the collected data statistical package for social science (SPSS) 26th version software tool was used.

3.4.1 Validity and Reliability of Instruments

The test item in the instrument used to be validated through a cross-examination by peer review in relation to the research questions in the study. This is to ensure that the instrument will be able to measure the variables expected in the study in terms of face, content, predictive, construct, and concurrent validities as expected. Thereafter, the reliability of the instrument is done in order to establish its consistency and adaptable to any given similar situation when applied.

3.4.2 Ethical Consideration

The study is carried out based on formal procedures. As the first step a letter of request to research will be submitted to save the children head quarter. At this time, the researcher will plan to collect data by orienting and giving training to the enumerators in accordance with cultural, norms and traditional aspects of the study areas. Secondly, the researcher will make participant observation so, the responsibility of the researcher will be to facilitate, manage and control the activities of the enumerators. Beside this, the researcher will be responsible to tolerate, show empathy, patience and sense of humor to the participants in order achieve the desired outcome.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

The aim of this study was to assess and analyze the effect of work force diversity on employee's performance of Save the Children international organization head quarter of Ethiopia. The study adopted and deployed as per the literature and the objectives of the study structured questionnaire to collect data developed from Chewweiliang .E 2011 and Christiana .A 2017. It uses Statistical package for social science for data analysis (SPSS v. 26) and it deployed descriptive statistic in analyzing the collected data. The demographic profile of the respondent was analyzed and presented in this part using descriptive statistic such as frequency, percentage, mean and standard deviation.

To address the research objective set, data were collected from save the children Ethiopia Addis Ababa office. The researcher distributed 150 questionnaires out of which 146 questionnaires were gathered of which its response rate represented 97%. Additionally, so as to make the data analysis suitable for SPSS, the information gathered utilizing the questionnaire was coded for each question. Since, all the gathered information needed to fit for examination and demonstrated for that, all gathered questionnaires were screened to be finished. Henceforth, the poll was checked for error and all returned incomplete questionnaire were considered as error; therefore, 2 inadequate questionnaires were disposed of from the review information. In this way, just 144 completely responded questionnaires were utilized for the analysis of the study.

4.1 Descriptive Analysis

The research discusses demographic profile of the respondent's and central tendencies measurement of constructs.

4.1.1 Respondent demographic profiles

In the questionnaire survey, each respondent was asked four questions regarding their demographic profile, including gender, age, marital status, education level, working experience (in years), and position level in the organization. This part provides an analysis of the demographic characteristics of the respondents based on frequency analysis.

4.1.1.1 Gender

Table 4.1: Gender of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	44	30.6	30.6	30.6
	Male	100	69.4	69.4	100.0
	Total	144	100.0	100.0	

Source: Data generated by SPSS version 26

Table 4.1 shows that the numbers of males are significantly greater than that of males which stood at 30.6% for females while 69.4 % for males. This signifies that the number of males outnumbers that of females. In other words, from the 144 respondents, 100 of them are male while the remaining 44 are female.

4.1.1.2 Age

Table 4.2: Age of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	60	41.7	41.7	41.7
	31-40	76	52.8	52.8	94.4
	41-50	8	5.6	5.6	100.0
	Total	144	100.0	100.0	

Source: Data generated by SPSS version 26

Table 4.2 shows age group of the respondents. The majority of the respondents falls under the age group category of 31-10 years old (accounted for 52.8 or 76 respondents), followed by the age group of 18 - 30 years old (41.7% or 60 respondents), 41 - 50 years old (5.6% or 8 respondents), and there are no 50 years old and above age category.

4.1.1.3 Martial Status

Table 4.3: Marital Status of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	44	30.6	30.6	30.6
	Married	100	69.4	69.4	100.0
	Total	144	100.0	100.0	

Source: Data generated by SPSS version 26

Table 4.3 shows marital status of the respondents. The majority of the respondents' falls under the married category (accounted for 69.4% or 100 respondents) and the remaining which is 30.6% are singles.

4.1.1.4 Educational Background

Table 4.4: Educational Background of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	12	8.3	8.3	8.3
	Degree	68	47.2	47.2	55.6
	M.SC/MBA	64	44.4	44.4	100.0
	Total	144	100.0	100.0	

Source: Data generated by SPSS version 26

Table 4.4 shows the education level of the respondents. The majority of the respondents degree holders (47.2% or 68 respondents), followed by masters (44.4% or 64 respondents), diploma (8.3%

or 12 respondents). Most respondents are degree holders, because there are a lot of degree holders in the labor market.

4.1.1.5 Work Experience

Table 4.5: Work Experience of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-4 Years	16	11.1	11.1	11.1
	5-8 Years	48	33.3	33.3	44.4
	9-12 Years	48	33.3	33.3	77.8
	13 Years and Above	32	22.2	22.2	100.0
	Total	144	100.0	100.0	

Source: Data generated by SPSS version 26

Table 4.5 shows that the highest proportion of respondents with 5 – 8 and 9-12 years of working experience (33.3% or 48 respondents for each category), followed by 13 years above (22.2% or 32 respondents) and 0-4 years (11.1% or 16 respondents).

4.1.1.6 Position Level in the Organization

Table 4.6: Position Level of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Entry Level	4	2.8	2.8	2.8
	Junior	36	25.0	25.0	27.8
	Senior	68	47.2	47.2	75.0
	Manager	36	25.0	25.0	100.0
	Total	144	100.0	100.0	

Source: Data generated by SPSS version 26

Question 6 in the questionnaire asks about the respondent's position level in the organization. The results are in Table 4.6. Majority of the respondents are senior level (47.2% or 68 respondents), followed by junior & manager level (25% or 36 respondents for each), and entry level (2.8% or 4 respondents).

4.1.2 Central Tendencies Measurement of Constructs

Measurement of central tendencies is used to discover the mean scores for the five interval-scaled constructs. A total of 38 items (questions) with particular mean score were obtained from the SPSS output. All of the items/questions are being asked using 5-point Likert scale with 1 indicating —strongly disagree, 2 indicating —disagree, 3 indicating —neutral, 4 indicating —agree, and 5 indicating —strongly agree.

Mean was used to analyze the data. Under this circumstance, the maximum mean which is above 3(three) to 5(five) indicates the maximum number of respondents those who are agreed and strongly agreed to each question drawn by the researcher and mean whereas, less than 3 (three) indicates the number of respondents those who are disagreed and strongly disagreed to the question drawn by the researcher and 3(three) is considered as neutral or indifferent to the question. Based on this, the analysis traced here below is outlined according to nomination of mean listed on the table for each question.

4.1.2.1 Descriptive Analysis of perception on Gender Diversity

Table 4.7: Perception of Gender Diversity

Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard Deviation
There is equal opportunity for career growth and advancement for women in my organization.	0%	0%	8.30%	50%	41.7%	4.33	0.625
As women tend to be a good listener and men tend to be aggressive, a balanced work force of both sexes offers the best solution of both worlds.	0%	38.9%	0%	25%	36.1%	3.58	1.324

Employees have not been discriminated by employer during promotional opportunities based on gender.	0%	5.5%	0%	63.9%	30.6%	4.19	0.702
Dissimilarity in gender leads to poor effectiveness.	66.7%	2.7%	0%	0%	30.6%	2.25	1.837
Gender diverse teams achieved targets due to the good relationship and effective communication.	0%	2.7%	0%	5.6%	91.7%	4.33	0.625

The percentage, mean, and standard deviations of responses for each of the items for gender on employee performance are shown in Table 4.7.

Majority of the respondents (50%) agreed that there is equal opportunity for career growth and advancement for women in the organization and also 41.7% of them are strongly agreed with that statement. 38.9% of the respondents disagreed that they feel a balanced work force of both sexes offers the best solution of both worlds, while 36.1% of them feels that a balanced work force of both sexes offers the best solution of both worlds. Meanwhile, 63.9% of the respondents agreed that they have not been discriminated by employer during promotional opportunities based on gender, while 30.6% of them strongly agreed with that statement. 66.7% of the respondents strongly disagreed and 30.6% of them strongly agreed on that dissimilarity in gender leads to poor effectiveness. Finally, 91.7% of the respondents strongly agreed that they are think Gender diverse teams achieved targets due to the good relationship and effective communication.

Both “There is equal opportunity for career growth and advancement for women in my organization” and “Gender diverse teams achieved targets due to the good relationship and effective communication” has the item with highest mean (mean=4.33), followed by “Employees have not been discriminated by employer during promotional opportunities based on gender” with mean 4.19. The items with third highest mean is “As women tend to be a good listener and men tend to be aggressive, a balanced work force of both sexes offers the best solution of both worlds”. “Dissimilarity in gender leads to poor effectiveness” has the lowest mean among the others (mean =2.25). The item “Dissimilarity in gender leads to poor effectiveness” has the highest standard deviation, with 1.837. The item with second highest standard deviation is “As women tend to be a good listener and men tend to be aggressive, a balanced work force of both sexes offers the best solution of both worlds”. The item with the lowest standard deviation are “There is equal opportunity for career growth and advancement for women in my organization” and “Gender diverse teams achieved targets due to the good relationship and effective communication” which is 0.625.

4.1.2.2 Descriptive Analysis of perception on Age Diversity

Table 4.8: Perception of Age Diversity

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard Deviation
My team leader includes all members of different ages in problem solving.	0%	0%	0%	47.2%	52.8%	4.52	0.500
No emotional conflicts and anxiety within the team due status difference between young and old employees.	0%	2.8%	2.8%	80.6%	13.8%	4.05	0.525
The expertise of young employees with high tech tools helps older employees to improve their knowledge on the latest technologies.	5.6%	25%	2.8%	2.8%	63.8%	3.94	1.476
The risk taken by younger employee contributed to the success of the team.	0%	0%	0%	36.1%	63.9%	4.63	0.482
I have no problem working with people of different age.	0%	0%	0%	8.3%	91.7%	4.91	0.277
I feel motivated to work with employees of the same age group.	44.4%	27.8%	0%	2.80%	25%	2.36	1.641

The percentage, mean, and standard deviations of responses for each of the items for age on employee performance are shown in Table 4.8.

There were as much as 52.8% of the respondents strongly agreed that their team leader includes all members of different ages in problem solving in the organization, while 47.2% of them also agreed with that statement. 80.6% of the respondents agreed that no emotional conflicts and anxiety within the team due status difference between young and old employees and 13.8% of the respondents also strongly support this statement. 63.8% of the respondents strongly agreed on that “The expertise of young employees with high tech tools helps older employees to improve their knowledge on the latest technologies” while 25% disagree on that. 63.9% of the respondent strongly agreed on “The risk taken by younger employee contributed to the success of the team” and also 36.1% agreed on this statement. 91.7% strongly agreed and 8.3% agreed on that they have no problem working with people of different age. 44.4% strongly disagreed and 27.8% disagreed on that they feel motivated to work with employees of the same age group in the organization. “I have no problem working with people of different age” is the item with highest mean (mean = 4.91), followed by “The risk taken by younger employee contributed to the success of the team”

(mean = 4.63). The item with the lowest mean is “I feel motivated to work with employees of the same age group” (mean=2.36).

The items “I feel motivated to work with employees of the same age group” have the highest standard deviation, which is 1.641. The item “The expertise of young employees with high tech tools helps older employees to improve their knowledge on the latest technologies” has the second highest standard deviation, which is 1.476. The item with lowest standard deviation is “I have no problem working with people of different age”, with the standard deviation value of 0.277.

4.1.2.3 Descriptive Analysis of perception on Ethnic Diversity

Table 4.9: Perception of Ethnic Diversity

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard Deviation
Working with colleagues from different ethnic background influences my decision making ability.	91.7%	0%	0%	0%	8.3%	1.33	1.109
Different languages used to communicate in the workplace do not create conflict among employees.	0%	2.8%	0%	44.4%	52.8%	4.47	0.647
I co-operate well with my colleagues of different ethnicity.	0%	0%	2.8%	0%	97.2%	4.94	0.329
The language differences among employees affect group formation and cohesion.	92%	0%	2.8%	0%	5.5%	1.27	0.964

The percentage, mean, and standard deviations of responses for each of the items for ethnicity on employee performance are shown in Table 4.9.

Most of the respondents (91.7%) strongly disagreed and 8.3% of them strongly agreed that working with colleague from different ethnic background influence their decision making ability. 52.8% of the respondents strongly agreed and 44.4% of them agreed that different languages used to communicate in the workplace do not create conflict among employees. 97.2% of the respondents strongly agreed that they cooperate well with their colleagues of different ethnicity and 2.8% of them neither agreed nor disagreed with this statement. Finally, 92% strongly disagreed and 5.5% strongly agreed on that the language differences among employees affect group formation and cohesion.

“I co-operate well with my colleagues of different ethnicity” is the item with highest mean (mean = 4.94), followed by “Different languages used to communicate in the workplace do not create conflict among employees” (means = 4.47). The item with the lowest mean is “the language differences among employees affect group formation and cohesion” (mean = 1.27).

The item that has the highest standard deviation (1.109) is “Working with colleagues from different ethnic background influences my decision making ability”. The items “The language differences among employees affect group formation and cohesion” have the second highest standard deviation; which is 0.964. The item “I co operate well with colleagues of different ethnicity” has the lowest standard deviation (0.613).

4.1.2.4 Descriptive Analysis of perception on Culture Diversity

Table 4.10: Perception of Cultural Diversity

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard Deviation
My company’s values are in line with my cultural values.	47.2%	25%	2.8%	0%	25%	2.3%	1.635
Differences in Language generate conflict among employees.	44.4%	8.3%	2.8%	38.9%	5.6%	2.52	1.504
My ethnic language affects my work performance positively.	44.4%	2.8%	0%	25%	27.8%	2.88	1.782
Strong adherence to my cultural values improves business outcomes.	41.7%	2.8%	0%	19.4%	36.1%	3.05	1.831
The existence of social groups within the organization to help each other at the time of happiness and emergencies.	0%	0%	2.8%	2.8%	94.4%	4.91	0.364
There is the opportunity of staff positive life style sharing among staff members.	2.8%	0%	0%	22.2%	75%	4.66	0.747
Cultural Values affect an employee performance.	66.7%	0%	0%	30.5%	2.8%	2.02	1.467

The percentage, mean, and standard deviations of responses for each of the items for Culture on employee performance are shown in Table 4.10.

47.2% of the respondents strongly disagreed and 25% responded disagreed and agreed on that their company`s values are in line with their cultural values. 44.4% strongly disagreed and 38.9% agreed on those differences in Language generate conflict among employees. 44.4 % of the respondents strongly disagreed and 27.8% strongly agreed that their ethnic language affects their work performance positively. 41.7 % of the respondents and 36.1% strongly disagreed and strongly agreed on that Strong adherence to their cultural values improves business outcomes. 94.4% of the respondents strongly agreed and 2.8% also agreed on that the existence of social groups within the organization to help each other at the time of happiness and emergencies. 75% strongly agreed and 22.2% also agreed on there is opportunity of staff positive life style sharing among staff members. 66.7% strongly disagreed and 30.5% agreed that cultural values affect an employee performance.

“The existence of social groups within the organization to help each other at the time of happiness and emergencies” is the item with the highest mean (mean=4.91), followed by “There is the opportunity of staff positive lifestyle sharing among staff members” (means = 4.66). The item with the lowest means is “Cultural Values affect an employee performance” with mean 2.02.

The item that has the highest standard deviation (1.831) is “Strong adherence to my cultural values improves business outcomes. The item with second highest standard deviation (1.782) is “My ethnic language affects my work performance positively”. The item “The existence of social groups within the organization to help each other at the time of happiness and emergencies” has the lowest standard deviation (0.364).

4.1.2.5 Descriptive Analysis of perception on Educational Background Diversity

Table 4.11: Perception of Educational diversity

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard Deviation
My educational level and background affects my ability to perform my core task responsibility.	63.9%	0%	0%	27.8%	8.3%	2.16	1.577
The difference in educational background does not encourage conflict among employees.	2.8%	30.6%	0%	41.6%	25%	3.55	1.239
I experience lack of confidence due to my educational background.	66.7%	0%	0%	0%	33.3%	2.33	1.892

Working with colleagues with different educational background affects our problem solving and decision making ability.	88.9%	8.30%	0%	0%	2.8%	1.19	0.702
I do my job perfectly when I am in a team of workmates with different educational level.	2.8%	0%	0%	11.1%	86.1%	4.77	0.713
Different educational background brings diverse experience and it enhances performance.	0%	0%	2.8%	2.8%	94.4%	4.91	0.364
Having employees of the same educational levels and background leads to high effectiveness.	72.2%	0%	2.8%	13.9%	11.1%	1.91	1.521

The percentage, mean, and standard deviations of responses for each of the items for education background on employee performance are shown in Table 4.11.

Majority of the respondent 63.9% strongly disagreed with the construct “My educational level and background affects my ability to perform my core task responsibility” and 27.8% agreed with this statement. 41.6% rate of response recorded that agreed 30% disagreed on that “The differences in educational background do not encourage conflict among employees”. This reveals that working with same educational background is not a means of conflict in the organization.

Most of the respondents 66.7% strongly agreed on that they are not experience lack of confidence due to their educational background and 33.3% strongly agreed on that. 88.9% of the respondents strongly disagreed and 8.3% also agreed on that working with colleagues with different educational background affects their problem solving and decision making ability.

The “I do my job perfectly when I am in a team of workmates with different educational level” got 86.1% strongly agreed and 11.1% agreed on this item and this means the organization has a good team building experience. Majority of the respondent 94.4% also strongly agreed and 2.8% agreed on that “Different educational background brings diverse experience and it enhances performance”. 72.2% strongly disagreed and strongly agreed on construct “Having employees of the same educational levels and background leads to high effectiveness”.

“Different educational background brings diverse experience and it enhances performance” is the item with the highest mean (mean=4.91), followed by “I do my job perfectly when I am in a team of workmates with different educational level” (means = 4.77). The lowest means is “T Working

with colleagues with different educational background affects our problem solving and decision making ability” with mean 1.19.

The item that has the highest standard deviation (1.892) is “I experience lack of confidence due to my educational background”. The item with second highest standard deviation (1.577) is “My educational level and background affects my ability to perform my core task responsibility”. The item “Different educational background brings diverse experience and it enhances performance” has the lowest standard deviation (0.364).

The overall mean which is 2.974 indicates that employees of save the children Ethiopia have a negative perception on educational background diversity.

Table 4.12: Aggregate Mean and Standard Deviation of Variables

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Gender	144	2.80	4.20	3.8444	.33151
Age	144	3.33	4.83	4.0741	.52660
Ethnic	144	2.75	4.00	3.0069	.32649
Culture	144	2.57	4.00	3.1984	.53881
Education	144	2.43	3.71	2.9802	.35463
Valid N (listwise)	144				

Source: Own Survey, 2020

From the above table age group is with the highest mean which is 4.0741 and the organization includes all members of different ages in problem solving and the expertise of young employees with high tech tools helps older employees to improve their knowledge on the latest technologies in save the children Ethiopia. Employees of save the children Ethiopia have a positive perception on age diversity and they have no problem working with people of different age.

The statistics shows that gender, ethnicity and culture diversity have a positive perception by employees in the organization and education diversity has a negative perception by employees of the organization.

Even though there is a positive perception about gender diversity in the organization. The demographic representation of male and female shows uneven distribution of gender females took only 30.6% of the organization; it signified that dominated by males.

Benefits and challenges of workforce diversity well understood and the company has equal employment opportunity and affirmative action but lacks an inclusion policy to support its implementation and to improve ability of managers to manage diversity of the organization. Absence of clear inclusion policy was the major gap observed in this study.

4.1.2.6 Descriptive Analysis of perception on Employee Performance

Table 4.13: Perception on employee performance

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard Deviation
I enjoy my tasks and the division's work approach.	0%	0%	0%	58.3%	41.7%	4.41	0.494
I am motivated to complete the task that is assigned to me.	0%	2.8%	0%	58.3%	38.9%	4.33	0.625
Co-operate well with my colleagues of different ethnicity.	0%	0%	0%	5.6%	94.4%	7.72	11.508
Opposite gender can perform well and I enjoy working with them.	5.6%	2.8%	0%	30.5%	61.1%	4.38	1.038
My performance level affects my salary level.	38.9%	25%	2.8%	8.3%	25%	2.55	1.646
I am satisfied with my current salary level.	2.8%	22.2%	5.6%	50%	19.4%	3.61	1.116
I am given the chance to try my own method of doing the job.	0%	5.60%	5.6%	30.6%	58.2%	4.41	0.832
By learning more skills through courses/training, I can improve my task performance.	0%	2.8%	0%	5.6%	91.6%	4.86	0.536
Good employee performance is important for the future growth of my organization.	11.1%	0%	2.8%	16.7%	69.4%	4.33	1.273

Aggregate Mean of Employee Performance							4.51	
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The percentage, mean, and standard deviations of responses for each of the items for employee performance are shown in Table 4.13.

There were as much as 58.3% of the respondents agreed that they enjoy their tasks and the division’s work approach also 41.7% agreed with that statement. 58.3% of the respondents agreed and 38.9% of them also strongly agreed that they are motivated to complete the task that is assigned for them. Almost all of the respondents 94.4% strongly agreed and 5.6% also agreed on that they co-operate well with their colleagues of different ethnicity. 61.1% and 30.5% strongly agreed and agreed on that opposite gender can perform well and they enjoy working with them in the organization respectively. 38.9% of the respondents strongly disagreed, 25% disagreed and strongly agreed that on their performance level affects their salary level. Half of the respondents 50% agreed and 22.2% disagreed that they are satisfied with their current salary level. More than half of the respondents 58.2% strongly agreed and 30.6% also agreed on the construct “I am given the chance to try my own method of doing the job”. Almost all of the respondents 91.6% strongly agreed and 5.6% also agreed on the item “By learning more skills through courses/training, I can improve my task performance”. Finally, more of the respondents 69.4% strongly agreed and 16.7% also agreed on that good employee performance is important for the growth of their organization.

“Co-operate well with my colleagues of different ethnicity” is the item with highest mean (mean=7.72), followed by “By learning more skills through courses/training, I can improve my task performance” and the item with the lowest mean is “My performance level affects my salary level” (mean=2.55).

The item that has the highest standard deviation (11.508) is “Co-operate well with my colleagues of different ethnicity”. The item with second highest standard deviation (1.646) is “My performance level affects my salary level”. The item “I enjoy my tasks and the division’s work approach” has the lowest standard deviation (0.449).

Looking at the overall mean of the above table which is 4.51 can infer that employees of save the children Ethiopia have a positive perception about employee performance in the organization

4.1.3 Pearson’s Correlation Coefficient

Pearson’s correlation coefficient is known as a method of measuring the correlation and it is based on the method of covariance. Pearson’s correlation coefficient will indicate the direction, strength and significant of the bivariate relationship among all the variables that were measured at an interval or ratio level (i.e. gender, age, ethnicity, culture and education background). The number

representing the Pearson correlation is referred to as a correlation coefficient. Correlations of +1 mean that there is a perfect relationship between two variables.

Hair, Money, Samouel and Page (2007) proposed Rules of Thumb on coefficient range and strength of association as shown in table below:

Rules of Thumb about Correlation Coefficient Size

Coefficient range	Strength of Association
±0.91 to ±1.00	Very strong
±0.71 to ±0.90	High
±0.41 to ±0.70	Moderate
±0.21 to ±0.40	Small but definite relationship
±0.01 to ±0.20	Slight, almost negligible

Source: Adapted from Hair, Money, Samouel and Page (2007). Research Methods for Business. West Sussex: John Wiley Sons.

Table 4.14: Pearson Correlation Table

		Correlations					Employee Performance
		Gender	Age	Ethnic	Culture	Education	
Gender	Pearson Correlation	1	.077	-.106	.536**	.531**	.045
	Sig. (2-tailed)		.358	.205	.000	.000	.593
	N	144	144	144	144	144	144
Age	Pearson Correlation	.077	1	-.356**	-.033	-.135	.335**
	Sig. (2-tailed)	.358		.000	.691	.107	.000
	N	144	144	144	144	144	144
Ethnic	Pearson Correlation	-.106	-	1	-.042	.182*	-.330**
	Sig. (2-tailed)	.205	.000		.618	.029	.000
	N	144	144	144	144	144	144

Culture	Pearson Correlation	.536**	-.033	-.042	1	.893**	-.139
	Sig. (2-tailed)	.000	.691	.618		.000	.096
	N	144	144	144	144	144	144
Education	Pearson Correlation	.531**	-.135	.182*	.893**	1	-.252**
	Sig. (2-tailed)	.000	.107	.029	.000		.002
	N	144	144	144	144	144	144
Employee Performance	Pearson Correlation	.045	.335**	-.330**	-.139	-.252**	1
	Sig. (2-tailed)	.593	.000	.000	.096	.002	
	N	144	144	144	144	144	144

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

4.1.3.1 Relationship between gender group and employee performance

Direction of relationship

From the table above, there is positive relationship between gender group and employee performance because of the value for correlation coefficient is positive. The gender group variable has a 0.45 correlation with the employee performance variable. In other words, gender group variable has a 0.45 correlation with the employee performance variable.

Strength of relationship

The value of this correlation coefficient (0.45) is fall under coefficient range from ± 0.41 to ± 0.70 . Therefore, the relationship between gender group and employee performance is moderate but definite relationship.

Significance of relationship

The relationship between gender group and employee performance is not significant. It is because the p-value 0.593 is greater than alpha value 0.01.

The finding in this research showed that gender group and employee performance is positively linked. Based on the information provided in the research the overall feeling is that, for the most part, gender was not an area of concern. All divisions of the company must meet annual targets for the representation of majority and minority males and females in each employee grade level (Kochan, Bezrukova and Ely, 2002).

In order to enforce the employee performance described above, performance appraisals employees included measures employees' ability to achieve the targets. According to the Kochan, Bezrukova and Ely(2002), the performance appraisals were used for making promotion and compensation related decisions. Training practices included intensive diversity training. Trainers used behavioral modeling techniques to help develop managerial capabilities for interacting with subordinates and colleagues irrespective of demographic differences. Thus the training efforts focused more on skill-building than on building awareness or modifying attitudes.

4.1.3.2 Relationship between Age group and employee performance

Direction of relationship

From the table above, there is positive relationship between age group and employee performance because of the value for correlation coefficient is positive. The age group variable has a 0.335 correlation with the employee performance variable. In other words, age group variable has a 0.335 correlation with the employee performance variable.

Strength of relationship

The value of this correlation coefficient (0.335) is fall under coefficient range from ± 0.21 to ± 0.40 . Therefore, the relationship between age group and employee performance is small but definite relationship.

Significance of relationship

The relationship between age group and employee performance is significant. It is because the p-value 0.000 is less than alpha value 0.01.

Age is also regularly viewed as one dimension of social category diversity (Jehn, Northcraft, and Neale (1999); Simons, Pelled, and Smith (1999);and Pelled, Eisenhardt, and Xin (1999).

4.1.3.3 Relationship between Ethnic group and employee performance

Direction of relationship

From the table above, there is negative relationship between age group and employee performance because of the value for correlation coefficient is negative. The ethnic group variable has a -0.330 correlation with the employee performance variable. In other words, ethnic group variable has a -0.330 correlation with the employee performance variable.

Strength of relationship

The value of this correlation coefficient (-0.330) is fall under coefficient range from ± 0.21 to ± 0.40 . Therefore, the relationship between ethnic group and employee performance is small but definite relationship.

Significance of relationship

The relationship between ethnic group and employee performance is significant. It is because the p-value 0.000 is less than alpha value 0.01.

4.1.3.4 Relationship between Culture group and employee performance

Direction of relationship

From the table above, there is negative relationship between culture group and employee performance because of the value for correlation coefficient is negative. The culture group variable has a -0.139 correlation with the employee performance variable. In other words, culture group variable has a -0.139 correlation with the employee performance variable.

Strength of relationship

The value of this correlation coefficient (-0.139) is fall under coefficient range from ± 0.01 to ± 0.20 . Therefore, the relationship between culture group and employee performance is slight almost negligible.

Significance of relationship

The relationship between culture group and employee performance is not significant. It is because the p-value 0.096 is greater than alpha value 0.01.

4.1.3.5 Relationship between Educational Background group and employee performance

Direction of relationship

From the table above, there is negative relationship between educational background group and employee performance because of the value for correlation coefficient is negative. The educational background group variable has a -0.252 correlation with the employee performance

variable. In other words, culture group variable has a -0.139 correlation with the employee performance variable.

Strength of relationship

The value of this correlation coefficient (-0.252) is fall under coefficient range from ± 0.21 to ± 0.40 . Therefore, the relationship between educational background group and employee performance is small but definite relationship.

Significance of relationship

The relationship between educational background group and employee performance is significant. It is because the p-value 0.002 is less than alpha value 0.01.

4.1.4 Multicollinearity Test

Variance of Inflation Factor (VIF) was used to test for multicollinearity in the data set as shown on Table 4.15

		B	Tolerance	VIF
1	(Constant)	5.259		
	Gender	.591	.666	1.501
	Age	.554	.858	1.166
	Ethnic	-.663	.680	1.472
	Culture	.295	.158	6.323
	Education	-1.417	.146	6.866

Table 4.14 shows VIF values of the age diversity, gender diversity, education diversity, Cultural diversity and ethnicity diversities. These values are all within the range of 1-10. It can thus be inferred that there was no multicollinearity in the data set. Muff, Riebler, Held, Rue and Saner (2015) argues that existence of multicollinearity results into regression coefficients with large standard errors meaning the coefficients cannot be estimated with great precision and accuracy.

4.1.5 Multiple Linear Regression Analysis

Multiple linear regression analysis is a method which uses more than one independent variable to explain variance in a dependent variable.

Table 4.16: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.461 ^a	.212	.184	1.20283

A. Dependant Variable (Employee Performance)

B. Predictors: Gender, Age, Ethnic, Education and Culture

Source: Own Survey, 2020

The R value is the correlation coefficient between the dependent variable and the independent variables. According to the Model Summary, the value of correlation coefficient (R) of four independent variables (gender, age, ethnicity, Culture and education background) with the dependent variable (employee performance) is 0.461. Therefore, there is positive and moderate correlation between four independent variable and dependent variable.

Besides that, Model Summary also indicates the coefficient of determination (R square) which can help in explaining variance. The R square figure of the four independent variables is 0.212. These also mean that independent variables (gender, age, ethnicity, culture and education background) can explain 21.2% of the variation in dependent variable (employee performance). However, it is still leaves 78.8% (100% - 21.2%) unexplained in this research. In other words, there are other additional variables that are important in explaining employee performance that have not been considered in this research.

Table 4.17: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	53.788	5	10.758	7.435	.000 ^b
	Residual	199.659	138	1.447		
	Total	253.447	143			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Education, Age, Ethnic, Gender, Culture

Source: Own Survey, 2020

Based on (ANOVA), the p-value is 0.000 which lesser than alpha value 0.01. Besides that, the F-statistic is significant at the value of 7.435. Therefore, the model is a good descriptor of the relation between the dependent and predictor variables. As a result, the independent variables (gender, age,

ethnicity, culture and education background) are significant explain the variance in perceived employability.

Table 4.18: Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5.259	1.946		2.702	.008
	Gender	.591	.372	.147	1.589	.114
	Age	.554	.206	.219	2.688	.008
	Ethnic	-.663	.374	-.163	-1.774	.078
	Culture	.295	.469	.119	.629	.530
	Education	-1.417	.743	-.377	-1.907	.059

a. Dependent Variable: Employee Performance

Source: Own Survey, 2020

Table 4.19: Ranking of Independent Variables based on Standardized Coefficient, Beta

Model		Unstandardized Coefficients Beta	Ranking
	Gender Group	.591	1
	Age Group	.554	2
	Culture Group	.295	3
	Ethnic Group	-.663	4
	Education Group	-1.417	5

Source: Data generated by SPSS version 26

The five independent variables are the factors that determine perceived employability. This can be represented by the equation as below:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5$$

Based on the Coefficients, the regression equation for the employee performance is:

$$\text{Employee Performance} = 5.259 + (0.591) \text{ Gender Group} + (0.554) \text{ Age Group} - (0.663) \text{ Ethnicity Group} + (0.295) \text{ Culture Group} - (1.417) \text{ Education Background Group}$$

This shows that holding other factors constant, employee performance would be at 5.259. A unit increase in gender diversity other factor's kept constant would lead to 55.4% increase on employee performance. A unit increases in age diversity other factors kept constant would lead to 55.4% increase on employee performance. A unit decreases in cultural diversity other factors kept constant would lead to 29.5% increase on employee performance. A unit decrease in ethnic diversity holding other factors constant would result into 66.3% increase on employee performance. A unit decrease in educational background diversity holding other factors constant would result into 141.7% increase on employee performance.

At 5% level of significance, gender diversity ($p=.114$) was greater than 0.05. Thus, gender diversity had no significant influence on employee performance. Age diversity ($p=0.008$) had p value less than 0.05. Thus, it can be inferred that the age diversity had significant influence on employee performance. Ethnic diversity ($p=0.078$) had p value greater than 0.05. This therefore indicates that educational diversity had no significant influence on employee performance. Cultural diversity ($p=0.530$) had p value greater than 0.05. This therefore indicates that educational diversity had no significant influence on employee performance. Educational diversity ($p=0.059$) had p value greater than 0.05. This therefore indicates that educational diversity had no significant influence on employee performance.

The result indicates that the only variable significantly predicts employee performance is age and gender group, culture group, ethnic group, education background group have no significant relationship with the employee performance.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of findings

The aim of this research was to assess and analyze the effect of work force diversity on employee's performance of Save the Children Ethiopia Addis Ababa. Data for the study were gathered from save the children Ethiopia Addis Ababa office. The instrument that was use to gather data was a well structured questionnaire. The population for the study was limited and as such, the whole population was studied i.e. save the children Ethiopia. 150 questionnaires were distributed to all designated employees through email and the respondents requested for 10 days to fill the questionnaires due to COVID-19 VIRUS and tight schedules. All the questionnaires were filled and returned and 144 were relevant for data analyses.

It was discovered that Save the Children Ethiopia sees diversity as an importance factor that cannot be disregarded. To show it commitment to diversity and make certain that diversity policies are integrated into its corporate practices, the management created a diversity team that make certain that its acquires a diverse workforce. This is seen in its workforce characteristic such as; gender, age, ethnicity, culture, education, etc. From the study it was found for an organization to succeed in it diversity plan, it is importance to know the benefits of having a diverse workforce, encouraging diversity by bringing together different individuals of different demography and different background and making policies and implementing practices to effectively manage diversity. When an wide-ranging environment is established, it can lead to more innovation and creativity, capacity building, productivity, efficiency and effectiveness amongst team or group members brought together.

Based on literature and survey carried out for this study, it is marked that diversity has a significant relationship with employee performance. The study confirms that diversity is an important factor that cannot be overlooked in organizations. The diversity of diversity from study has been seen to be increasing rapidly over the years. Organizations are now realizing that it is critical for it success. This is so because the study has shown that having a diverse workforce and creating an inclusive workplace can improve employees' effectiveness and this in turn enhances the organizational

performance or efficiency. From the survey conducted, the respondents' confirmed that SAVE THE CHILDREN ETHIOPIA has an inclusive policy as it gives equal opportunity for career advancement both male and female. There is no discrimination when it comes to providing promotional opportunities for women. Respondents also agreed that educational diversity can enhance their performance. It is vital to state here that ETHIOPIA is a country with diversity both in resources and the demographic characteristics of its population. As such, the SAVE THE CHILDREN ETHIOPIA is operating in an environment that is multi-culturally and ethnically diverse. Hence, having knowledge of how workforce composition affects or influences group performance and overall organizational performance is very fundamental to organizational leaders.

5.2 Conclusion

From the conceptual, theoretical and empirical findings, the effects of workforce diversity on employee performance in save the children Ethiopia particularly appears to be positively significant. The objectives of the study have been achieved and the research questions have been fully answered by the analyses conducted. The answer to the research questions is in the affirmative, confirming that there is a significant relationship between workforce diversity (gender, age, ethnic, cultural and educational background diversity) and employee performance.

This means that workforce diversity is also an influencer of employee performance. For instance, in terms of educational diversity, the way an employee carries out his/her job can have as a result of the competences he/ she has gained through education, experience, training. Also age diversity has an effect on employee performance; an employee can be more productive because is he young and still has the strength and skills to carry out task. On the other hand an older employee can perform his task well because he has the experience and skills to perform. From findings it is discovered that an organization that has a good mix of male and female employees is more likely to perform better than an organization that is dominated by same gender. Season being that both gender think and acts differently and if an organization embraces such diversity, then it is indirectly welcoming different ideas that the male and female employee will display. From the theoretical, conceptual and empirical findings, employee behavior, capacity or ability, their motivation, organizational commitment, organizational culture are some of the factors that moderate and explains the relationship between workforce diversity and employee performance.

The researcher used multiple regressions analysis to examine the nature of relationship between the independent variables and dependent variable, the strength of relationships, and the significance of the relationships of several independent variables on dependent variable. At 5% level of significance, gender diversity ($p=.114$) was greater than 0.05. Thus, gender diversity had no significant influence on employee performance. Age diversity ($p=0.008$) had p value less than 0.05. Thus, it can be inferred that the age diversity had significant influence on employee performance. Ethnic diversity ($p=0.078$) had p value greater than 0.05. This therefore indicates that educational diversity had no significant influence on employee performance. Cultural diversity ($p=0.530$) had p value greater than 0.05. This therefore indicates that educational diversity had no significant influence on employee performance. Educational diversity ($p=0.059$) had p value greater than 0.05. This therefore indicates that educational diversity had no significant influence on employee performance.

The result indicates that the only variable significantly predicts employee performance is age and gender group, culture group, ethnic group, education background group have no significant relationship with the employee performance.

5.3 Recommendation

It is interesting to see that save the children Ethiopia recognizes and accepts the need to have a diverse workforce and has also made out its diversity policies. However, not all organizations are aware of the relevance of diversity. It is important for every organization to embrace diversity and not just be satisfied with having such workforce but ensure that they harness each and every benefit that comes from diversity and endure that they put machinery in place to reduce the negative consequences that may arise from group social categorization.

This findings of this study have provided evidence that employee performance has a positive correlation with workforce diversity variables such as; age, gender, ethnicity, culture and educational background. Therefore it is important for organizations to begin to get conscious of why it is needful that they deal with demographic characteristics so as to gain more advantage and stay efficient.

1. Save the children Ethiopia has to use affirmative action to increase the representations of women as it is number of woman in the organization significantly low this is 30%.
2. From the literature reviewed, it was discovered that some organizations still have the glass ceiling that prevents women from advancing into senior and manager positions in the organizations. From the result of this study, it is evident that employees feel motivated when the works with colleagues of different gender as the perceived the opposite gender as being capable of performing their job effectively. As such, organizational leaders should take off glass ceilings factor and reviewing the pay structure in the organization to promote equality in pay as this can be one way of encouraging high performance from women and minorities.
3. Save the children Ethiopia have to provide diversity training such as cultural training to leaders as well to all employees in order to increase their awareness and increase the ability of managers to deal with difference and avoid negative attitudes about individuals and develop ethical values that allows them to make appropriate use of the diverse workforce.

5.4 Limitation of Study

The accuracy of the data retrieved as response from the population could not be ascertain because it is difficult to ascertain that what the employees gave as their response truly reflected their opinion of the issue in their work environment. Finally, the study only centered on few areas of workforce diversity as opposed to the much diversity that exist in the workplace.

5.5 Suggestion for Further Studies

Some of these suggestions here will be given as a result of the limitations face in the cause of carrying out this study.

This study can serve as a guideline for future research. Our focus is on the gender, age, ethnicity, culture and education background of the employees and whether it will affect their performance in an organization.

1. My result is a comparison on the performance of the individual employee and had no comparison based on team performance. Hence I believe that future research can go deeper in this area.
2. Researchers should achieve consensus on how workforce diversity is view and to develop a generally accepted definition of workforce diversity, thus allowing more researches to take place to explore more benefits and implications of workforce diversity towards organizations" performance.
3. The researcher recommends that this same study be conducted again but on a wider scope. That is, it should include more organization and increase the population size.
4. The study can also be done comparatively by studying one organization in an industry and another organization. This will provide deeper understanding on diversity issues.
5. Similar study should be conducted comparatively on private and public or government organization.
6. This study focused on little workforce diversity; however similar study can be conducted focusing on how different dimensions of diversity affect employee performance.

Last but not least, since our study only focuses on quantitative measure, future works are encouraged in several areas in both quantitative and qualitative measure. It is recommended that future research can get a better understanding for the effects of workforce diversity towards employee performance in an organization in order to go deeper for the study.

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APPENDIX
RESEARCH QUESTIONNAIRE
ON
EFFECT OF WORKFORCE DIVERSITY ON EMPLOYEE PERFORMANCE:
THE CASE OF SAVE THE CHILDREN ETHIOPIA

DEAR SIR/MA

My name is **Samson Mekasha**; I am a postgraduate student in the Department of MBA, St.Merry University. As part of the course requirement for the award of Master of Business Administration, I am conducting a research study on ‘Effects of Workforce Diversity on Employee Performance’. My purpose for writing you is to solicit your co-operation in the study I am conducting. I am therefore enclosing herewith for your attention a questionnaire in which variety of information is requested from you with regard to the title of this study.

I wish to state here that the research is purely for academic purpose and at no instance will it be used for any other purpose other than this. Hence, information given will be treated as strictly confidential. I look forward to your prompt response.

Thank you for your cooperation.

APPENDIX

APPENDICES

The Questionnaire

SECTION A: Personal Background

Please tick (✓) where appropriate

1. Gender:	Female	<input type="checkbox"/>	Male	<input type="checkbox"/>				
2. Age group:	18-30	<input type="checkbox"/>	31-40	<input type="checkbox"/>	41-50	<input type="checkbox"/>	50 and above	<input type="checkbox"/>
3. Martial Status:	Single	<input type="checkbox"/>	Married	<input type="checkbox"/>	Other	<input type="checkbox"/>		
4. Highest Educational Qualification:	Certificate	<input type="checkbox"/>	Diploma	<input type="checkbox"/>	Degree	<input type="checkbox"/>		
	M.SC/MBA	<input type="checkbox"/>	PHD	<input type="checkbox"/>	Other	<input type="checkbox"/>		
5. Work Experience	0-4 Years	<input type="checkbox"/>	5-8 Years	<input type="checkbox"/>	9-12 Years	<input type="checkbox"/>	13 Above	<input type="checkbox"/>
6. Level in Organization:	Entry Level	<input type="checkbox"/>	Junior	<input type="checkbox"/>	Senior	<input type="checkbox"/>	Manager	<input type="checkbox"/>

SECTION B: WORKFORCE DIVERSITY ON EMPLOYEE PERFORMANCE

This section contains items to examine the relationship between workforce diversity (Gender, Age, Ethnicity, Culture and educational background) and employee performance.

Please rate the following statement on a scale of 1-5, Where 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Undecided (U), 4 = Agree (A) and 5 = Strongly Agree (SA)

SECTION B: GENDER DIVERSITY						
No	ITEMS	SD	D	U	A	SA
		1	2	3	4	5
1	There is equal opportunity for career growth and advancement for women in my organization.					
2	As women tend to be a good listener and men tend to be aggressive, a balanced work force of both sex offers the best solution of both worlds					
3	Employees have not been discriminated by employer during promotional opportunities based on gender					
4	Dissimilarity in gender leads to poor effectiveness					
5	Gender diverse teams achieved targets due to the good relationship and effective communication					

SECTION B: AGE DIVERSITY						
No	ITEMS	SD	D	U	A	SA
		1	2	3	4	5
1	My team leader includes all members of different ages in problem solving					
2	No emotional conflicts and anxiety within the team due status difference between young and old employees					
3	The expertise of young employees with high tech tools helps older employees to improve their knowledge on the latest technologies					
4	The risk taken by younger employee contributed to the success of the team					
5	I have no problem working with people of different age					
6	I feel motivated to work with employees of the same age group					

SECTION B: ETHNIC DIVERSITY						
No	ITEMS	SD	D	U	A	SA
		1	2	3	4	5
1	Working with colleagues from different ethnic background influences my decision making ability					
2	Different languages used to communicate in the workplace do not create conflict among employees					
3	I co-operate well with my colleagues of different ethnicity					

4	The language differences among employees affect group formation and cohesion					
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SECTION B: CULTURAL DIVERSITY						
No	ITEMS	SD	D	U	A	SA
		1	2	3	4	5
1	My company's values are in line with my cultural values.					
2	Differences in Language generate conflict among employees					
3	My ethnic language affects my work performance positively					
4	Strong adherence to my cultural values improves business outcomes					
5	The existence of social group within the organization to help each other at the time of happiness and emergency					
6	There is the opportunity of staff positive life style sharing among staff members					
7	Cultural Values affect an employee performance					

SECTION B: EDUCATIONAL BACKGROUND DIVERSITY						
No	ITEMS	SD	D	U	A	SA
		1	2	3	4	5
1	My educational level and background affects my ability to perform my core task responsibility					
2	The differences in educational background does not encourage conflict among employees					
3	I experience lack of confidence due to my educational background					
4	Working with colleagues with different educational background affects our problem solving and decision making ability.					
5	I do my job perfectly when I am in a team of workmates with different educational level.					
6	Different educational background brings diverse experience and it enhances performance.					
7	Having employees of the same educational levels and background leads to high effectiveness					

SECTION B: EMPLOYEE PERFORMANCE						
No	ITEMS	SD	D	U	A	SA

		1	2	3	4	5
1	I enjoy my tasks and the division's work approach.					
2	I am motivated to complete the task that is assigned to me.					
3	Co-operate well with my colleagues of different ethnicity.					
4	Opposite gender can perform well and I enjoy working with them.					
5	My performance level affects my salary level.					
6	I am satisfied with my current salary level.					
7	I am given the chance to try my own method of doing the job.					
8	By learning more skills through courses/training, I can improve my task performance.					
9	Good employee performance is important for the future growth of my organization.					

SECTION C: WORKFORCE DIVERSITY ON EMPLOYEE PERFORMANCE

Open Ended Questionnaire

1. How would you rate the overall quality of the services provided by the organization?

- a. Very Low
- b. Low
- c. Moderate
- d. High
- e. Very High

2. How will you relate your answer with workforce diversity, do you think has any influence of this level of quality? (Question 1 above)

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3. Who has lead responsibility for managing diversity in your organization?

- a) Equal Opportunity/Civil Rights
- b) Diversity Office
- c) Human Resources
- d) Other

4. What does senior management currently do to demonstrate its commitment to diversity?
(Please tick all that apply)

- a) Regular inclusion of diversity topics at meetings
- b) Mentoring
- c) Personal involvement in diversity training
- d) Funding
- e) Managing by example
- f) Dedicated resources
- g) Recognition of diversity champions
- h) Empowerment
- i) Community involvement and outreach
- j) Other

5. Is there any relationship between workforce diversity and organization performance?

- a) Yes
- b) No
- c) I don't know

6. What do you think is the relationship between workforce diversity and employee performance?

.....
.....
.....

7. In your own judgment, what do you think are the challenges of managing workforce diversity in your organization?

- a)
- b)
- c)
- d)
- e)

8. Can you suggest any possible measures? (for question 7 above)

- a)
- b)
- c)
- d)
- e)

9. Generally, what can you say about workforce diversity in your organization?

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10. Describe a challenging situation related to diversity you have faced while working with this organization and what did you do?

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11. Describe the best situation you have experience related to diversity while working with this organization. What made it so great?

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12. What about the organization's cultural diversity do you value the most? What should be done to encourage such practice?

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13. As an employee of this organization, what do you hope to contribute to this diverse workforce?

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14. What areas you feel most that the organization could use effectively to improve the quality of diverse workforce?

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15. What do you think upper and middle management should do to encourage diversity?

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16. What small changes would you like to make right now that would promote teamwork and bring about a successful outcome among co-workers?

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.....
17. What do you consider some of the most significant trends, events, and developments that will shape the future of this organization when it comes to diversity?

THE END!!!