

Impact of Workforce Diversity on Employee Performance (A Study on Private Banking Sector in Developing Countries)

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Abstract

This study was triggered to investigate the impact of workforce diversity on employee performance in the private banking sector in developing countries. This effort went into identifying workforce diversity challenges, finding out the significant relationship between diversity variables and employee performance, measuring the degree of effect of diversity on job performance, and studying the perception of employees towards the change. Diversity of the workforce is demarcated by age, gender, educational background, work experience, and religious diversity. A well-structured questionnaire with 35 questions was fostered to the 175 respondents randomly. A pilot study was conducted to validate the questionnaire and a few questions were redesigned. This study concluded that age, gender, work experience, education, religion, and employee performance are interrelated and interdependent and diversity has a significant impact on employee performance.

Keywords: Age, Gender, Diversity, Workforce Diversity, Employee Performance, Banking Sector

1.0 Introduction

Nowadays the interaction among people from various backgrounds needs to increase because of globalization (Chiu et al., 2022). This is why individuals no longer work in narrow spaces, as they are working worldwide (Dominelli, 2021). Only a few research on this study have been conducted in developing countries; some of them fall short of a comprehensive examination of workforce diversity. The previous studies conceptualized the workforce as a multi-ethnic concept (Benassi et al., 2022). Bangladesh like many other nations of the world is ethnically heterogeneous and is characterized by other demographic diversities, which are reflected in workplaces (Shujat, 2022). This phenomenon is one of the most challenging human resource and organizational issues.

A diversified workforce needs managers to identify and manage the varied attribute that exists among the employees in the organization (Triana, 2021, Griffin, 2014). Empirically, workforce diversity is found to have a different dual impact on organizational effectiveness. (McMahan et al., 1998). Some studies have found that various forms of diversity are associated with greater innovations (Wen et al., 2021) improved strategic decision-making (Amorelli, 2021, and organizational performance (Balasubramanian, 2022). Other research displays that sometimes conflict may increase, social cohesion may reduce, and employee turnover can be increased largely due to various types of organizational diversity (Shore, 2022, Nguyen et al., 2022). The demographic composition of today's workplace, occasioned by the international trend toward increased immigration and the globalization of firms is increasingly becoming diverse (Park, 2022). The demographic trends in developed and developing countries- aging workforce, growing representation of women and minorities in the workplace, and the rising number of young people in developing countries has been altered the homogeneous work settings of the recent past. Thus, given these demographic and organizations are contending with the challenges of effectively managing a diverse workforce.

The private Banking industry in Khulna is growing day by day (Noor, 2021). Despite strict government regulation through lending quota, bond buying, windfall tax, and increased capital requirements, banks are reporting strong profits and paying high dividends. The rapid growth in the banking sector has posed several challenges such as workforce diversity which is a natural phenomenon that has both positive and negative impacts on organizational effectiveness on how well it is managed it was more affected in the banking sector according to recent studies (Bolton, 2021), in this context this research investigates the workforce diversity on organizational effectiveness in the selected banks in Khulna region of Bangladesh.

1.1 Objectives of the Study

- i. To identify the workforce diversity challenges faced by the banking sector in developing countries
- ii. To find out the significant relationship between diversity variables and the employee performance
- iii. To know what extent the workforce diversity affect employee performance and working
- iv. Conditions.
- v. To study the perception of employees towards the impact on their performance

2.0 Literature Review

2.1 Workforce Diversity Defined

In this competitive era, today organization is giving significant importance to Human Resources as employees are considered to be the biggest asset (Alfawaire & Atan, 2021). Again if the organization recruit, select, and manage employees properly, the organization can always make the path to progress and prosperity (Mahapatro, 2022)

Workforce diversity is defined as the degree of heterogeneity among employees that is concisely limited to particular cultural attributes such as age, gender, class, ethnicity, physical and mental ability, race, economic status, sexual orientation, educational background, beliefs, and interests (Choi & Rainey, 2010).

Workforce diversity consists of age, gender, race, ethnicity, culture, religion, capabilities, and sexual orientation (Saxena, 2014).

2.2 Employee Performance

Human resource is one of the most important resources of any organization and its performance is the key area that represents the center of any organization (Wilton, 2022). The organization always tries hard to make the environment of the organization favorable for the employee to perform at their best (Naveed et al., 2022). Employee performance is the dependent variable that depends on age, gender, education, work experience, and religious diversity (Cheong, 2022), Saeed & Asghar, (2012), and Mahapatro, (2022) stated that what an employee does and what he/she does not, do represents employee performance. It involves input Vs quality and quality of output. Dr. Trent Kaufan, (2015) stated that an organization can grow financially and also can affect colleagues if employees perform better.

2.3 Diversity and Organizational Performance

2.3.1 Age Diversity: Age diversity has become a fundamental part of many organizations that's why it's increasing day by day (Bould et al., 2022). It has two guidelines that clear up this relationship that is social personality and self-arrangement. Backes-Gellner and Veen (2009) suggested that employees of different ages can adversely influence profitability and productivity distresses, dissimilarities in the values in and turning of diverse age sets. Firms are not interested to retain old employees thinking that they are expensive, more inclined to health issues, cannot conform to workplace changes and new technology, perform ineffectively, as opposed to fresh employees, and result in decreased yield on training investments (Algahtani, A. 2013). The study on simple production technology with more diversity in age was expressively less gainful and less productive. This states that retail stores with more age diversity among their employees tend to be less profitable (Kulik and Roberson, 2008).

2.3.2 Gender diversity: Every organization is looking for gender diversity (Saeed et al., 2022). Previously both scholars and practitioners were gradually optimistic about the impact of workforce diversity on performance (Hu & Meng, 2022). Cox and Blake (1991) argued that diversity has the power to become a competitive advantage (Côté et al., 2022). Whatever theories and empirical research show that diversity can direct to either positive or negative outcomes (Wu et al., 2022). Barney (1991) suggests that according to the resource-based view there is a positive relationship between diversity and performance. On the other hand, Tajfel (1978) said that there is a negative diversity-performance relationship according to social identity theory. Gender-based inequalities in an organization are recovered and exemplified by stereotypes and biases (Shellock et al., 2022) that describe positive characteristics and therefore a higher status the males (Egolf & Corder, 1991). Eagly and Wood (1991) showed that gender-diversified groups perform better than the same gender group (Sasikala & Sankaranarayanan, 2022)

2.3.3 Educational background diversity: One's abilities and qualities largely depend on one's level of education (Raja & Lakshmi Priya, 2022). The most significant levels of formal training are related to a high capacity to process data and segregate between a wide assortment of choices (Bloom & Liang, 2022). Taught people are bound to endure equivocalness and to demonstrate themselves to be increasingly capable in complex circumstances (Dollinger, 1985). Moreover, the most significant levels of instruction will in general be related to receptivity to advancement (Van der Zee & Dirks 2022).

2.3.4 Work Experience Diversity: Carr et al, (2006) in their research showed that work environment experience alluded to information, capability, and capacities of a laborer gained during the proficient excursion in an explicit control. Pinder (2014) attested that experienced representatives in any business are liable for creating hierarchical pay as opposed to creation. Recruiting a worker having to get the job done information, understanding the work prerequisites, targets what's more, and challenges related to the positions, is a key to progress (Morgan, 2015). Exploration led by World Bank Group (2012) unfurls that experienced representatives drive the adequacy of the establishment because they had embraced various pieces of training that in the end impact the execution of people. The experience of representatives shows his/her earnestness, consistency, and improvement in expert information that at last influences the performance of the organization.

2.3.5 Religion Diversity: Watson et al., (2002) in their study showed that religious diversity is the fact that there are massive differences in religious beliefs and practices (CHOPRA, 2022). According to Hicks (2002), the differences in cultural characteristics were predictive of team scores, which is

the result of the advantage of having different religious viewpoints for problem-solving resulting in increased team performance after the teams learned how to utilize these differences in their benefit.

2.4 Research Gap:

There have been several valuable studies on the impact of workforce diversity factors like age, gender, educational background, work experience, and religion on employee performance Maier, (1967)Wen et al., (2021), Weling (2011), Omboi et al., (2011), Deshwal & Chaudhary (2012), Tajfel (1978), Cox (1991), Michael et al., (2000)Schwind (2007), Cheong, (2022). But there has been minimal research on the impact of the above factors on Employee Performance (Chelladurai & Kim, 2022). Apart from that, hardly any research talk about measuring all these factors on employee performance in Khulna.

2.5 Theoretical Model:

The theoretical model of term diversity indicates three different theoretical frameworks (Zalata et al., 2022). Firstly, social categorization explains the classification of people based on social traits such as age, gender, education, experience, and religion generating stereotype based on these variations. Social identity theory (Tajfel, 1982) stated that one's self-concept is different from other members of specific social groups, particularly those groups who perceive themselves as higher based on some social traits. Secondly, attraction theory stated that the similarity in characteristics like age, gender, education, experience, and religion enhances mutual enticement and charm (Inyabri, 2022). The third theory is information and decision-making explains the influence of sharing of information on teamwork (Wittenbaum et al., 2021). Social categorization (Turner, 1986) and similarity attraction theory forecast adverse influences like a decline in group communications, a decrease, in satisfaction and commitment, and enhanced turnover (Prati, 2021). While from the information and decision-making aspects positive effect of diversity is assumed because a more diverse workforce is expected to process information differently since they bring, as team members, diverse opinions which in turn lead to extra creativity and enhanced performance (Kosek, 1996).

2.6 Proposed Concept Framework:

The explanation embedded in the social identity theory guide the researcher to understand how employee workforce diversity as age, gender, educational background, work experience, and religion affect the performance of the employees.

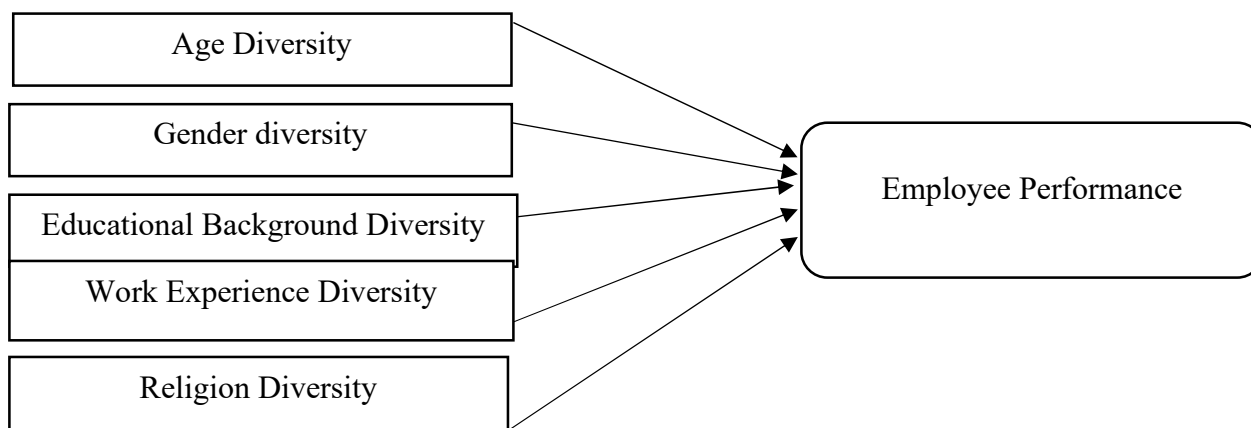


Figure 01: Conceptual Framework

2.7 Hypothesis of the Study

In this study employee performance is the dependent variable. Meanwhile, age, gender, educational background, work experience, and religion are the independent variables. Thus, the hypothesis is that there is a significant relationship between these dependent variables and independent variables. Either one of these independent variables or some of them does have a positive effect to influence employee performance in an organization.

H1: There is a significant relationship between age and employee performance

H2: There is a significant relationship between gender diversity and employee performance

H3: There is a significant relationship between educational background diversity and employee performance

H4: There is a significant relationship between work experience diversity and employee performance.

H5: There is a significant relationship between religious diversity and employee performance

3.0 Methodology

3.1 Research Design:

This study used a descriptive research design. In this research, the primary and secondary data collection methods were determined, and the population of the study and the sample to be studied was also determined. There were also selected the instrument for primary data collection. A well-structured questionnaire was administered to the respondents for primary data collection. The data collected was processed and analyzed using SPSS and the results of the findings are reported. Given that the study aimed to obtain complete and correct data the study, here I adopted a survey research design since it takes into account all the steps involved in a survey concerning a phenomenon to be studied.

3.2 Source of Data:

The study employed both primary and secondary sources of data collection.

3.2.1 Primary Sources

The required data has been collected from the employees/ managers. The layout of the questionnaire contains multiple choice questions using the Likert scale. The questionnaire has been designed to see the impact of diversity variables on organizational effectiveness, in the banking sector (selected banks) in Bangladesh. A pilot study was conducted to validate the questionnaire and a few questions were redesigned to improve the understandability of the questions. Later the questionnaires were validated by the experts.

3.2.2 Secondary Sources

The relevant Secondary data has been collected from files, old records, office manuals, circulars, and policy papers from the banks in different towns. Besides, a variety of published books and government documents, websites, reports, and newsletters have been reviewed to make the study fruitful.

3.3 Sampling Procedure and Sample Size

The target population of the study is selected banks of the Khulna zone. In this research, the convenience sampling procedure was used. The study will use different types of sampling techniques to select respondents from the banks of the Khulna zone, such as systematic random sampling to select respondents from selected banks. Moreover, data will be gathered through a simple Random sampling method. Those selected banks under this study are private in the Khulna zone. The target population is 5,000. As the questionnaire of this study was developed of 35 questions, so the maximum sample size should be $(35*5) = 175$ (Krejeie and Morgan, 1970).

3.4 Data Collection Method

For this study, a close-ended questionnaire was used to collect data. Primary data was obtained by administering a structured questionnaire. Data was collected from questionnaire survey discussion.

3.5 Instrument/Questionnaire Design

Questionnaires from previous research journals had been adopted and modified to construct the questionnaire for the study. This was made up of a list of questions relating to the objectives of the study and the hypotheses to be verified which the respondents were required to answer. The questionnaire was divided into sections, one section contained demographic information of the respondents and the subsequent sections contained information on workforce diversity and employee performance. Questions were prepared in form of statements and arranged them using a Five point Likert scale format ranging from lowest to highest 'strongly disagree (1), disagree (2), neutral (3), agree (4), and strongly agree (5).

3.6 Data Analysis Method

The statistical analysis involves bivariate analysis for determining the degree of relationship between the variables which includes Pearson correlation analysis. The scientific package for social science (SPSS) software was employed Regression and Correlation analysis was used because of the nature of the topic (The impact of workforce diversity on Employee Performance), and these two techniques are the most common model used by many researchers. A correlation was used to show the relationship between variables, and regression, on the other hand, was used for the prediction of the outcome. It does not only show positive, negative, or no relationship but also tells the strength of that relationship.

4.0 Data Analysis and Discussion

4.1 Reliability Analysis: The accuracy of the study is measured through reliability analysis.

Cronbach's Alpha is used for measuring reliability (Chew et. 2011).

Table 4.1.2: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
.895	.891	35

Here Cronbach Alpha value is .895. Table 4.1.2 carries a very good reliability

4.2 Analysis and Discussion of Demographic Profile

4.2.1 Demographic Analysis and Interpretation

Table 4.2.1 Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30 years	29	16.6	16.6	16.6
	31-40 years	59	33.7	33.7	50.3
	41-50 years	44	25.1	25.1	75.4
	4.00	43	24.6	24.6	100.0
	Total	175	100.0	100.0	

Table 4.2.1 shows the age characteristics of respondents. 33.7% are within the age group of 31-40 years, while 50.3% are cumulatively within the age group of 31-50 years. The data shows that a relatively high proportion of the workforce is in their active productive years.

Table 4.2.2 Gender of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	89	50.9	50.9	50.9
	Female	86	49.1	49.1	100.0
	Total	175	100.0	100.0	

Table 4.2. 2 shows the gender distribution of respondents. Male respondents constituted 50.9%, while 49.1% were female. The data shows that the male gender is slightly higher than the female gender.

Table 4.2.3 Experience in the work of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3 years	29	16.6	16.6	16.6
	4-6 years	88	50.3	50.3	66.9
	7 years	15	8.6	8.6	75.4
	above 7 years	43	24.6	24.6	100.0
	Total	175	100.0	100.0	

Table 4.2.3 represents the level of work experience. It shows that 50.3% are within the experience level of 4-6 years. So maximum employees have the experience of 4- 6 years.

Table 4.2.3 Level of education of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor's Degree	29	16.6	16.6	16.6
	Postgraduate Diploma	15	8.6	8.6	25.1
	Master's Degree	88	50.3	50.3	75.4
	PHD	43	24.6	24.6	100.0
	Total	175	100.0	100.0	

Table 4.2.3 shows that 50.3% of the respondents are a background of Master's degree, while 16.6% are from Bachelor's Degree, 8.6% are from Post Graduate Degree and 24.6% of the respondents are

Irin Sultana, Shaikh Taufikul Islam & S.M. Razibul Hasan, 2022, 5(1):1-19

from Ph.D. As the banking industry is a growing industry in Khulna, Bangladesh, so more people are working with good backgrounds in their education level. Cumulatively 75.4% are from both PhD. and Master's Degree; which indicates the importance of education in Private Banking jobs.

Table 4.2.4 Religion of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Islam	89	50.9	50.9	50.9
	Hinduism	28	16.0	16.0	66.9
	Christianity	30	17.1	17.1	84.0
	Buddhism	28	16.0	16.0	100.0
	Total	175	100.0	100.0	

Table 4.2.4 shows that 50.9% of the respondents are belongs to Islam, while 16.0% from Hinduism, 17.1% from Christianity, and 16.1% from Buddhism. So, in Private banking sector of Khulna Islam has the highest number of respondents. Besides, there are other religious tic groups.

4.2.2 Descriptive Analysis of Data and Interpretation

Table 4.2.5: Descriptive Statistics for Age Diversity

	N	Range	Minimum	Maximum	Mean	Std. Deviation	Variance
The organization recruits fresher's every year	175	2.00	3.00	5.00	4.5771	.61918	.383
Employees with different age groups bond well	175	2.00	3.00	5.00	4.2114	.77747	.604
There is a proper mix of employees from all age groups in the organization	175	2.00	3.00	5.00	4.2686	.79646	.634
The organization allows the employees to work post-retirement Age	175	2.00	3.00	5.00	4.1429	.83538	.698
Working with different age groups help me increase my performance	175	2.00	3.00	5.00	4.2800	.70824	.502
Employees from all age groups are involved in decision-making & problem-solving processes	175	3.00	2.00	5.00	3.9886	.98837	.977
Valid N (listwise)	175						

Table 4.2.6: Descriptive Statistics for Gender Diversity

	N	Range	Minimum	Maximum	Mean	Std. Deviation
There is a proper mix of males and females in the organization	175	3.00	2.00	5.00	3.6629	1.22500
There are females in Top Management	175	2.00	3.00	5.00	4.0743	.78796
Male & Female employees are treated in a fair & equal manner	175	2.00	3.00	5.00	3.7943	.77532
I feel comfortable working with the opposite gender	175	2.00	3.00	5.00	3.8571	.82848
Working with the opposite gender helps me increase my performance	175	3.00	2.00	5.00	3.7314	1.15564
Female gets proper promotion	175	2.00	3.00	5.00	4.2114	.68303
Valid N (listwise)	175					

Table 4.2.7: Descriptive Statistics for Educational background Diversity

	N	Range	Minimum	Maximum	Mean	Std. Deviation
There are employees with a different educational background in the organization	175	2.00	3.00	5.00	4.4857	.74168
The organization provides support to the employees to upgrade their qualifications and skills	175	2.00	3.00	5.00	4.0629	.88509
Working with employees with different educational backgrounds helps me increase my performance	175	1.00	4.00	5.00	4.4971	.50143
Valid N (listwise)	175					

Table 4.2.8: Descriptive Statistics for Work Experience diversity

	N	Range	Minimum	Maximum	Mean	Std. Deviation
Employees who have spent a long time within the organization hold a special importance	175	3.00	2.00	5.00	2.9886	.85761
There is a proper mix of fresher's and experienced employees in the organization	175	3.00	2.00	5.00	2.7714	.76885
In the case of equally experienced employees, seniority is given more weightage during the performance appraisal process	175	1.00	2.00	3.00	2.6343	.48301
Freshers are not involved in the decision-making & problem-solving process	175	4.00	1.00	5.00	2.7143	1.18349
Working with freshers, middle-level experienced and highly experienced employees help me increase my performance	175	2.00	3.00	5.00	4.1714	.83342
Generation gap & ego issues do not lead to conflicts between freshers & experienced people	175	2.00	3.00	5.00	4.2914	.58789
Promotions & Increments are awarded on a merit basis and not based on Seniority	175	2.00	3.00	5.00	4.3714	.71461
Valid N (listwise)	175					

Table 4.2.9: Descriptive Statistics for Religion Diversity

	N	Range	Minimum	Maximum	Mean	Std. Deviation
There are employees from different religions in the organization	175	2.00	3.00	5.00	4.2800	.70824
The top management consists of employees from different religions	175	2.00	3.00	5.00	4.2171	.76470
Employees from all religions are involved in the decision-making process	175	2.00	3.00	5.00	4.2286	.56149

Irin Sultana, Shaikh Taufikul Islam & S.M. Razibul Hasan, 2022, 5(1):1-19

Religion is not considered during the performance appraisal process	175	2.00	3.00	5.00	4.0571	.80740
Working with employees from different religions helps me increase my performance	175	2.00	3.00	5.00	4.4400	.81339
Valid N (listwise)	175					

Table 4.2.10: Descriptive Statistics for Employee Performance

	N	Range	Minimum	Maximum	Mean	Std. Deviation
I always meet the targets assigned to me and deliver results on time	175	1.00	4.00	5.00	4.2057	.40538
I always add value to my department and organization	175	1.00	4.00	5.00	4.5029	.50143
I always try to explore and learn new techniques to deliver more than my boss's expectations	175	2.00	3.00	5.00	4.1429	.74829
Competitiveness is a measure of performance in our organization	175	2.00	3.00	5.00	4.0057	.84756
I often meet targets during challenging situations	175	2.00	3.00	5.00	4.2114	.68303
Working in a diverse group helps me increase my productivity	175	2.00	3.00	5.00	4.4343	.62050
Working in a diverse group helps me enhance my creativity	175	1.00	4.00	5.00	4.5657	.49709
Our diversity practices have impacted positively on our performance	175	1.00	4.00	5.00	4.4971	.50143
Valid N (listwise)	175					

From table 4.2.5 to 4.2.10 have shown the descriptive statistics of independent variables (age, gender, work experience, educational background, and religion) and dependent variables (employee performance). In these statistics, the mean of maximum statements is near 4. So, it can be concluded that a maximum of respondents agreed with the statements. So, it can be said that these statements create positive changes in the Private banking sector of Developing countries.

4.3 Analysis and Discussion of Main Facts

4.3.1 Correlation Analysis and Hypothesis testing

Table 4.3.1: Age diversity Correlation with employee performance:

		Age Diversity	Employee Performance
Age Diversity	Pearson Correlation	1	.908**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	37.876	27.772
	Covariance	.218	.160
	N	175	175
Employee Performance	Pearson Correlation	.908**	1
	Sig. (2-tailed)	.000	

Irin Sultana, Shaikh Taufikul Islam & S.M. Razibul Hasan, 2022, 5(1):1-19

Sum of Squares and Cross-products	27.772	24.675
Covariance	.160	.142
N	175	175

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

Table 4.3.1 shows the correlation analysis between age diversity and employee performance. In this table the Pearson coefficient value was a very strong positive value, $r=.908$, $p < 1$. This positive value indicates that the relationship between age diversity and employee performance is positive meaning that an increase in age diversity will result in a very strong positive change in employee performance.

Hypothesis H1: So, we accept the null hypothesis as there is a significant relationship between age diversity and employee performance.

Table 4.3.2: Gender diversity correlation with employee performance

		Gender Diversity	Employee Performance
Gender Diversity	Pearson Correlation	1	.760**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	35.505	22.500
	Covariance	.204	.129
	N	175	175
Employee Performance	Pearson Correlation	.760**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	22.500	24.675
	Covariance	.129	.142
	N	175	175

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

Table 4.3.2 shows the correlation analysis between age diversity and employee performance. In this table the Pearson coefficient value was a very strong positive value, $r=.760$, $p < 1$. This positive value indicates that the relationship between gender diversity and employee performance is positive meaning that an increase in gender diversity will result in a very strong positive change in employee performance.

Hypothesis H2: So we accept the null hypothesis as there is a significant relationship between gender diversity and employee performance

Table 4.3.3: Educational Background diversity correlation with employee performance:

		Educational Background diversity	Employee Performance
Educational Background diversity	Pearson Correlation	1	.688**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	20.676	15.548
	Covariance	.119	.089
	N	175	175
Employee Performance	Pearson Correlation	.688**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	15.548	24.675
	Covariance	.089	.142
	N	175	175

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

Table 4.3.3 shows the correlation analysis between educational background diversity and employee performance. In this table, the Pearson coefficient value is a moderate positive value, $r=.688$, $p < 0.05$. This positive value indicates that the relationship between gender diversity and employee performance is positive meaning that an increase in educational background diversity will result in a moderate positive change in employee performance.

Hypothesis H3: So the null hypothesis is accepted as there is a significant relationship between educational background diversity and employee performance.

Work Experience diversity correlation with employee performance: Table 4.3.4 shows the correlation analysis between educational background diversity and employee performance. In this table the Pearson coefficient value is a weak positive value, $r=.379$, $p < 0.05$. This positive value indicates that the relationship between work experience diversity and employee performance is positive meaning that an increase in educational background diversity will result in weak positive changes in employee performance. Hypothesis H4: So, the null hypothesis is accepted as there is a significant relationship between work experience diversity and employee performance.

Table 4.3.4: Work Experience diversity correlation with employee performance

		Work Experience diversity	Employee Performance
Work Experience diversity	Pearson Correlation	1	.379**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	14.786	7.230

Irin Sultana, Shaikh Taufikul Islam & S.M. Razibul Hasan, 2022, 5(1):1-19

	Covariance	.085	.042
	N	175	175
Employee Performance	Pearson Correlation	.379**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	7.230	24.675
	Covariance	.042	.142
	N	175	175

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

Table 4.3.5: Correlation analysis between educational background diversity and employee performance.

		Religion Diversity	Employee Performance
Religion Diversity	Pearson Correlation	1	.898**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	12.031	15.476
	Covariance	.069	.089
	N	175	175
Employee Performance	Pearson Correlation	.898**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	15.476	24.675
	Covariance	.089	.142
	N	175	175

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

Table 4.3.5 shows the correlation analysis between educational background diversity and employee performance. In this table the Pearson coefficient value is a very strong positive value, $r = .898$, $p < 1$. This positive value indicates that the relationship between religious diversity and employee performance is positive meaning that an increase in educational background diversity will result in weak positive changes in employee performance. Hypothesis H5: So, the null hypothesis is accepted as there is a significant relationship between religious diversity and employee performance.

4.3.2 Regression Analysis: Basically, regression analysis is conducted to determine the impact of Diversity in employee performance. The table indicates the outcome of the regression analysis model for age diversity, gender diversity, educational background diversity, work experience diversity, and religious diversity. The dependent variable used (employee Performance) while, age, gender, educational background, work experience, and religion are the independent variables.

Table 4.3.6: Regression Model summary for employee performance:

Model	R	R Square	Adjusted R Square	Std. An error in the Estimate
1	.937 ^a	.878	.875	.14496

a. Predictors: (Constant), Religion Diversity, Work Experience diversity, Gender Diversity, Educational Background diversity, Age Diversity

Irin Sultana, Shaikh Taufikul Islam & S.M. Razibul Hasan, 2022, 5(1):1-19

The R square value of the model indicates that 87.5% of the change or variance in the model could be accounted for by Religion Diversity, Work Experience diversity, Gender Diversity, Educational Background diversity, and Age Diversity.

Table 4.3.7: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	25.650	5	5.130	244.135	.000 ^b
Residual	3.551	169	.021		
Total	29.201	174			

- a. Dependent Variable: Employee performance
- b. Predictors: (Constant), Religion Diversity, Work Experience diversity, Gender Diversity, Educational Background diversity, Age Diversity

From this Anova model, it can be said that there has a significant relationship between employee loyalty and its predictors such as religious diversity, work experience diversity, gender diversity, educational background diversity, age diversity, and the data fitness level is 244.135 which is assumed good number for the sample size of 175. The Anova statistics in table 4.3.7 above, have a significance level of .000 which shows that the data is ideal for concluding the population's parameter as the value of significance (p-value) is less than 5%.

4.3.3 Regression Coefficient Analysis for Employee Performance:

Multiple regressions were conducted to determine the kind of association between the independent and the dependent variables. Shown in table

Table 4.3.8: Coefficients^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.772	.228		3.389	.001
Age Diversity	.462	.056	.523	8.258	.000
Gender Diversity	.045	.046	.049	.963	.337
Educational Background diversity	.140	.047	.117	2.952	.004
Work Experience diversity	.028	.043	.020	.661	.509
Religion Diversity	.519	.089	.332	5.820	.000

a. Dependent Variable: Employee performance

From the above table 4.3.8, it can be deduced that there are relationships between the dependent variable and each independent variable. From the table, the regression equation for employee performance can be developed as:

$$Y = .772 + .462Age + .045Gender + .140Educational\ background + .028Work\ Experience + .519Religion$$

From the above equation, it can be deduced that the coefficient for age diversity is .462, which suggests that for each additional age diversity, an increase in organizational performance of an average of .462 can be expected (all factors held constant) due to the positive relationship.

Again the equation also shows that coefficient for the gender is .045, suggesting that an increase in employee performance of .045 should be expected with every additional gender diversity. Following the above conditions, the coefficient for educational background and experience has also a positive relationship with employee performance. Lastly, the equation indicates that the coefficient of religion is .519 suggesting that for every additional increase in religion diversity an average increase of .519 should be expected in organizational performance as long as all factors are held constant

5.0 Summary of the Findings

The study made several significant findings in line with the research objectives. The study found that the majority of the respondents (33.7%) were aged between 31-40 years. The study also established that the majority of the respondents were males (50.9%). Concerning experience in work, the study found that 50.3% of the respondents were 4-6 years. Again, the study found that the maximum is Master's Degree holders (50.3%), and the majority are from Islam (50.9%). However, the study found significant correlations between some of the diversity variables, as well as individual diversity variables with the measures of organizational effectiveness. The variable age has a high positive correlation with other variables that is when age increases the employee performance also increases. Age has a high positive correlation with employee performance (0.908**) followed by education (0.688**) gender diversity (0.760**) work experience diversity (.379**) religion diversity (.898**) Employee performance also shows a positive relationship with the independent variable. This indicates that age, gender, work experience, education, religion, and employee performance are interrelated and interdependent.

6.0 Conclusion and Future Research

From the conceptual, theoretical, and empirical findings, the impact of workforce diversity on employee performance in banking sectors seems to be positively significant. The objective of the study has been achieved and the research questions have been fully answered by the analyses conducted. Every factor has impacted positively (age, gender, education, work experience, religion) on employee performance. This means that workforce diversity is also an influencer of employee performance. Some instructions regarding further research are given below:

- i. This study can be conducted again but on a wider scope. That is, it should include more banks and increase the population size.
- ii. Similarly, this study should be conducted comparatively on private and public or government organizations
- iii. This study was focused on a few dimensions of workforce diversity, however, a similar study can be conducted focusing on how different dimensions of diversity affects organizational performance.

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