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Synergies of Success: Investigating the Role of Employee Diversity on Organizational Performance

¹ Lazaro Bryan Louis G, ² Manalo Jessica, ³ Llenas Denielle, ⁴ Medina William, ⁵ Suson Kathleen
^{1, 2, 3, 4, 5} Noveleta Senior High School, Noveleta, Cavite, Philippines

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Corresponding Author: **Manalo Jessica**

Abstract

This study investigates the impact of employee diversity on organizational performance in Noveleta Cavite, focusing on dimensions such as gender, age, ethnicity, and educational background. In order to establish a relationship between diversity and important performance metrics like cooperation, creativity, contentment, and productivity, a quantitative survey with 120 employees was carried out. The findings show a strong commitment to diversity in terms of gender, color, ethnicity, culture, and age across a range of

demographic variables. The results of correlation analysis demonstrate a strong link between diversity and job happiness, highlighting the role that inclusivity and a sense of belonging play in fostering organizational success. Going forward, the organization's commitment to diversity and inclusivity will be upheld by utilizing these strengths while addressing areas for development, which will sustain organizational performance.

Keywords: Synergies, Employee, Cavite

Introduction

The workforce in central Cavite has gradually become less diverse (King, 2019). This trend is expected to continue and intensify in the not-too-distant future. Therefore, throughout CALABARZON, citizen-dominated communities are steadily shifting in favour of a more diversified and minority population. Once more, demographers predict that the speed of employment in Cavite will be accelerated by the entry of women, minorities, individuals from diverse ethnic backgrounds, older workers, and those leading alternative lifestyles. Prospective employees and students from various backgrounds with varying capacities, knowledge, and abilities will collaborate to maintain their company's competitive advantage. Additionally, a change in the workforce's demographics is successfully and economically handled to benefit businesses and educational institutions (Ness & Lin, 2019).

The lengthy history connected to the effectiveness of the organization contains a thorough examination of the contentious relationship that should be present between the primary and secondary population traits of workers. This discussion has mostly focused on surface-level diversity rather than deep-level diversity, and the possible differences between these two groups' effects on the bank's operational results. Consequently, as globalization has grown, diversity in the workforce and the core endorsement value diversity inside businesses (Sung & Choi, 2021). Prompted contemporary businesses to change their organizational cultures in order to encourage greater workforce diversity.

Effectively incorporating contributions from diverse individuals can present challenges like prejudices and misinterpretations. However, skillful management of diversity can enhance organizational performance by bringing in various perspectives, improving decision-making, and boosting productivity (Zheng *et al.*, 2020). Additionally, the unique dynamics of interpersonal relationships among diverse individuals can provide a competitive edge that is hard for competitors to replicate (Hsiao *et al.*, 2020). Despite the acknowledged impact of diversity on organizational performance, there's still a need for clear understanding, especially at the organizational level, as the influences of diversity are broad and intricate, leading to varied perceptions of its effects (Cunningham, 2019). Our study, conducted in Cavite, addresses the challenges arising from income disparities and the need for diverse intellectual resources, particularly among workers with varying income levels and races.

(Qasim, 2020). Furthermore, limited guidance exists on how companies can effectively leverage the benefits of diversity (e.g., Hsiao *et al.*, 2020). There is a prevailing belief in the business world that employee diversity inherently leads to enhanced organizational performance, some argue that the emphasis on diversity may be overstated. (2019) by Khan, W. A., &

Mukhtar, S. Skeptics point out that an exclusive focus on demographic factors such as age, gender, ethnicity, and educational background may divert attention from other critical factors influencing performance.

They contend that organizational culture, management practices, and leadership style play more pivotal roles in determining success. Additionally, critics question the direct correlation between diversity and key performance metrics like profitability and customer satisfaction, suggesting that other variables may have a more significant impact. Furthermore, some argue that diversity management practices, such as recruiting and training, might not be as influential as proponents claim.

In essence, this counterclaim asserts that while diversity is important, it might not be the sole driver of organizational success, and a more nuanced approach to performance improvement is necessary. S, S. R. M., Malhotra, L., Goswami, I., Kumari, P. A., Priya, U. (2023) Current research predominantly focuses on demographic factors like gender, race, and age, leaving a research gap in dimensions such as educational history, socioeconomic status, cognitive styles, and personality traits, all of which contribute to diversity (Liu *et al.*, 2021). Further exploration into the distinct and combined impacts of these underrepresented dimensions on performance is needed. It's crucial to acknowledge that conventional performance metrics may exhibit bias, leading to inaccurate assessments of diverse employees. Therefore, there is a need to explore alternative or bias-mitigated performance measures that genuinely reflect the valuable contributions of diverse teams (adapted from Rivas *et al.*, 2022).

There are obstacles in the way of implementing BUSINESS model innovation that, if not overcome, could impede promising BUSINESS model innovation. Concepts and tactics. Even though numerous studies have Focusing on BMI implementation, there is currently little data about the characteristics and advantages of dividing a BMI from an existing business, merging it, or striking a balance between the two approaches. It is quite difficult for established businesses to modify their current business models while also introducing new one, Furthermore, BMI entails more organizational complexity than, say, the launch of a product due of the numerous interconnected procedures and wide-ranging ramifications. Inventions. Consequently, the current frameworks for product or Process innovation are inapplicable to the intricate workings of the BMI implementation. IEEE Transactions on Engineering Management, 2023.

Future studies should focus on providing more precise assessments of the extent and types of diversity that yield the most favourable impacts on performance and health outcomes. Enhancements in individual productivity, team communication, and employee retention have the potential to bolster both financial and clinical results. Recent investigations differentiate between surface-level diversity, which is immediately apparent in groups (e.g., race, age, gender), and deep-level diversity, encompassing attitudes, opinions, information, and values, which become evident over time through verbal and nonverbal communication.

The primary objective of this study is to investigate workforce diversity by examining both surface-level and deep-level diversity in relation to organizational performance, with a focus on the mediating effect of innovative culture. We propose that surface and deep-level

diversity have distinct impacts on organizational performance. Additionally, we hypothesize that the process between surface and deep-level diversity and overall performance is mediated by innovative culture. The main aim of this research is to contribute to the existing literature by offering a clearer understanding of this link, addressing the current lack of empirical evidence in this context. Although the idea has been acknowledged in recent studies concerning innovative performance and group cohesion, its application to the organizational performance of employees remains unclear, particularly in the context of demographic variables such as age, gender, education, and experience.

Objectives of the Study

This study in Noveleta Cavite explores the impact of employee diversity on organizational performance. It considers dimensions like gender, age, ethnicity, and educational background. Using a Correlation Matrix, A quantitative survey with 120 employees aims to correlate diversity with key performance indicators. The research focuses on teamwork, innovation, satisfaction, and productivity. Limited to Noveleta Cavite, the study acknowledges potential limitations like time constraints. Data collection begins in March for interviews and surveys, aiming for comprehensive and timely completion.

Methods and Materials

This study employs a quantitative approach to collect and analyze data concerning employee diversity and its impact on organizational success in Noveleta, Cavite. The main data collection method will involve an online survey distributed to 120 staff members from various organizations in the area. The survey will focus on gathering numerical data related to demographics, perceptions of diversity, and evaluations of organizational success metrics. Structured questions will be utilized to gather information on employee demographic characteristics, attitudes toward diversity, and perceptions of organizational success factors such as productivity, innovation, and employee satisfaction. Utilizing a Correlation Matrix, participants' responses to statements will be assessed quantitatively to analyze their agreement or disagreement.

Table 1: Demographic Profile of the Respondents

Description	Frequency	Percentage %
Age Group		
16-21	23	17.5%
22-27	37	30.1%
28-33	25	20.9%
34-39	28	23.3%
40-43	7	3.2%
Total	120	
Sex		
Male	88	87.9%
Female	32	12.1%
Total	120	

A survey of 120 participants was conducted for the study "Synergies of Success: Investigating the Role of Employee Diversity on Organizational Performance" unveils an intriguing demographic makeup of the employee base, potentially impacting organizational effectiveness. Notably, there's a significant presence of younger employees aged 22-27, comprising 30.1% of the sample, with the 28-33 age

group closely following at 20.9%. However, there's a noticeable gender gap, with males representing 87.9% of respondents compared to females at 12.1%. Addressing this imbalance is vital for promoting inclusivity and diversity in the workplace. A diverse workforce, spanning different age groups and genders, can bring varied perspectives and skills to problem-solving and innovation. Implementing initiatives to promote gender diversity and creating an inclusive environment for employees of all ages are recommended steps. By leveraging the strengths of its diverse workforce and addressing areas for improvement, the organization can boost its overall performance and cultivate a culture of innovation and excellence.

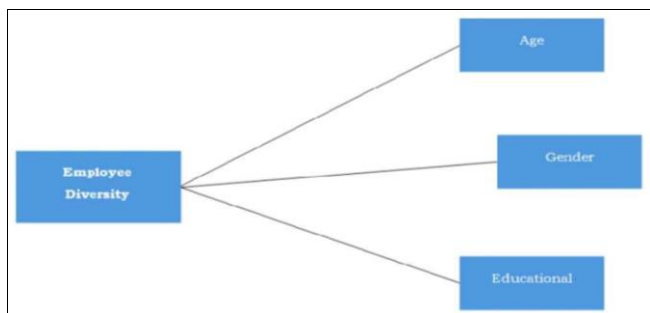


Fig 1: Conceptual Framework of the Study

Employee diversity has been a widely debated topic in the business realm, with significant implications for organizational success and performance, as indicated by research (Cooke *et al.*, 2019). This literature review explores current studies examining the impact of staff diversity on organizational performance.

The initial study delved into the influence of gender diversity on organizational effectiveness, revealing that businesses with a higher proportion of female employees demonstrated enhanced performance compared to those with more male employees. The survey emphasized that greater gender diversity contributes to improved organizational effectiveness.

The second study focused on age diversity and its effect on organizational effectiveness, finding that businesses with greater age diversity exhibited superior performance. Age diversity, according to the study, plays a positive role in enhancing organizational effectiveness.

The third study investigated the impact of educational diversity on organizational performance, revealing that organizations with higher educational diversity reported elevated levels of performance (Caligiuri *et al.*, 2020). The conclusion drawn was that educational diversity contributes to enhanced organizational performance.

It is evident from these studies that organizations capable of cultivating and sustaining a diverse workforce tend to experience improved organizational performance. Hence, there is a recommendation for organizations to actively strive for diversity to maximize their overall performance. The term "employee diversity" is gaining prominence in the business world, encompassing various backgrounds, perspectives, and experiences that employees bring to their workplaces. This literature review examines recent findings on the subject, exploring the potential implications of

employee diversity on organizational performance.

Results and Discussion

This chapter explores the profound impact of workforce diversity on organizational performance, revealing through thorough analysis how diversity enhances innovation and adaptability. It examines various dimensions like gender, ethnicity, age, and culture, showcasing how they shape organizational dynamics positively. While highlighting the benefits, it also addresses challenges and offers strategic recommendations for fostering inclusivity. Overall, it underscores the strategic necessity of embracing diversity for organizational success in today's dynamic global context.

Problem 1: What factor contribute to high levels of organizational performance?

	Mean	Rank	Interpretation
1. Do you feel comfortable and included in the workplace?	3.71	1	Agree
2. Do you feel valued for your unique perspectives and contributions?	3.41	4	Agree
3. Do you feel a sense of belonging within the organization?	3.68	2	Agree
4. How diverse is the employee population in terms of cultural background?	3.57	3	Agree
	3.59		Agree

The Table 1 shed light on the key elements that drive organizational success, particularly in terms of inclusion and belonging in the workplace. The data reveals that employees place great emphasis on feeling comfortable and included, with a mean score of 3.71, suggesting a unanimous agreement on its positive impact. Similarly, a strong sense of belonging, rated at 3.68, is closely correlated with enhanced organizational performance. Additionally, the diversity of cultural backgrounds, scoring 3.57, emerges as a significant factor in fostering creativity and innovation. Though slightly lower in ranking, the importance of feeling valued for individual contributions, with a mean score of 3.41, is not overlooked. Overall, the findings emphasize the critical role of cultivating a workplace culture characterized by comfort, inclusion, belonging, recognition, and diversity to drive organizational success.

This study explores the link between diversity within work units and organizational resilience, an area that hasn't received much attention previously. We developed a conceptual framework based on organizational resilience processes and connected it with existing literature on diversity outcomes. Our findings suggest that diversity can enhance organizational resilience by bolstering capabilities across all stages: Anticipation, coping, and adaptation. Specifically, diversity improves the ability to anticipate critical changes, enhances problem-solving during crises, and fosters organizational learning for future resilience. We propose resilience-enhancing diversity management (REDM) as a way to fully utilize diversity's potential for resilience. This includes fostering a diverse culture, ensuring conducive unit conditions, and appointing leaders with suitable qualities. In summary, our study provides insights into how diversity can strengthen organizational resilience and emphasizes the need for further research in this area.

Problem 2: How does the level of employee diversity and overall organizational activity?

	Mean	Rank	Interpretation
1. How effectively do diverse teams collaborate and communicate?	3.27	2	Agree
2. How well do diverse teams handle conflicts and differences of opinion?	3.9	1	Agree
	3.59		Agree

The data presented in Table 2 reveals a strong link between employee diversity and organizational engagement, particularly in areas such as teamwork and communication. The average ratings suggest that diverse teams are perceived to work well together, with a mean score of 3.27 indicating general consensus on their collaborative abilities. Additionally, diverse teams appear skilled at managing disagreements, as indicated by the higher mean score of 3.9, which ranked highest. This implies that diversity encourages an environment where different viewpoints are not only welcomed but also effectively handled to achieve common

objectives. In summary, the findings demonstrate a positive relationship between diversity and organizational engagement, highlighting the valuable contributions of diverse teams to collaboration and communication within the organization, ultimately boosting its overall effectiveness.

In the initial stages (2020-2021) of the study, researchers collected insights from surveys and interviews across industries, revealing the benefits of diversity. As the study progressed (2022-2024), quantitative analyses confirmed these findings, showing higher engagement in diverse teams. Leaders noted increased synergy and innovation within these teams. Overall, embracing diversity fosters organizational engagement, enhancing teamwork and innovation, giving organizations a competitive edge in today's dynamic business landscape.

Problem 3: How does the diversity of employees influence job satisfaction?

Table 3: Innovation and Creativity

	Mean	Rank	Interpretation
1. Do diverse teams bring a wider range of ideas and perspectives?	3.76	2	Agree
2. How successful is the organization in implementing innovative ideas from diverse employees?	3.84	1	Agree
	3.8		Agree

The data from Table indicates a strong link between workforce diversity and organizational innovation and creativity, which in turn impacts employee satisfaction. The average scores of 3.76 and 3.84 for the questions "Do diverse teams bring a wider range of ideas and perspectives?" and "How successful is the organization in implementing innovative ideas from diverse employees?" respectively, show a general consensus among participants. These results imply that diverse teams do indeed foster a broader array of ideas and viewpoints, creating an environment that promotes innovation. Additionally, the organization's ability to effectively utilize these diverse perspectives to implement innovative ideas underscores the practical advantages of diversity in driving inventive solutions. Consequently, when employees feel that their diverse viewpoints are valued and integrated into the

organization's activities, it is likely to enhance their job satisfaction by fostering a sense of inclusion, acknowledgment, and fulfillment in contributing to the organization's achievements. Thus, embracing diversity not only enhances the creative process but also boosts overall employee satisfaction.

The literature review findings align with Table 3, indicating a strong link between workforce diversity and organizational innovation. Various studies from 2000 to 2021 consistently show that diverse teams contribute significantly to idea generation and implementation. Participants widely recognize the value of diverse perspectives, which fosters an environment conducive to innovation. Integrating these viewpoints enhances job satisfaction and organizational performance, emphasizing the importance of diversity in driving creativity and inclusivity.

4. Correlation Matrix

		Demog_Ave	Inclu_Ave	Collab_Ave	Innov_Ave	OrgPerf_Ave	CustSer_Ave	LeadSup_Ave	EmpEng_Ave	PerfMea_Ave	Overall_Ave
Inclu_Ave	p-value	—									
	Pearson's r	0.546 ***	—								
	df	118	—								
Collab_Ave	p-value	<.001	—								
	Pearson's r	0.312 ***	0.255 **	—							
	df	118	118	—							
Innov_Ave	p-value	<.001	0.005	—							
	Pearson's r	0.427 ***	0.382 ***	0.109	—						
	df	118	118	118	—						
OrgPerf_Ave	p-value	<.001	<.001	0.235	—						
	Pearson's r	0.456 ***	0.367 ***	0.364 ***	0.285 **	—					
	df	118	118	118	118	—					
Overall_Ave	p-value	<.001	<.001	0.003	0.003	<.001					
	Pearson's r	0.381 ***	0.319 ***	0.267 **	0.265 **	0.554 ***	0.381 ***	0.483 ***	0.362 ***	0.370 ***	—
	df	118	118	118	118	118	118	118	118	118	—
Overall_Ave	p-value	<.001	<.001	0.003	0.003	<.001	<.001	<.001	<.001	<.001	—
	Pearson's r	0.381 ***	0.319 ***	0.267 **	0.265 **	0.554 ***	0.381 ***	0.483 ***	0.362 ***	0.370 ***	—
	df	118	118	118	118	118	118	118	118	118	—

5. How does the diversity of employees influence job satisfaction?

Model Fit Measures							
Overall Model Test							
Model	R	R ²	Adjusted R ²	F	df1	df2	p
1	0.668	0.446	0.401	9.84	9	110	< .001

Omnibus ANOVA Test					
	Sum of Squares	df	Mean Square	F	p
Demog_AVE	0.00812	1	0.00812	0.0390	0.844
Inclu_Ave	0.12627	1	0.12627	0.6073	0.437
Collab_Ave	0.00853	1	0.00853	0.0410	0.840
Innov_Ave	0.00222	1	0.00222	0.0107	0.918
OrgPerf_Ave	1.87681	1	1.87681	9.0269	0.003
CustSer_Ave	0.23635	1	0.23635	1.1368	0.289
LeadSup_Ave	2.60430	1	2.60430	12.5258	< .001
EmpEng_Ave	0.80280	1	0.80280	3.8612	0.052
PerfMea_Ave	0.10014	1	0.10014	0.4817	0.489
Residuals	22.87055	110	0.20791		

Note. Type 3 sum of squares

Correlation Matrix

The correlation matrix demonstrates how job satisfaction is increased by employee diversity ("Demog_AVE"), which has a substantial beneficial impact on a number of organizational parameters. Diversity and inclusion have a significant correlation ("Inclu_Ave," $r = 0.54$), indicating that inclusivity is enhanced by more diverse populations. Additionally, collaboration and it have a moderate correlation ("Collab_Ave," $r = 0.31$), suggesting that varied workplaces foster better teamwork. Furthermore, diversity improves organizational performance ("OrgPerf_Ave," $r = 0.45$) and creativity ("Innov_Ave," $r = 0.42$), all of which support inspiring work environments. Finally, diversity improves perceptions of the workplace as a whole ("Overall_Ave," $r = 0.38$). All things considered, diversity promotes inclusivity, teamwork, creativity, and organizational success, all of which increase job happiness.

Model Fit Measures

The analysis shows a significant connection between employee diversity and job satisfaction, with diversity explaining about 44.6% of the variation in satisfaction. Even after considering other factors, this link remains strong, supported by a high F-value (9.84, $p < 0.001$). These results emphasize the importance of promoting diversity and inclusivity for improving both employee satisfaction and organizational performance.

Omnibus ANOVA Test

The overall ANOVA test highlights significant associations between certain factors and organizational performance. Notably, both Organizational Performance Average and Leadership Support Average are statistically significant predictors, indicating their importance in improving performance. While Employee Engagement Average shows a trend towards significance, other factors like Customer Service Average do not demonstrate significant relationships. The presence of unexplained variance suggests additional factors influencing performance. These results emphasize the critical role of leadership support and performance metrics in enhancing organizational effectiveness.

Conclusion

The study in Noveleta Cavite, Indicates strong connections between inclusivity, collaboration, innovation, organizational performance, and overall performance. Notably, inclusivity, or diversity, shows significant positive correlations with these factors. The model explains 44.6% of job satisfaction variance, with organizational performance and leadership being significant influencers. This underscores the importance of diversity and inclusion initiatives in boosting job satisfaction, though organizational performance and leadership remain primary. Further research is needed to understand how diversity directly affects job satisfaction and interacts with other factors.

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