



# The Impact Of Workforce Diversity On Employee Performance In Higher Educational Sector Located In And Around Hyderabad, Telangana, India.

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## ARTICLE INFO

## ABSTRACT

Diversity in the workforce is recognized as one of the key factors that would set a business apart from its rivals. The aim of this research is to examine how performance of the employees in higher educational institutions is affected by the diversity of the workforce. There are several aspects of diversity that may have an impact on how well employees perform. However, the most significant aspects of diversity that this research has chosen to examine are the age, gender, educational background, work experience etc. variables as explanatory variables and their effects on performance of the employees as the dependent variable. This study aims to use a basic random sampling technique and data will be gathered through questionnaires from employees working in higher educational institutions located in and around Hyderabad, Telangana. The regression analysis technique is likely to be used to determine how employee performance is being affected by a diverse workforce. The results of the test will be interpreted accordingly with respect to the impact of WD on EP in Higher Educational Sector located in and around Hyderabad.

**Key words:** Workforce Diversity (WD), Demographic Diversity, Higher Education, Employee Performance (EP)

## 1. Introduction

The composition of the WF today is significantly more diversified than it was in the past. The WF, or employees of an organization, is responsible for the productivity of the firm because they carry out its tasks. The term "diversity" refers to the variety of worker distinctions, such as but not limited to age, race, gender, aptitudes, status in school, incapacity, customs, and faith (Srivastava & Agarwal, 2012).

Over the past 20 years, it has become increasingly evident that companies have continued to view worker diversity as a cost-effective necessity, recognizing and utilizing it as one of the most crucial components. Any company that aspires to productivity must embrace WF diversity and pledge to incorporate it into all aspects of daily operations. Diversity in the WF can present the company with both more chances and challenges (Childs Jr, 2005).

Organizations would be more productive if they could control these individual employee differences. Business organizations may respond to commercial possibilities more quickly and creatively when it has a broad mix of skills that span ethnic backgrounds, gender, age, educational backgrounds, abilities, & religion (Srivastava & Agarwal, 2012). More significantly, there may be a higher chance of voluntary worker turnover, communication difficulties, and interpersonal conflicts if the workplace culture does not strongly support diversity (Christian, Porter, & Moffitt, 2006).

Diversity in the WF refers to the comparisons and differences amongst workers in contest to the factors age, sexual orientation, gender, color, & religion; it also includes physical abilities and disabilities. Businesses gain from diversity as well, but inclusive and diverse workplaces can make workers feel more connected.

Employee performance may be affected in either a favourable or unfavourable way, depending on how WF diversity is handled. Employee performance is enhanced by competent WF diversity management (Erasmus, 2007). A business can benefit from the ideas, skills, abilities, and capabilities of its personnel through efficient management of WF diversity (Erasmus, 2007). The aforementioned attributes possessed by employees are essential to the advancement and growth of a company (Erasmus, 2007).

Conversely, inadequate handling of WF diversity results in the emergence of diverse groups, which may cause misunderstandings, collusion amongst people, and power struggles (Jehn, 1995). The aforementioned issues result from improper handling of WF diversity, which makes it difficult for the firm to accomplish its objectives. The accommodation of people from diverse cultures in one location is making WF diversity increasingly crucial.

The Latin word *genre*, which meaning type or race, is where the word gender originates (Bhushan, 2016). If both men and women are given equal opportunity, gender diversity may enhance employee performance in the workplace (Kirton & Greene, 2015).

In general, management cannot effectively address diversity-related issues if they are unaware of the components that contribute to good diversity management. The productiveness of the organization will face confrontation (Childs Jr, 2005). Thus, the aim of this article is to investigate how employee performance is affected by WF diversity in Hyderabad's higher educational sector.

## **2. Problem Statement:**

Because of quick changes in the modern world, organizational culture is also evolving quickly. Similarly, differences arise in the WF that differs from previous years, which are known as a diverse WF. Thus, it is imperative to consider the implications of WF diversity today. It is said that employee performance will be impacted by diversity in the WF. Thus, the aim of this research is to examine how employee performance at higher education institutions in Hyderabad, is affected by a diverse WF.

### **2.1 Objectives:**

The following are the study objectives:

To study the correlation between the workforce diversity (GD, ED, WD) on Employee Performance in the Higher Educational Sector located in and around Hyderabad Telangana.

To Study the impact of workforce diversity (GD, ED, WD) on Employee Performance in select Higher Education institutions located in and around Hyderabad Telangana.

### **2.2 Hypothesis:**

H<sub>0</sub>: There is no significant impact of workforce diversity (GD, ED, WD) on EP in selected Higher Educational sectors located in and around Hyderabad.

H<sub>1</sub>: There is significant impact of workforce diversity (GD, ED, WD) on EP in selected Higher Educational sectors located in and around Hyderabad.

## **3. Literature Review**

### **3.1 WF Diversity**

The concept of WF diversity is multifaceted and constantly changing on a global scale. When a company employes people with diverse cultural backgrounds (Saxena, 2014). Employee diversity is left unmanaged, according to Roberson and Kulik (2007), since employee morale may decline, attrition rates rise, and communication issues may occur inside the company. In their 2006 study, Carrel, Mann, and Sigler examined the relationship between WF diversity and EP, concluding that EP varies depending on staff diversity, which in turn affects an employee's duty or affiliation within the firm.

### **3.2 Employee Performance**

As stated by ODHIAMBO (2014), performance is well-defined as carrying out tasks that one is assigned to accomplish successfully. Zhuwo (2017) defined EP as the ability of a chosen person to successfully complete tasks, whereas Krishnan Gowrishankar and Kanagaraj (2017) recognized it as the effective and efficient use of all available resources in a variety of environments.

Performance, as defined by Cascio (2000), is the ability to operate efficiently in order to complete the task at hand, as determined by efficacy. It refers to how well the worker can do the necessary tasks of the position (Byars, 1993). Effective performance can be a critical component in achieving company goals and optimizing employee contribution, claims Cornelius (2001). According to earlier studies on WF diversity, employee performance in a business might benefit or suffer from WF diversity (Jonathan, David, & Aparna, 2004). Diversity, for example, is positively correlated with creativity, critical thinking, and problem solving and negatively correlated with cohesiveness and conflict (Bantel & Jackson, 1989; Pelled, Eisenhardt, & Xin, 1999).

### **3.3 Dimensions of Diversity:**

Three dimensions were used by Sartorius et al. (2005) to categorize diversity: primary, secondary, and tertiary. Age, gender, race, disability, and ethnicity make up the primary dimension. Living standards,

marriage status, political identity, nationality, language, values, work experience, and geography make up the secondary dimension. In light of the aforementioned, this study has employed diversity in age, gender, educational background, and job experience to analyse the effects of diversity at WF on EP

### **3.3.1 Age Diversity:**

The term "age diversity" refers to the variations in the age distribution of personnel and is utilized to describe the composition of employee groups or the organizational structure within a business, as per Kunze, Boehm, and Bruch (2013). Growing AD has emerged as a key component in the majority of enterprises.

Given the results of Bohem and Kunze (2015), which show that the WF with a diverse age range which can produce a wide range of talents, intellectual styles, and moral advancements. The advantage of age diversity is that which may lead to higher production. Gellener and Stepen (2009) assert that when workers of all ages collaborate in a group setting as opposed to working alone, productivity is increased because diverse teams have a wider range of problem-solving tools, viewpoints, and skill sets.

### **3.3.2 Gender Diversity:**

The general inventiveness and creativity of the organization may rise when the cognitive skills of men and women are combined (Hoffman, 1965). Compared to homogeneous teams, gender diversified teams generate higher-quality decisions (Roberson & Kulik, 2007). The claim that gender diversity improves an organization's effectiveness is supported by empirical study. Gender diversity in management and organizations can give a company a competitive edge, according to Chew et al. (2011). Gender, according to Connell (2002), is a description of one's masculine or female characteristics. The majority of research papers supported the idea that gender diversity improved employee performance and the organization. According to McMillan-Capehart (2003), gender diversity benefits a company monetarily from the resource-based perspective.

### **3.3.3 Educational Diversity**

According to Tracy and David (2011), companies typically hire workers whose education, training, or experiences are adequate for the tasks at hand. This implied that a person's educational background is crucial. According to Liu et al. (2011), the majority of firms use educational diversity efforts to support and encourage employees in achieving their goals and achieving company objectives.

An employee's educational history is the superlative indicator of their knowledge, abilities, and skills (MAINGI, 2015). As per Maingi (2015), a worker's educational background reveals something about their mentality and personality.

### **3.3.4 Work Experience**

Carr, Pearson, Vest, and Boyar (2006) describe employee diversity in experience as variations in the skills, knowledge, and abilities developed in a specific position. Carr et al. (2006) the amount of time spent in a specific job can be defined as experience in the field.

## **3.4 Research Gap**

1. Numerous industries have studied how employee performance is affected by a diverse workforce. However, not much research was done in the field of education.
2. There hasn't been much research done in the Hyderabad region of Telangana state on the effects of WD on EP in the educational sector.

## **4. Research Method:**

This study used statistical analysis tools to examine how employee performance is affected by WF diversity. To get the required data, the researcher employed a quantitative methodology and questionnaires (Google Forms) for survey.

The study population consists of Professors, Associate and assistant professors. Although the researcher intended to collect 301 replies from employees, the response rate caused them to lower the number of responses to 212 in the carefully selected sample from the population. SRS, or simple random sampling, was employed in this investigation. After that, SPSS version 27 was used to evaluate the responses.

### **4.1 Data Collection:**

The two bases of data collections are the primary and secondary data. There will be a combination of primary and secondary materials used to address research questions and research hypothesis. A self-administrated survey, sometimes referred to as primary data collection, will be conducted using the questionnaire survey. Primary data are those that are gathered first.

Secondary data information gleaned from pre-existing sources (Sekran, 2003). For this study, primary data were gathered via a closed-ended questionnaire.

#### 4.2 Tools:

To find out about questions related to employee performance as well as diversity in age, gender, education, experience of higher educational institution, and designation. A literature review was conducted. A list of inquiries was made for every variable. This list was created with expert management opinions taken into account. The respondents scored the items using a five-point Likert scale: strongly agree, agree, neither agree nor disagree, disagree, and strongly disagree.

### DATA ANASIS AND INTERPRETATION

#### 5.1 Reliability Analysis

According to Mallery and George (2003) the Alpha values are being described as below:

If Alpha value is  $< 0.5$  than its significance is unacceptable,  $>$  than  $0.5$  the significance of alpha value is poor,  $>$  than  $0.6$  its significance is questionable, if the value is  $>$  than  $0.7$  it is considered as acceptable,  $>$  than  $0.8$  is good and if the value is  $>$  than  $0.9$  is considered as excellent.

**Table 1 Reliability Analysis**

Variable	Cronbach's Alpha	Items
Age Diversity (AD)	.616	8
Gender Diversity (GD)	.601	9
Educational Diversity (ED)	.613	7
Work-Experience (WE)	.732	8

#### Reliability test

To assess the variables' internal consistency, a reliability test was employed. The "Cronbach Alpha Technique" was used to evaluate the variables' dependability. A test is considered significant if the Alpha value is higher than  $0.7$ .

From the Table 1, all variables passed the reliability test with a score of  $>$  than  $0.7$ , indicating good levels of dependability in the data gathered for this study.

#### 5.2 Correlation

**Table 2**

Variable		Employee Performance
AD	Pearson Correlation	.561**
	Sig. (2-tailed)	.000
	N	212
GD	Pearson Correlation	.485**
	Sig. (2-tailed)	.000
	N	212
ED	Pearson Correlation	0.685
	Sig. (2-tailed)	0.000
	N	212
WD	Pearson Correlation	0.549
	Sig. (2-tailed)	0.000
	N	212

From the above table 2: The variables AD, GD, ED, WD are positive impact on employee performance.

#### 5.3 Multiple Regression

To analyze the impact of independent variables (GD, ED, WD) on performance of the employees.

**Table 3**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the Estimated
1	.648	.452	.443	.34831

A. Predictors: (Constant), WD, GD, ED,

From the above Table 3, The R value indicates the simple correlation with 64.8%. R<sup>2</sup> shows the extent of the dependent variable's overall variation. It is possible to describe employee performance using the independent variables (GD, ED, WD).

**Table 4 ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	28.517	3	6.482	57.893	.000 <sup>b</sup>
Residual	34.986	209	.137		
Total	63.503	212			

A. Dependent Variable: EP

B. Predictors: AD, GD, WD

The regression model's relevance was examined using the ANOVA to determine how well it predicted the factors that affected the response variable. According to the table, the significant value was 0.000, which is less than 0.05, indicating that the model is effective at foretelling the relationship between the three explanatory variables and EP

**Table 5 Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.349	.186		5.976	.000
GD	.256	.065	.263	3.857	.000
ED	.436	.061	.421	5.401	.000
WD	.909	.178	1.072	3.746	.000

The standardized beta value has been considered in the coefficient Table: 5. In order for the three independent variables to be considered significant, the significance values must be less than 0.05. Additionally, a positive value for beta indicates a positive impact. Diversity in gender contributes 25.6% (significant value of 0.000) to employee performance; diversity in education contributes 43.6% (significant value of 0.000) to employee performance; and work experience contributes 90.9% (significant value of 0.000) to employee performance. It is therefore established that the three factors affect worker performance.

## 5. Findings

The objective of the researcher is to examine how employee performance is affected by workforce diversity. The effects of diversity in the workforce were examined in terms of gender, education, and work experience variety. The outcomes of the regression analysis determine that EP is positively impacted by a diverse workforce. The findings of all of these studies indicated that while educational diversity had a beneficial effect on EP, work experience diversity and GD were positively correlated with EP.

## 7. Conclusion

The effect of WD on EP was examined in this study. Diversity in age, gender, education, and work experience has been shown to significantly and favorably affect employee performance below that threshold. The correlation of the results showed that employee performances are favorably and strongly impacted by all four variables. Strong evidence supporting their impact was offered by this research. However, as this study focused only on one organization, additional research should be done to emphasize other areas as well. Future studies can concentrate on other independent variables that might have a stronger effect on worker performance. As a result, the study recommends further research in this field in the future. Future research would be guided by the findings of this study.

## 8. Future scope

This study was done with a sample to 212 employees in select higher educational institutions located in and around Hyderabad, Telangana, India, with reference to factors of WF diversity. However, thousands of employees are working in different categories of higher educational institutions located in India. Hence, this study can further be extended to those thousands of employee's. It even extended to institutions at other levels in India and all levels globally.

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