
Role of gender and ethnicity diversity on the performance of employee

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ABSTRACT

In Today's increasingly changing business environment, in IT sector, organization's has adopted the strategy of recruiting diverse workforce for the growth and overall development. The present study explores the impact of gender diversity and ethnicity diversity on employee performance. The respondents were taken from five IT companies viz. - Wipro, Infosys, Tech Mahindra, Polaris and TCS, 60 respondents from each company i.e. total of 300 respondents were asked through a questionnaire there views and awareness about two dimensions of workforce diversity viz. gender diversity and ethnicity diversity. The study revealed that there is significant impact of gender diversity and ethnicity diversity on the performance of employees in the organization.

Keywords: Diversity, Ethnicity Diversity, Employee Performance, Gender Diversity, Workforce diversity.

Introduction:

In the constantly changing global business environment, there is increasing need to understand the importance of workforce diversity. People today are no longer only a part of limited market, but are opened to worldwide marketplace. In Indian context, it has now emerged as a leading economic driver in the global business. Therefore it's a prime need to employ diverse workforces that can manage well in the competitive situations. The workforce diversity in broader terms is categorised as: Age Diversity, Gender Diversity, Ethnicity Diversity, Education background Diversity. Employees are an important asset to an organization, whose effective management, regardless of their difference in age, gender, ethnicity and education background is must to meet greater challenges and to achieve organizational

goals. With the increased liberalization, today women are also equally working shoulder to shoulder to men in all hierarchical positions in the organization. Though with time women are given equal opportunity but still a wall is there in between employee's perception when it comes to gender diversity. No country in the world has been yet able to eradicate the gender discrimination. They are considered less competent, inefficient for various jobs. Various researches have suggested that the organization who values the importance of gender diversity are better able to retain the talented employees and increases the organization performance. Employees from different religion, caste, geographical background are a part of organizations for creativity and innovation. Cordial relationship among the employees of an organization is the major task for the management department for a harmonious environment and smooth functioning. Diverse workforce is to be managed properly, else can lead to organization ineffectiveness.

Objectives of the study:-

1. To find the relationship between gender and employee performance.
2. To find the relationship between ethnicity and employee performance.

Literature review:-

In Indian context, lesser research has been done on the effect of workforce diversity on the performance of employees in the Indian national and multinational organizations. Though India is one of the largest country in terms of heterogeneous population in terms of culture, caste/race, language, education background, age, gender, values and beliefs. In this paper we are focussing on two variables – Gender diversity and Ethnicity diversity on the employee performance.

Ethnicity Diversity

Ethnicity also plays an important role in influencing the working of an employee in an organization. It's very essential for a HR manager to know do people from different ethnic group adopts a different or similar work values, for maintaining a harmonious environment in an organization. Thomas and Bendixen (2000) in their study analysed that ethnic diversity do have an influence on organizational culture and its effectiveness. Pitts (2005) in his study analysed that increased levels of ethnic diversity in the organizations can lead to process oriented complications in the workplace and negatively affect the work-related conclusions. Loeters (2011) found no significance between diverse ethnicity and work value diversity, neither any relationship found between work value diversity and the team performance in the organizations. This study will highlight the effect of ethnic diversity on the working of employees in the organization and might help them in how to deal with it for an effective working and creating harmonious environment within organization.

Gender diversity

With the advancement of liberalization age, women are now given educational opportunity, equal employment opportunity and also attributed to be part of economic market also. Kochan et.al (2002) in their study found out that today employees are more aware of gender differences and their importance to enhance their performance for organization growth. But various previous researches show that though opportunity is given but still they are not considered as competent as male employees. Tajfel

(1978) in their research on social identity theory suggested a negative relationship between gender diversity and performance. Adams & Ferreira (2008) and Ahern and Dittmar (2011) also found the negative effect between performance and the gender diversity. Whereas Erhardt et al. (2003) and Carter et al. (2002) in their studies suggested a positive relationship between gender diversity and organization performance. Kanter (1977) in his study suggested that not the simple heterogeneity but the proportion of male and female should be examined for knowing their effect on organizations performance. Across the entire workforce diversity, the improved gender diversity is related with the improved organization performance as a whole. In this study we are going to examine the relationship between gender diversity and the employee performance.

Research Methodology

The objective of the study is to study the effect of diverse workforce in terms of Gender and ethnicity on the performance of employee, randomly selected from five organizations. Standard questionnaire is used as a research tool to collect the data which is based on 5 point likert scale. To achieve the study requirement randomly 5 companies are selected from Delhi and NCR and 300 questionnaires were circulated in these organizations to be filled by respective employees. A pilot study was carried out to determine reliability of the questionnaire. The pilot study involved the sample of 50 respondents, 10 from each company. This reliability analysis was done applying cronbach's Alpha test to determine if the questions are yielding the kind of information that is needed. Data was analysed using SPSS 20 statistical software. The data from the pilot study shows:-

Table 1:- Reliability test result

| NO. | DIMENSIONS | CRONBACH ALPHA |
|-----|----------------------|----------------|
| 1. | Gender | 0.814 |
| 2. | Ethnicity | 0.820 |
| 3. | Employee performance | 0.832 |

Table 1 shows cronbach's alpha for gender, ethnicity and employee performance that came out to be higher than 0.70, i.e. the internal consistency of the survey is good.

Result and Discussion

Mean and Standard deviation is estimated for knowing the effect of the dimensions- Gender and Ethnicity in the workforce.

Table 2:- Central tendencies measurement of Gender

| GENDER | | Strongly Agree | Agree | Neutral | Dis-agree | Strongly Disagree | Mean | STD |
|---------------|---|-----------------------|--------------|----------------|------------------|--------------------------|-------------|------------|
| 1 | Is there any discrimination felt while recruitment process on gender basis | 2.00 | 11.00 | 11.67 | 61.00 | 14.33 | 3.7467 | 0.9047 |
| 2 | Equal opportunities given to all employees for their promotions or development in an organization without any gender discrimination | 12.00 | 70.00 | 9.00 | 8.33 | 0.67 | 2.1567 | 0.7621 |
| 3 | Training and Development programmes are initiated to meet the requirement of male and female | 11.00 | 72.67 | 12.33 | 4.00 | 0.00 | 2.0933 | 0.6212 |
| 4 | Women can cope with stressful situations as effectively as men | 19.33 | 64.00 | 8.33 | 7.67 | 0.67 | 2.0633 | 0.8009 |
| 5 | Fair treatment is given to all employees, disregard of gender difference | 13.00 | 71.67 | 10.00 | 3.67 | 1.67 | 2.0933 | 0.7209 |
| 6 | Organization put efforts in attracting and hiring female staff | 4.00 | 55.00 | 20.33 | 17.00 | 3.33 | 2.6700 | 1.4542 |
| 7 | Organization gives decision making power to both men and women equally | 12.00 | 72.67 | 10.33 | 5.00 | 0.00 | 2.0833 | 0.6464 |
| 8 | Gender diversity has positive impact on organizational performance | 26.00 | 59.67 | 8.33 | 4.67 | 1.33 | 1.9567 | 0.8064 |

Table 2 shows that 11% of the respondents agree and 2% strongly agrees that they felt discrimination in recruitment process on gender basis and 11.67% are neutral and 61 % disagree and 14.33% respondents strongly disagree to the question. 70 % agrees and 12 % strongly agrees that organization gives them equal opportunities in their promotion or development in the organization without any gender discrimination and 8.33% are neutral and 8.33% disagree and 0.67% strongly disagree to the question. 11% strongly agrees and 72.67% agrees that training and development programmes are initiated by organization to meet the requirements whereas 12.33% respondents remained neutral and only 4% strongly disagree to the question. 19.33% strongly agrees and 64% agrees that women can cope with stressful situations as effectively as men, whereas 8.33% are neutral and only 7.67% strongly disagree and 0.67% disagrees to the question. 13% strongly agrees and 71.67% agrees that fair treatment is given to all the employees disregard of gender difference, whereas as 10% remained neutral and 3.67% disagree and only 1.67 strongly disagree to the fact. 4% strongly agrees and 55% of the respondents agrees that organization is putting an efforts in attracting and hiring the female staff, where as 20.33% remained neutral and 17% disagrees and 3.33% strongly disagrees to the question. 12% strongly agrees and 72.67% agrees that organization gives decision making power to both men and women equally, where as 10.33% remained neutral and only 5% disagrees to the fact. 26% strongly agrees and 59.67% agrees that gender diversity has positive impact on organizational performance,

where as 8.33% remained neutral and only 4.67% disagrees and 1.33% strongly disagrees to the question.

The mean value of all the questions is in the range of 1.95% to 3.74% and the standard deviation is 0.62% to 1.45%. The highest mean value (3.74%) is observed in discrimination is felt while recruitment process and the lowest mean value (1.95%) is observed in that gender diversity has a positive impact on organizational performance.

Table 3:- Central tendencies measurement of Ethnicity

| <i>ETHNICITY</i> | | SA % | A % | N % | D % | SD % | Mean | Std Dev |
|------------------|--|---------|--------|--------|--------|---------|--------|------------|
| 1 | People from different surroundings leads to chaos in an organization | 1.00 | 6.00 | 9.33 | 78.67 | 5.00 | 3.8067 | 0.6614 |
| 2 | Different languages used for communication do not creates problem among employees | 6.67 | 64.33 | 11.67 | 14.67 | 2.67 | 2.4233 | 0.9130 |
| 3 | Organization plays a fair role in recruiting minorities | 2.67 | 61.67 | 28.67 | 5.00 | 2.00 | 2.4200 | 0.7202 |
| 4 | Employees are not discriminated on regard of their ethnicity | 13.33 | 68.67 | 13.00 | 4.33 | 0.67 | 2.1033 | 0.6983 |
| 5 | Organization gives due respect to all culture, values and religion of employees | 16.00 | 76.00 | 7.00 | 1.00 | 0.00 | 1.9300 | 0.5157 |
| 6 | As an employee at times you feel low due to your ethnicity | 0.33 | 10.33 | 15.33 | 45.00 | 29.00 | 3.9200 | 0.9398 |
| 7 | All employees given equal opportunity in decision making process, disregard of their ethnicity | 12.67 | 67.00 | 16.00 | 4.33 | 0.00 | 2.1200 | 0.6686 |
| 8 | Ethnicity plays a positive role in organizations performance | 10.00 | 77.00 | 9.67 | 2.67 | 0.67 | 2.0700 | 0.5997 |

Table 3 reveals that 5% strongly disagree and 78.67% of the respondents disagreed that people from different surroundings leads to chaos in the organization and only 6 % agreed and 1% respondents strongly agreed on the fact. 64.33% of the respondents agree and 6.67% strongly agree on that difference in language does not create problem among them, whereas 11.67% are neutral and 14.67% disagreed to this fact.61.67% of the respondents agree that organization plays affair role in recruiting minorities, whereas 28.67% of the respondent remained neutral to the statement. 13.33% strongly agree and 68.67% agrees that they are not discriminated on regard of their ethnicity and 13% remained neutral and only 5.03% respondents including both disagreed and strongly disagreed to the fact. 76% of the respondents agree and 16% strongly agree that organization gives respect to their culture, values and, religion, where as 7% of the respondents remained neutral. 45% of the respondents disagree and 29% strongly disagree to the statement that they feel low due to their ethnicity at times in their organization whereas 16% of the respondents remained neutral and only 10.66 including respondents from both agree and strongly agree, agrees to this statement. 12.67% strongly agree and 67% of the respondents agree to fact that all they were given equal opportunity in all decision making process

disregard of their ethnicity whereas 16% of the respondents remained neutral to the fact.87% including respondents from both agree and strongly agree believes that ethnicity plays a vital positive role in the performance of an organization whereas only 9.67% remained neutral.

The table shows the result that mean value of all questions is in the range of 1.93 to 3.92 and the standard deviation is in range of 0.51 to 0.93. The highest mean value (3.92) is observed for not feeling low within organization due to their ethnic diversity, whereas the lowest mean value (1.93) is observed for getting due respect to all culture, religion.

The Pearson correlation coefficient estimated for the gender diversity on employee performance in an organization is given in Table 4

Table 4:- Pearson coefficient of Gender diversity

| | | Employee Performance | Gender of the Employee |
|------------------------|---------------------|----------------------|------------------------|
| Employee Performance | Pearson Correlation | 1 | .296** |
| | Sig. (2-tailed) | | .000 |
| | N | 300 | 300 |
| Gender of the Employee | Pearson Correlation | .296** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 300 | 300 |

Table 4 shows the result that there is positive relation between gender and employee performance, as there value of correlation coefficient is between 0.21 and 0.40 i.e. slight relationship is there between two variables. The significance of the relationship is 0.000 which is less than the 0.01. Therefore the relationship between education and employee performance is significant.

Table 5:- Pearson coefficient of Ethnicity diversity

| | | Employee Performance | Ethnicity of the Employee |
|---------------------------|---------------------|----------------------|---------------------------|
| Ethnicity of the Employee | Pearson Correlation | 1 | .286** |
| | Sig. (2-tailed) | | .000 |
| | N | 300 | 300 |
| Employee Performance | Pearson Correlation | .286** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 300 | 300 |

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

Table 5 shows the result that there is positive relation between ethnicity and employee performance, as there value of correlation coefficient is between 0.21 and .40 i.e. small but definitely there is a relationship between two variables. The relationship significance is 0.000 which is less than the 0.01. Therefore the relationship between ethnicity diversity and employee performance is significant.

Conclusion

The aim of the study was to find the diverse impact of gender and ethnicity on the performance of employees in the organizations. The study promotes the importance of inclusion of women in the men worlds and also the ethnically diverse employees in the organization. The diversity in terms of gender and ethnicity both represents opportunity as well a challenge for the organization to make a significant place in the global market. To ensure the strategic growth of employees for the accomplishment of organizations goals today almost all organizations realize the importance of valuing diversity.

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