

# Workforce Diversity and Organizational Effectiveness in Nigerian Brewery Industry

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## Abstract

The study is aimed at assessing the effects of workforce diversity on organizational effectiveness in Brewery industry using selected Breweries. Workplace diversity is a multidimensional and multi-faceted concept that will continue to evolve as more industries move toward the global marketplace. Survey research design method was employed, stratified sampling method as well as simple random sampling was used. Linear regression and correlation analysis was employed for the analytical purpose to review the nature of statistical significance among variables. The findings show that there is a significant positive relationship between the variables of workforce diversity and organizational effectiveness; in particular cultural diversity was found to be more effective, also Team building & group training-which mediates between workforce diversity and organizational effectiveness. The study concluded that any organization-whose leaders and policy makers are pragmatic, perspicacious and pertinacious, Team building & group training in line with good diversity management will act as panacea to the cankerworm of low employee performance that have set the bottom figure of most organizations balance sheet in bracket. We therefore recommend that for breweries to improve in innovation and creativity, managers and organizational leaders should ensure that diversity-related issues are well managed, and that breweries should create diversity managers in their companies, who are saddled with the responsibility of ensuring that organizational effectiveness is maintained.

**Keywords:** Diversity, Gender Diversity, Ethnic Diversity, Workforce Diversity, Organizational effectiveness.

## 1. Introduction

Advances in technology and the advent of a global economy bring the people of the world closer together than ever before. Given this fact, businesses, educational systems and other entities are investigating ways to better serve their constituents.

This includes being able to attract and retain the best and most qualified workers. Organizations that can develop and employ the necessary policies and procedures to do this will maintain a competitive advantage among their counterparts and increase their effectiveness.

The Breweries recruits its employees from across the country and also foreigners alike. Hence it can be suggested that its work force is diverse. Workforce diversity has important implications toward management practices and policies. Frequently, diversity is viewed in a limited fashion, primarily addressing issues of race, ethnicity, cultural or gender differences. With regard to this study, we used a very broad definition of diversity, to encompass most characteristics that individuals possess that seem to affect the way they think and do things.

There are many legally mandated actions that employers must take to minimize employment discrimination. In Nigeria, for example there is the Federal Character Law which stipulates that recruitments in Federal Government Agencies and Parastatals must reflect the Federal character. But many CEOs recruit to favour their own people to the detriments of other Nigerians from other places. This is unethical and tends to negatively affect the performance level of most organizations in Nigeria (Ogbo, Kifordu, and Wilfred, 2014).

The 21<sup>st</sup> century managers are saddled with the responsibility of both leading employees and responding to the needs of customers who are more ethnically and culturally diverse from each other. Leaders in both the public and the private sectors are focusing more attention on the issue of diversity. Whether the goal is to be an employer of choice, to provide excellent customer service, or to maintain a competitive edge, diversity is increasingly recognized and utilized as an important organizational resource. Leaders and managers within organizations are primarily responsible for the success of diversity policies because they must ensure that the policies are effective.

The most important issues of workforce diversity are to address the problems of discrimination in terms of gender, age, ethnicity, education background and culture.

The main purpose of this study is to investigate the impact of workforce diversity and performance. Various factors that enhance the relationship between workforce diversity & performance as mediators are also explored. Age, gender & ethnicity are taken as the dimensions of diversity.

The discriminatory attitude of some workforce, individual identity, lack of cooperation amongst workers has been extended by workers in same diverse organization beyond limits, which dampens morale with

negative performance index. This is because departmental goals are pursued more at the expense of broad organizational goals and objectives. Corporate profitability dwindles because the core values of diversity are not properly harnessed (Salami, 2010).

Countless studies have been conducted on workforce diversity. This study is provoked by the gap left unfulfilled by a substantial number of research works that has been conducted on workforce diversity and its significance on the organizational performance. In recent years Diversity Management and workforce diversity have been substantial and as such have forced companies to embrace these concepts in their companies with the aim of increasing productivity and profit. This forced integration has created divergence and uncertainty in the workforce, as management is not skilled enough to control the concept of diversity management and its ethics, and so managers are finding it difficult to effectively practice diversity management, which in turn has become an albatross on their neck

When left un-managed, employee diversity is more likely to damage morale, increase employee turnover, and cause significant communication problems (Jehn et al., 1999), in Eugene et al., (2011). The above mentioned negative effect of workforce diversity is prevalent to organizations today, but requires solutions for organizations to perform optimally. Hence, this study investigated the impact of workforce diversity and organizational effectiveness using breweries in Nigeria.

## 2. Literature Review

Many organizations throughout Nigeria are unsure of what it takes to effectively manage diversity. This is partly due to the fact that top management only recently became aware of the combined need and importance of this issue. At this point, it is necessary to provide a framework for categorizing organizational initiatives. Researchers and practitioners have developed relevant frameworks. One was developed by Roosevelt (2001), who is a diversity expert. He identified eight generic action options that can be used to address any type of diversity issue. A second was proposed by another diversity expert, Mitchell (2013). She empirically identified the specific diversity initiatives used by 16 organizations that successfully managed diversity in developed countries. This framework is reviewed in order to provide information both on broad and specific understanding on how organizations are effectively managing diversity.

### 2.1 *Concepts Of Diversity*

Diversity is a subjective phenomenon, created by group members themselves who on the basis of their different social identities categorize others as similar or dissimilar: “A group is diverse if it is composed of individuals who differ on a characteristic on which they base their own social identity”. Diversity could be defined as that which differentiates one group of people from another along primary and secondary dimensions. Primary dimensions of diversity, those exerting primary influences on our identities, are gender, ethnicity, race, sexual orientation, age and mental or physical abilities and characteristics.

There is a definite trend towards definitions of a multiplicity of diversity dimensions; Cox, (1994) adds culture, social class and language to the primary dimensions and healthcare beliefs and recreational interests to the secondary dimensions. She further adds a tertiary dimension, which encompasses historical moments experienced.

Cox lists 38 possible diversity dimensions, and further suggests that his item “character traits” is “infinitely expandable”. He illustrates this multi-dimensionality by reference to the individual as a kaleidoscope. The analogy of an iceberg comes to mind in the face of these potentially endless dimensions; the obvious characteristics of race, ethnicity, gender, age and disability relate to the small, visible portion of the iceberg, and are the basis of much anti-discrimination legislation around the world. Other dimensions such as religion, culture and political orientation are less obvious, and could be said to constitute the secondary dimensions lying just below the surface, which may be revealed with time. The tertiary dimensions are often the core of individual identity and lie deeper below the surface. It is the vast array of qualities that lie beneath the surface that provides the real essence of diversity to be tapped into, and these have not until recently been acknowledged. It should be noted that only some of the possible dimensions are shown in Table 1; the lists are in no way exhaustive.

Table 1: Dimensions of Diversity

Primary dimensions	Secondary dimensions	Tertiary dimensions
<ul style="list-style-type: none"> <li>• Race</li> <li>• Ethnicity</li> <li>• Gender</li> <li>• Age</li> <li>• Disability</li> </ul>	<ul style="list-style-type: none"> <li>• Religion</li> <li>• Culture</li> <li>• Sexual orientation</li> <li>• Thinking style</li> <li>• Geographic origin</li> <li>• Family status</li> <li>• Lifestyle</li> <li>• Economic status</li> <li>• Political orientation</li> <li>• Work experience</li> <li>• Education</li> <li>• Language</li> <li>• Nationality</li> </ul>	<ul style="list-style-type: none"> <li>• Beliefs</li> <li>• Assumptions</li> <li>• Perceptions</li> <li>• Attitudes</li> <li>• Feelings</li> <li>• Values</li> <li>• Group norms</li> </ul>

Source: based on R. Rijamampinina, T. Carmichael, (2005:109): A Pragmatic and Holistic

### 2.2 Approach to Managing Diversity: Problems and Perspectives in Management.

Table 1 above indicates that diversity has many dimensions. These may intertwine to produce unique syntheses of human profiles, made up of both differences and similarities. The dimensions interact with and influence one another, and emerge or are displayed differently in different contexts, environments and circumstances, making analysis and management complex. Race, for example, may be more dominant than age in a certain social situation, but may be less dominant than education in a work context. Thus the position and dominance of each dimension are not static, but dynamic, making the concept of diversity more complex. In addition to this, the secondary dimensions are more malleable and many of them will change over time. Diversity is not simple, not easy to grasp and not easy to manage. By using socio-demographic traits as independent variables to operationalize diversity, most diversity studies has understood diversity as a given, fixed individual or group essence (Leonard & Devine, 2003). They sum the situation up by observing that diversity in business has for too long been associated with multicultural, multiethnic and multiracial aspects of the workforce. They define diversity as “any mixture of items characterized by differences and similarities”.

Gender-based inequalities in organizations are reinforced and justified by stereotypes and biases that describe positive characteristics and therefore a higher status to the males (Leonard and Devine, 2003; Jackson & Joshi 2004).

Growing age diversity has become part of many organizations (Florian Kunze, Stephen Boehm and Heike Bruch, 2009). There are two major theories which explain this relationship; the social identity and self-categorization. Individuals are suggested to classify themselves into certain groups on the basis of dimensions that are personally relevant for them according to social identity and self-categorization theory (Kunze, Boehm and Bruch, 2009).

Culture is critical to business success, according to the results of the 2013 Culture and Change Management Survey. When more than 2,200 global businesspeople were surveyed to get their take on culture’s role in business, it was observed that culture is widely seen as more important than companies’ strategies or operating models. This view of culture’s importance holds true around the world (Cox, 1991; Cox 1994; Gilbert and Ivancevich, 2000),

### 2.3 The Concept Of Organizational Effectiveness

Organizational effectiveness is the concept of how effective an organization is in achieving the outcomes the organization intends to achieve (Mitchell, 2013). According to Richard et al. (2000) organizational effectiveness captures organizational performance plus the myriad internal performance outcomes normally associated with more efficient or effective operations and other external measures that relate to considerations that are broader than those simply associated with economic valuation (either by shareholders, managers, or customers).

It’s been asserted in the literature that creativity in teams is expected to be greater when there is diversity in expertise, nationality, culture, gender, ethnicity, sex, character, experience etc. Performance refers to the degree of achievement of the mission at work place that builds up an employee job. Different researchers have different thoughts about performance. Mostly researcher’s used the term performance to express the range of measurements of transactional efficiency and input & output efficiency.

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### 3.1 Research Design

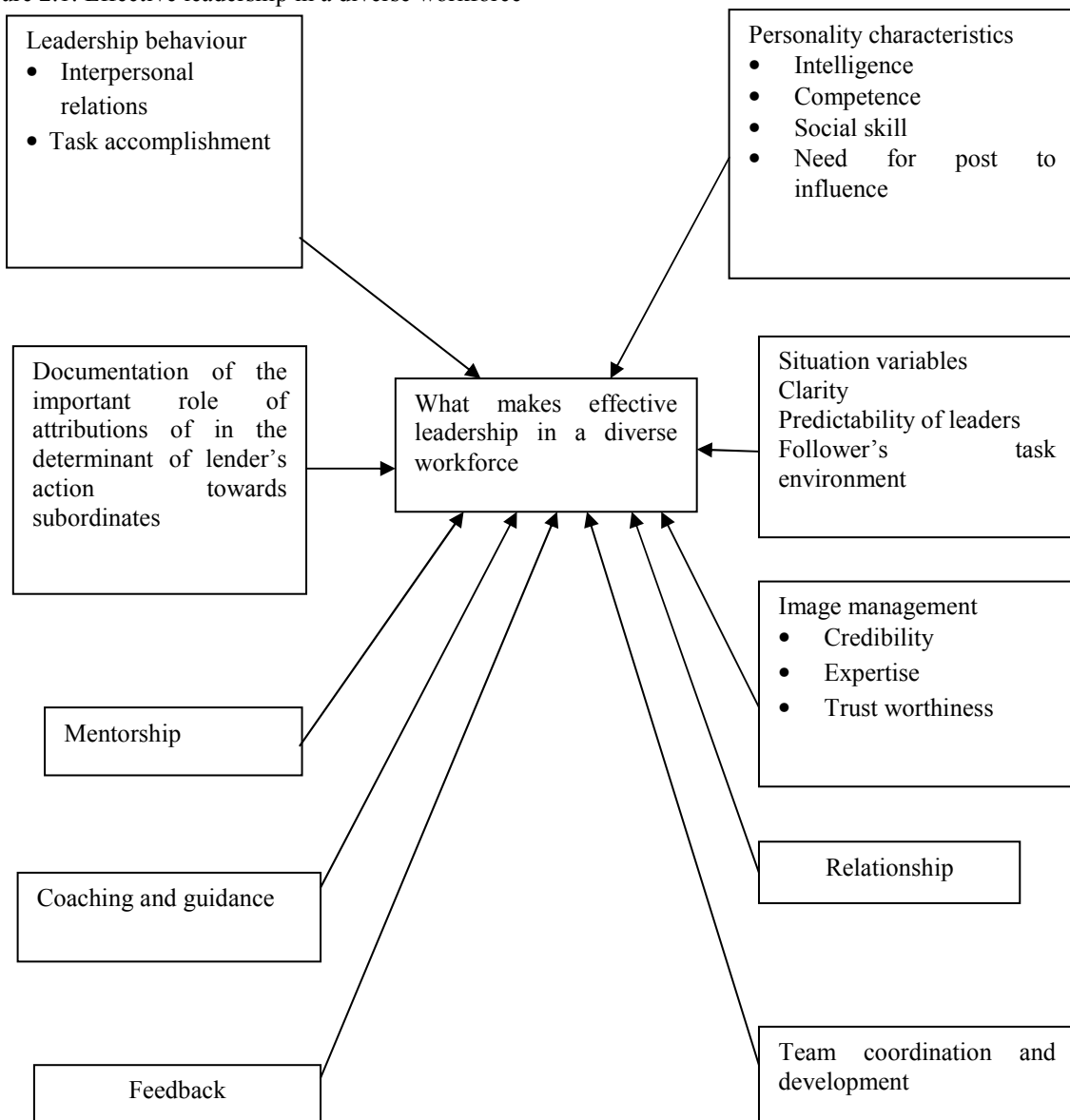
The study used descriptive design to describe the workforce diversity and its effect on performance of the breweries listed on the NSE. Descriptive design was suitably used in the formulation of knowledge and solution to existing problems (phenomenon). It is used when collecting information about people’s attitudes, opinions, habits and other possible behavior.

### 3.2 Population And Sample Size

The sampling frame for the study was created from the 6 Breweries listed under the Nigerian Stock Exchange (NSE). The population of the management staff of the six (6) breweries is 520. A total of 226 staff of the 6 breweries was selected as the sample size as derived Using Taro Yamen’s formula:

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

Figure 2.1: Effective leadership in a diverse workforce



Source: Research’s model as reviewed form Chemers, (1993)

### 3.3 *Sampling Techniques*

The probability sampling method employed in this study includes stratified sampling method (since the sampling element involve six (6) breweries in different locations), and the simple random sampling (SRS) used in selection of the 226 staff from the 6 breweries. The selection of SRS is appropriate for each category because the study involves hypothesis testing using inferential statistics, and SRS provides a means by which the degree of error can be estimated (Yomere and Agbonifoh, 1999: 84), SRS is best used when you have an accurate and easily accessible sampling frame that lists the entire population and better with over a few hundred (Mark et al, 2009:226).

### 3.4 *Method Of Data Collection*

The strategy for generating the data for this study involves the administration of copies of validated questionnaire on the respondents. The questionnaire subjected to five (5) point likert scale ranging from 1- Strongly Disagree to 5- Strongly Agree. It was suitable for this study because it is particularly suitable for measuring attitudes towards an object or for obtaining the response evaluation of an object (Yomere and Agbonifoh, 1999: 145, Mark et al, 2009:178-181 and Olannye, 2006:145). A total of 226 questionnaires was distributed.

### 3.5 *Method Of Data Analysis*

The statistical analysis involve bivariate analysis for determining the degree of relationship between the variables which include Pearson correlation analysis. The scientific package for social science (SPSS version 20) software was employed

Regression and correlation analysis was used because of the nature of the topic (The impact of workforce diversity on organizational effectiveness), and this two techniques are the most common model used by many researchers. Correlation was used to show the relationship between variables, regression on the other hand, was used for prediction of outcome, it does not only show positive, negative or no relationship but also tells the strength of that relationship.

### 4.1 *Data Presentation And Analysis*

This chapter presents the analysis of data collected from the management staff of 6 breweries listed on the NSE, and findings of the study. First, the researcher gives an overview of the process of data generation and analysis. Then the results of the analysis of the descriptive statistics are presented. Finally, the results of testing the hypothesised model were presented and the findings interpreted and discussed.

Out of the 226 questionnaires administered, 206 copies were retrieved. Out of the 206 questionnaires retrieved, 6 copies were inappropriate leaving 200 copies which were used for the analysis, which is 88.%.

### 4.2 *Analysis Of Response Profile*

#### 4.2.1 *Sex of Respondents*

Participants in the survey were asked to state their gender. An examination of this demographic item in the research instrument was carried out with the computation of frequencies and percentages and the results are shown in table 4.1

Table 4.1: Sex of Respondents

Variable	Frequency	Percentage
Male	122	61
Female	78	39
Total	200	100

Source: Researchers analysis of field survey, 2014.

Table 4.1 above shows that 122 (61%) of the respondents were male, indicating that there are more of male employees in this organizations. While 78 (39%) of the respondents were female, making male the modal gender.

#### 4.2.2 Age Distribution of Respondents

Table 4.2 Age distribution of Respondents

Age	Frequency	Percentage
20-29	41	20.5
30-39	79	39.5
40-49	56	28
50 and Above	24	12
Total	200	100

Source: Researchers analysis of field survey, 2014.

Table 4.2 above shows the age distribution of respondents which was spread across various age ranges. It reveals that 20-29years category account for 41(20.5%) of the respondents, 30-39years category represent the highest number of respondents accounting for 79 (39.5%), 40-49years of age range represent 56 (28%) of the respondents while 50years and above category represent 24 (12%) of the respondents and is the lowest number of respondents.

#### 4.2.3: Ethnic Background of Respondents

Table 4.3 Ethnic Background of Respondents

Ethnicity	Frequency	Percentage
Ibo	66	33
Hausa	39	19.5
Yoruba	50	25
Others	45	22.5
Total	200	100

Source: Researchers analysis of field survey, 2014.

The table 4.3 above also reviewed that 66 (33%) of the respondents are Ibos, representing the highest Ethnic group in the industry, 39(19.5%) were Hausa, 50(25%) of the respondents were the Yoruba's, they happens to be the next to the Ibos, while 45(22.5%) represent staff from other tribes.

#### 4.2.4 Educational Qualification of Respondents

Table 4.4 Educational Qualification of Respondents

EDUCATIONAL LEVEL	Frequency	Percentage
Diploma	78	39
Degree	89	44.5
Master	30	15
PhD	3	1.5
Total	200	100

Source: Researchers analysis of field survey, 2014.

As shown in table 4.4 above, the greater part of the respondents had degree 89 (44.5 %). This is directly followed by staff with diploma 78 (39%) of the respondents. 30 (15%) of the respondents are master holders while 3 (1.5%) of the respondents are PhD holders and happens to be the least among them.

#### 4.2.5 Nationality of Respondents

Table 4.5 Nationality of Respondents

NATIONALITY	Frequency	Percentage
Nigeria	169	84.5
Foreigner	31	15.5
Total	200	100

Source: Researchers analysis of field survey, 2014.

The Nationalities of the respondents are typified in table 4.5 above. 169 (84.5%) represents Nigerians which happens to be the major nationality of respondents. While 31(15.5%) of the respondents are foreigners.

### 4.3 Analysis Of Other Data.

Research Question One: What is the relationship between gender diversity and innovation?



Table 4.6: Gender Diversity and Innovation

		Frequency	Percentage	Mean	Std. Dev.
12.	Gender diversity promotes innovative outcomes in my organization				
	SD	6	3.0		
	D	21	10.5		
	U	19	9.5		
	A	126	63.0		
	SA	28	14.0		
	Total	200	100	3.75	0.93
13.	The organization's training and development program is developed to meet the criteria/requirement of the male and female				
	SD	-	-		
	D	17	8.5		
	U	19	9.5		
	A	125	62.5		
	SA	39	19.5		
	Total	200	100	3.94	0.79
14.	Women are involved in the organization's decision making as much as men aiding innovation in the organization				
	SD	-	-		
	D	19	9.5		
	U	17	8.5		
	A	125	62.5		
	SA	39	19.5		
	Total	200	100	3.94	0.79
15	organization is innovative because its human resources is fair in recruitment process of both gender				
	SD	-	-		
	D	29	14.5		
	U	-	-		
	A	97	48.5		
	SA	74	37.0		
	Total	200	100	4.09	0.98

Source: Researchers field Survey, 2014

A total of 126 (63%) of the respondents agree that Gender diversity promotes innovative outcomes in their organization, 28 (14%) strongly agree to the above statement, 19 (9.5%) were undecided, while a respondents totaling 27 (13.5%) disagree.

To the question 'The organization's training and development program is developed to meet the criteria/requirement of the male and female', 125(62.5%) of the respondents agree, 39(19.5%) strongly agree, 19(9.5%) of the respondents were undecided, while 17(8.5%) disagree.

164(82%) of the respondents agree that Women are involved in the organization's decision making as much as men aiding innovation in the organization, 19(9.5%) disagree, while 17(8.5%) of the respondents were undecided.

171(85.5%) agree that their organization is innovative because its human resources is fair in recruitment process of both gender, while 29 (14.5%) of the respondents disagree.

Tables 4.7 Regression Model Test of Analysis of Relationship between gender diversity and Innovation.

Coefficients<sup>a</sup>

Model	Unstandardized Coefficient		Standardied coefficient	T	Sig
	B	Std.Error	Beta		
(Constant) gender diversity	8.245	1.228		6.715	.000
	.488	.071	.525	6.841	.001

Source: SPSS version 17

Table 4.7 above shows that the regression analysis result for gender diversity exhibited a positive, relationship with innovation, giving the Beta value ( $\beta = .525, p < 0.01$ ).

Table 4.8 Model Summary

Model	R	R Square	Adjusted RSquare	Std. Error of the Estimate
1	.593 <sup>a</sup>	.427	.413	2.67349

Source : SPSS version 17

The model summary in table 4.8 above shows the change in organisational effectiveness measured by innovation (dependent variable) which is brought about by gender diversity ( independent variable). 41.3% (.413) of the change in innovation is explained by gender diversity.

Research Question Two:

What is the relationship between ethnic diversity and creativity?

Table 4.9 Ethnicity Diversity and Creativity

		Frequency	Percent	Mean	Std. Dev.
20.	The concern about the employee's custom, cultures, and values encourage creativity in the organization.	-	-		
	SD	9	4.5		
	D	19	9.5		
	U	104	52.0		
	A	68	34.0		
	SA	200	100	4.16	0.78
21	Different languages that are used to communicate do not create problem among employees				
	SD	19	9.5		
	D	21	10.5		
	U	6	3.0		
	A	126	63.0		
	SA	28	14.0		
Total	200	100	3.75	0.93	
22	The presence of different ethnic groups in my organization encourage creativity				
	SD	17	8.5		
	D	19	9.5		
	U	125	62.5		
	A	39	19.5		
	SA	200	100	3.94	0.79
23	My organization is creative because team leaders includes all member at different ethnic group in problem solving and decision making				
	SD	-	-		
	D	29	14.5		
	U	-	-		
	A	126	63		
	SA	45	22.5		
Total	200	100	3.75	0.93	

Source: Field Survey 2014

172(86%) of the respondents agree that the concern about the employee's custom, cultures, and values encourage creativity in the organization, 19(9.5%) were undecided, while 9(4.5%) of the respondents disagree to the above statement.

A total of 154(77%) of the respondents agree that different languages that are used to communicate do not create problem among employees in their organization, 40(20%) disagree, while 6(3.0%) of the respondents were undecided.

To the statement 'The presence of different ethnic groups in my organization encourage creativity' 164(87%) of the respondents agree, 19(9.5%) were undecided while a total of 17(8.5%) disagree.

A total of 171(85.5%) of the respondents agree that their organization is creative because team leaders include all member at different ethnic group in problem solving and decision making, while 29(14.5%) disagree.



Table 4.10 Regression Model Test of Analysis of Relationship between ethnic diversity and creativity.

Model	Unstandardized Coefficient		Standardied coefficient	T	Sig
	B	Std.Error	Beta		
(Constant)	7.214	1.128		5.741	.000
Ethnic Diversity	.399	.061	.612	6.743	.000

Sources:SPSS version 17

Table 4.11 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the estimate	Durbin watson
1	.912 <sup>a</sup>	.757	.712	2.57322	1.89

a. Predictors: (Constant), Ethnic diversity

Source : SPSS version 17

Research Question Four: What is the relationship between cultural diversity and innovation?

Table4.12 Cultural Diversity and Innovation

		Frequency	Percentage	Mean	Std. Dev.
8.	The company can draw on skilled employees from different cultures when recruiting staff				
	SD	-	-		
	D	9	4.5		
	U	19	9.5		
	A	104	52.0		
	SA	68	34.0		
	Total	200	100	4.16	0.78
9.	Recruiting employee from different cultures helps my organization to be innovative				
	SD	6	3.0		
	D	21	10.5		
	U	19	9.5		
	A	126	63.0		
	SA	28	14.0		
	Total	200	100	3.75	0.93
10.	I am positive about cultural diversity in this work place				
	SD	-	-		
	D	17	8.5		
	U	19	9.5		
	A	125	62.5		
	SA	39	19.5		
	Total	200	100	3.94	0.79
11	The company apply cultural diversity management (CDM) that promote innovation and fairness				
	SD	-	-		
	D	-	-		
	U	29	14.5		
	A	97	48.5		
	SA	74	37.0		
	Total	200	100	4.09	0.98

Source: Field survey, 2014

Total of 104 (52%) of the respondents agree that the company can draw on skilled employees from different cultures when recruiting staff, 68 (34%) strongly agree to it, 9 (4.5%) disagree, while 19 (9.5%) of the respondents were undecided.

126 (63%) of the respondents agree that Recruiting employee from different cultures helps my organization to be innovative, 28 (14%) strongly agree to it, 21 (10.5%) disagree, 19 (9.5%) of the respondents

were undecided, while 6 (3.0%) strongly disagree.

When asked whether they are positive about cultural diversity in their work place, 125 (62.5%) of the respondents agree to it, 39 (19.5%) strongly agree to it, 19 (9.5%) of the respondents were undecided, while 17 (8.50%) disagree.

A total of 97 (48.5%) of the respondents agreed that the company apply cultural diversity management (CDM) that promote innovation and fairness, 74 (37%) strongly agree, while 29 (14.5%) of the respondents were undecided.

Table 4.13 Regression Model Test of Analysis of Relationship between cultural diversity and Innovation. Coefficients<sup>a</sup>

Model	Unstandardized Coefficient		Standardied coefficient	T	Sig
	B	Std.Error	Beta		
(Constant)	8.141	1.028		4.715	.000
Cultural Diversity	.489	.0811	.811	5.841	.000

Sources:SPSS version 17

Table 4.14 Model Summary

Model	R	R Square	Adjusted RSquare	Std. Error of the estimate	Durbin watson
1	.821 <sup>a</sup>	.716	.699	2.81243	1.87

a. Predicators: (Constant), Cultural Diversity

Source: SPSS version17

Table 4.13 above shows that the regression analysis result for Cultural diversity exhibited a positive relationship with innovation, giving the Beta value ( $\beta = .811$ ,  $p < 0.01$ ).

The model summary in table 4.14 above shows the change in orgaizational effectiveness measured by innovation (dependent variable) which is brought about by cultural diversity (independent variable). 69.9% (.699) of the change in innovation is explained by gender diversity.

#### 4.5 Test Of Hypotheses

The regression analysis was employed as an analytical tool for testing the hypothesis formulated in chapter one. The null hypothesis advanced as tentative answers to the research questions of the present study were empirically tested to see whether they are supported by the empirical data or not.

Hypothesis testing between gender diversity and innovation

The analysis in Table 4.7 above shows that the regression analysis result for gender diversity exhibited a positive relationship with innovation, giving the Beta value ( $\beta = .525$ ,  $p < 0.01$ ).

Also as indicated in the table 4.7 above, since the p-value calculated is less than the critical level of significance ( $.001 < 0.05$ ), we reject the null hypothesis and accept the alternative implying that there is significant relationship between gender diversity and Innovation.

Hypothesis testing between ethnic diversity and creativity

The analysis in Table 4.10 above shows that the regression analysis result for ethnic diversity exhibited a positive relationship with creativity, giving the Beta value ( $\beta = .612$ ,  $p < 0.00$ ).

Since the p-value (in table 4.10 above) calculated is less than the critical level of significance ( $.000 < 0.05$ ), we reject the null hypothesis and accept the alternative implying that there is significant relationship between ethnic diversity and creativity.

Hypothesis testing between Cultural Diversity And Innovation.

The analysis in Table 4.13 above shows that the regression analysis result for cultural diversity exhibited a positive relationship with innovation, giving the Beta value ( $\beta = .811$ ,  $p < 0.00$ ).

The table 4.13 above reviewed that the p-value calculated is less than the critical level of significance ( $.000 < 0.05$ ) we reject the null hypothesis and accept the alternative implying that there is significant relationship between cultural diversity and Innovation.

## 5.0 Discussion Of Findings, Conclusions, And Recommendations

### 5.1 Discussion Of Findings

#### 5.1.1: Gender Diversity And Innovation

Table 4.7 above shows that the regression analysis result for gender diversity exhibited a positive relationship with innovation, giving the Beta value ( $\beta = .525$ ,  $p < 0.01$ ). More so, the result in table 4.8 shows that 41.3% of the change in innovation is explained by gender diversity.

However, the result of the tested hypothesis in table 4.13 indicates that there is significant positive relationship between gender diversity and Innovation. The above finding is in accordance with the assertion of Mitchell, (2013) that gender diversity in organizations increase creativity and innovation, stressing that since the marketplace itself is diverse, gender diversity will make it easy for firms to penetrate these markets with innovative ideas and products. This is further supported by the following researchers (Jackson et al., 2004; Jehn et al., 1999; Roosevelt 2001) in their opinion that gender diversity established significantly positive relationship with innovation which in turn result to positive firm performance.

#### 5.1.2: *Ethnic Diversity and Creativity*

Table 4.10 above shows that the regression analysis result for ethnic diversity exhibited a positive relationship with innovation, giving the Beta value ( $\beta = .612, p < 0.01$ ). More so, the result in the model summary in table 4.11 shows that 85% of the change in innovation is explained by ethnic diversity. However, the result of the tested hypothesis in table 4.14 indicates that there is significant positive relationship between ethnic diversity and creativity.

The above finding is in consonance with Timmermans et al., (2011), (Barbara and Politechnika, 2010) and (Richard, 2000) stating that diversity in ethnicity can be expected to be positive for creativity, since it broadens the viewpoints and perspectives in the organization. The study of (Alesina and La Ferrara, 2005; Lee and Nathan, 2011; Ozgen et al., 2011) also affirm that ethnically diverse teams are associated with more creativity and innovation. This is because Ethnic diversity would benefit team performance due to a more diverse pool of skills and knowledge. The implication of the finding is that organizations that are mono-ethnic might not be creative.

#### 5.1.3: *Cultural Diversity and Innovation.*

Table 4.13 above shows that the regression analysis result for Cultural diversity exhibited a positive relationship with innovation, giving the Beta value ( $\beta = .881, p < 0.01$ ). The model summary in table 4.14 above shows that 41.3% change in innovation is brought about by cultural diversity.

However, the result of the tested hypothesis in table 4.14 indicates that there is significant positive relationship between cultural diversity and innovation.

This finding aligned with A survey conducted by the (European Commission 2008) that there is a positive link between cultural diversity and innovation. Cox and Mcleod, 1991; They argued that a culturally mixed workforce are creative and holds a potential competitive advantage for the organizations.

Supporting this finding also is a notable scientists- Gilbert and Ivancevich (2000: 94), they emphasized the importance of cultural diversity, because "it is good in itself and because it enhances organizational performance and increases the quality of organizational life". Continuing they affirmed that managers or organizational heads should successfully use cultural heterogeneity and came to the conclusion that plurality in personnel is beneficial for teamwork and increases productivity and commitment.

### 5.3 *Conclusions*

Workforce diversity creates problem when left unmanaged. From the findings of the study, it can be concluded that, overall the workforce diversity had a significant impact on the organizational effectiveness of the breweries in Nigerian. Specifically,

The gender diversity variable of workforce diversity had a statistically significant positive relationship with innovation. Since the marketplace itself is diverse, workforce with diverse gender will make it easy for firms to penetrate these markets with innovative ideas and products. More so, diversity especially in terms of gender leads to greater problem solving. This is because many alternatives are carefully evaluated by both gender in terms of pros and cons.

Ethnic diversity had significant positive relationship with creativity. This is because Ethnic diversity would benefit team performance due to a more diverse pool of skills and knowledge. The cultural diversity had a statistically significant positive relationship with innovation. Culturally mixed workforce is creative and holds a potential competitive advantage for the organizations, it is good in itself and because it enhances organizational effectiveness and increases the quality of organizational life.

Organizations with diverse employees are better suited to serve diverse external customers in an increasingly global market. Such organizations have a better understanding of the requirements of the legal, political, social, economic, and cultural environments.

A diverse workforce is a reflection of a changing world and marketplace. Each employee in a diverse workplace possesses unique strengths and weaknesses derived from their diverse culture, diverse ethnicity, diverse gender, diverse educational background, and in addition to their individuality. When a diverse workforce is trained and managed properly, diversity in the workplace can leverage the strengths and complement the weaknesses of each worker resulting to synergistic performance, making the impact of the workforce greater than the sum of its parts. Diversity management benefits organizations by creating a fair and safe environment where everyone has access to the same opportunities and challenges, thereby displaying their creativity and

innovativeness.

#### 5.4 Recommendations

Thus, it is recommended that breweries should create diversity managers in their companies, who is saddled with the responsibility of ensuring that organizational effectiveness is enhanced.

Organizational leaders/managers should formulate policies that guide against gender discrimination in their organizations in order to encourage innovative.

Organizational leaders should formulate laws and policies on equal employment, that ensure the most qualified employees are recruited, irrespective of their cultural background, ethnic group, and gender in order to encourage creativity and innovation in the organization .

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