

Strategic Diversity Management And Organizational Productivity In The Telecommunication Industry In Nigeria

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ABSTRACT

This study empirically assesses and found out the relationship and influence of strategic diversity management on organizational productivity in telecommunication industry in Nigeria. The aim of this paper is to evaluate the relationship between demographic diversity management and organizational productivity and also between talent availability and competence diversity management and organizational productivity.

Samples were taken from one of the top telecommunication companies in Nigeria with the use of a structured questionnaire. The reliability test for the items on the questionnaire as given by Cronbach's Alpha coefficient was 0.7. The data was analysed with the use of SPSS 20 using descriptive statistics and inferential statistics for hypothesis testing and level of significance was chosen to be at 0.05.

The study found that there is significant positive relationship between demographic diversity management and organizational productivity and also it was found that demographic diversity management has a strong positive and significant effect on organizational productivity. The relationship was validated by the correlation coefficient between gender, age and geo-political zone which are the measures of demographic diversity and organizational productivity while the influence is shown by the estimates of regression analysis and thigh R² also support the strength of the demographic variables on organizational productivity.

Furthermore, the study found that talent availability and competence diversity management also have positive relationship with organizational productivity and also that effective management of talent availability and competence diversity will enhance productivity of telecommunication industry in Nigeria. The relationship was validated by the correlation coefficient between educational qualifications, years of service and management cadre which are the measures of talent availability and competence diversity and organizational productivity while the influence is shown by the estimates of regression analysis and thigh R² also support the strength of the talent availability and competence diversity variables on organizational productivity.

The paper however recommended that since the 21st century organizations cannot avoid diversity in their workforce, the best should be made out of it through effective management. Managers and stakeholders in the telecommunication industry are hereby encourage to invest more in sourcing for talents availability and competency notwithstanding the level of diversity in their characteristics and class. The study recommended that communication should be encouraged with employees, to give the workers the room to confide in them with their challenges.

1.0 Introduction

Workplace diversity is the collective mixture of differences and similarities that include individual and organizational characteristics, values, beliefs, experiences, backgrounds, preferences and behaviors.

According to Esty (2014), diversity refers to acknowledging, understanding, accepting and valuing differences among people with respect to age, class, race, ethnicity, gender, disabilities etc. Diversity management is a strategy to promote the perception, acknowledgement and implementation of diversity in organizations. Workforce diversity is the biggest challenge and at the same time, the biggest opportunity for the 21st century managers (2015).

Workforce diversity also offers the opportunity to combine specific strengths for the benefit of organizational efficiency. Since each employee has different backgrounds and different strengths, they can be combined to improve performance and productivity. Having a diverse workforce in place has also a practical advantage. Since individuals have their unique time commitments, a varied group helps to ensure that work tasks can be carried out at all times of the year (Al-Shamlan and Doblas, 2019).

As cited by Anthony (2014), many studies suggest that Workforce diversity is a positive factor that leads to a competitive economic advantage for organizations. Moreover, workforce diversity continues to receive a great attention from many organizations to improve employees' efficacy that leads to reach higher performance. Effective management of workforce diversity has a positive effect on competitive advantage. The comparative advantage is a strategic element that makes an organization different. According to Ogbo and Wilfred (2014), managing workforce diversity effectively has a positive effect on competitive advantage. The competitive advantage is an element of strategy that gives an organization a distinctive competence. This competence and advantage stem from the process in which the management of diversity positively affects organizational behaviour and effectiveness.

A Strategic Workplace Diversity Management Plan can help an organization make the most of its diversity by creating an inclusive and sustainable culture and work environment.

A Strategic Diversity Management Plan includes the following components, diversity competencies, business case for diversity, commitment from the top, vision, mission and strategy, diversity recruitment and sourcing, employee retention, training and development, onboarding, communications, marketing, advertising and branding, leveraging employee diversity, strategic alliances and partnerships, corporate social responsibility (CSR), customer/member experience, supplier/vendor diversity and

measurement and accountability. All these are tools to make an effective use of diversity among employees in an organization for effective organizational performance.

The collapse of effective organisational communication had resulted in conflictual relationships within the workforce due to self-interest which are highly inevitable. If the conflict can be managed and controlled, creativity and performance can be increased. Some of the challenges faced in workforce diversity management are political influence, cultural differences, omission of talented workforce due to bureaucracy in a company and majority of the organisations comply with workforce diversity due to legal implications and not general benefit it accords them thus limiting their involvement in diversity management (Shen, Chande, D'Nelto&Monga, 2009).

A talent shortage that requires to seek-out, and use full capabilities of all employees is urgently required in the Nigerian organisations through the effective workforce diversity management. Workable human resource policies and practices in embracing diversity of workforce is lacking in the assertion of (OSP, 2008). Losing talents and employees result in performance losses which can have long term negative effect on companies especially if the departing talent leaves gaps in a company's execution capability and human resource functioning which not only includes lost productivity but also possibly loss of work team cohesion and social good will.

This paper focuses on assessing how telecommunication industry in Nigeria has been able to get the best out of diversity in workforce in the industry through effective application of the above components for strategic workforce management.

1.1 Research objectives

The study aims to assess the impact of demographic diversity management among workforce on organizational productivity in telecommunication industry in Nigeria

It also evaluate the influence of diversity management of talent availability and competence on organizational productivity of telecommunication industry in Nigeria

1.2 Research questions

To achieve the research objectives, the following research questions were set:

RQ1. What is the impact of demographic workforce diversity in telecommunication industry in Nigeria?

RQ2. How does diversity management of talent availability and competence influence organizational productivity of telecommunication industry in Nigeria?

1.3 Research Hypotheses

Ho1: Demographic workforce diversity does not have significant impact on organizational productivity in telecommunication industry in Nigeria.

Ho2: Strategic diversity management of talent availability and competence does not have significant effect on organizational productivity of telecommunication industry in Nigeria.

2.0 Literature Review

This section presents the review of different scholarly articles that are already in existence in the literature on the subject of diversity and organizational productivity. It discusses the different concepts that make up this study and theories that back up this diversity management and organizational productivity.

2.1 Conceptual Review

2.1.1 Workforce Diversity

Diversity is simply how diverse, the workforce is. Are there several people with a mix of cultures, age, background, race etc? Diversity can generally be defined as recognizing, understanding and accepting individual differences irrespective of their race, gender, age class, ethnicity, physical ability and race. Grobler (2012) asserts that each individual is unique but also share a number of environment or biological characteristics. Xin (2011) posits that diversity can be classified into two dimensions. The primary dimension such as age, gender, sexual orientation and so on, exhibits the main differences between various individuals. These primary differences also have the most impact on initial encounters and can be easily noticed and serve as filters through which people view the world. The secondary dimension such as religion, education, geographical location, income etc. are those qualities that are not noticeable in the first encounter and can even change throughout different encounters. These qualities are only noticed after some interactions occur between individuals. (Ashton 2010). Globalization in this recent time has triggered more interaction amongst people from different cultures and backgrounds than before. People are now more open-minded in the marketplace, with competition coming from almost everywhere in the continent. Diversity can be a problem to an organization but could also be a solution, it also comes with its disadvantages but also benefits are inherent in the concept. The challenge then is to extract the very essence of diversity and tactically manage it for the improvement of the people and the organization.

As we enter the 21st century, workforce diversity has become an essential business concern. In the so-called information age, the greatest assets of most companies are now on two feet (or a set of wheels). Undeniably, there is a talent war raging. No company can afford to unnecessarily restrict its ability to attract and retain the very best employees

available. Generally speaking, the term “Workforce Diversity” refers to policies and practices that seek to include people within a workforce who are considered to be, in some way, different from those in the prevailing constituency.

2.1.2 Workforce Diversity Management

Diversity Management can be defined as the process of planning, directing, organizing and applying all the comprehensive managerial attributes for developing an organizational environment, in which all diverse employees irrespective of their similarities and differences, can actively and effectively contribute to the competitive advantage of a company or an organization (Tunde, 2014). Kreitner, (2014) stated that diversity “Stands for the various differences in individuals as well as similarities that exist among them.” Kreitner’s definition emphasizes on three crucial issues about diversity management: Diversity applies to all employees and do not only encompass certain range of differences but the entire spectrum of individual differences that makes people unique. Therefore diversity cannot be viewed as only racial or religious differentiation, but it is the combination of all differences. The concept of diversity defines differences among people and also their similarities. The act of managing diversity requires that these two aspects be dealt with and managed at the same time. Managers are therefore expected to integrate the collective mixture of similarities and differences between workers into the organization. As such, diversity can be described as having four layers (Kreitner, 2014).

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2.1.3 Benefits of effective Workforce Diversity Management

Diversity has multiple benefits to the workplace. One of the major principles of diversity says that a company that has diverse employees has a greater understanding of the global marketplace, Mullins (2010). Diverse organizations benefit from a variety of viewpoints, higher productivity and profit due to company cultures that encourage employees to perform to their highest ability. Employers may also recognize immediate benefits of workplace diversity. Customers who speak different languages or come from overseas may require customer service in their language. In industries such as marketing and advertising, knowing what consumers across different backgrounds want is crucial to success.

2.1.4 Demographic Workforce Diversity

Diversity management is a challenging area and a concern for business organizations. Further, if not properly managed, it can negatively impact an organization, particularly in the rapidly expanding global environment. Diversity is a broad term and

the phrase “workplace diversity” can refer to any characteristic that differentiates one employee from another (Patrick and Kumar, 2012).

In this context, Jones and George (2011) defined diversity as differences or dissimilarities among people due to age, gender, ethnicity, religion, sexual orientation, socioeconomic background, education, experience, physical appearance, capabilities, or disabilities, used to distinguish them.

Although much has been said on diversity demographic coverage in organizations (e.g. age, race, gender, ethnicity, religion and disability status), Harrison et al. (2002) recognized these demographic characteristics exhibit a superficial level of diversity, which can result in employees understanding one another through stereotypes and presumptions. Further, Chattopadhyay et al. (2004) observed that, as people get to know one another, they become less concerned about demographic differences if they see themselves as sharing more important characteristics, such as personality and values, which represent a deeper level of diversity (Ivancevich and Gilbert, 2000). As such, effective diversity management benefits from diversity demographics in recruiting and selecting different talented employees through affirmative action, as well as creating a social context of diverse values, beliefs and perspectives (Avery et al., 2007; Chavez and Weisinger, 2008; Kravitz, 2008; McKay et al., 2008; Acar, 2010).

Effective diversity management can also increase organizational efficiency and effectiveness, improve quality, creativity, innovation and help attract and retain the best employees. Ozbilgin and Tatli (2008) reported strong empirical evidence that successful diversity management and the subsequent progress in organizational performance are positively correlated. Therefore, managers should realize that diversity is a vital organizational resource and demographic characteristics such as age, gender, religion, disability, education, nationality, experience and race/ethnicity reflect the dissimilarities among people in organizations.

2.1.5 Effect of Ethnicity Diversity on Organizational productivity

Nigeria is one of the countries in the world with so many ethnic groups. As a matter of fact, there are more than 250 ethnic groups in Nigeria (Yinka, 2013). This has resulted in people from different ethnic groups working in the same organization. The differences in ethnicity, has contributed to segregation in the workplace. People from the same ethnic group, will like to interact among themselves in an organization. (Amadi, 2014) asserts that in an organization with diverse workforce, you are likely to get people from the same ethnic group, speaking their local language especially when they don't want others to know what they are discussing. This is likely to create tension, which could lead to conflict and eventually affect the productivity of the organization negatively. Moreover, if the

differences in ethnicity are managed, the diversity will likely have a positive effect on the units of output of the organization. This is because people from different ethnic background will bring to the organization, diverse experiences they have gathered from their different ethnic backgrounds and the organization, will likely tap from those experiences, which will have a positive impact on the organization.

2.1.6 Relationship between Gender Diversity and Organizational Productivity

Many organizations in Nigeria, do not give women equal opportunity with men in their workplace (Tunde, 2014). This is because some people feel that women cannot perform and contribute to achieving organizational goals like men. But recent research has proven otherwise women are now known to be as productive as men in the organization. There are certain positions in the organizations that women are known to perform more than men. Therefore, any organization that has both male and female workers and also try to make them mix up and work together, with likely utilize the advantages inherent in both gender in their organization. This management of the different gender, will likely help the organization to produce quality services, necessary for increase profitability.

2.1.7 Effect of Age Diversity on Organizational productivity

In the words of Awoyemi (2015), organizations that have employees with different age brackets i.e both young and old are likely to experience tussle for control of the organization. The young employees will like to control the organization, while the old ones will clamours for control of the organization, based on experience. This can create conflict in the organization, which is not suitable for organizational profitability. But when the diverse workforce is managed the organization will benefit from with the experience of the old workers and the agility of the young employees and this will lead to growth of the organization.

2.1.8 Effects of Diversity in Academic Qualification on the Productivity of an Organization

In every organization, some people are more educated than the others and there is every tendency that there may be division in the organization based on academic qualification. Employees with post graduate degree may like to show those that have the first degree that they are superior while the employees without the first degree that they are also superior. This is likely to create tension in such organization, which is detrimental to the productivity of the organization (Gomez, 2014). However, if the management is able to manage the workforce diversity based on academic qualification, the organization will benefit, as the workers with different qualifications, will bring in their experiences, which is vital for organizational productivity.

2.1.8 Talent availability and Workforce Diversity

In today's competitive and ever-changing business world, retaining and developing talents is central concern of workforce. Workers mobility has become a frequent phenomenon. One reason is a typical characteristic of present workforce, comprising of baby boomers 1946 -1960, Gen X 1961 -1980 and Gen. Y 1981 -2000. Baby boomers are nearing retrenchment and Gen X would be retiring in another few years (Mohammed & Lenkia, 2016). By 2030, 75 percent of the global workforce with inherently different personality, attitude, behavior and work values from baby boomers and Gen X (Mohammed & Lenkia, 2016). Hence, workforce (Talent) availability is a concern to the present world and attending organization.

Talent availability is a systematic process and an organizations commitment to attract, engage, develop and retain top performances in an organization. It comprises of the work processes, activities, strategies, practices and systems that are geared toward developing and retaining a superior workforce. It is about having the right people, matched to the right jobs, at the right time and doing the right thing and in the right place (Devine & Powell, 2008).

Talent is the core competences of the organization and represents a small percentage of employees. Hasen (2007) posits that talent refers to core employees and leaders that drive the business forward. They are high fliers and inspire others to crave for superior performance.

Lewis & Heckman (2006) suggest that talent availability involves identifying mission-critical values, competences and talents needed in the current and future workforce; clarifying the methods that will be used to recruit, hire, develop, manage and retain high performing workforce.

Understanding the importance of and developing a diverse workforce as a key thing for hiring and retaining the best talent and achieving the desired performance level. This in-fact enhances the problem solving skills and creativity of the organisations. Equal employment opportunity policy requires hiring and retaining workforce without discrimination on grounds of their race, colour, religion, gender etc. and upholding merit. Workforce diversity is a wider concept and includes all similarities and differences among workers. More diversity in management was necessary if the need of employees having diverse socio-cultural, ethnic, religious background, age, gender, mental and parental status were to be met.

The word diversity is firstly perceived as giving employment to minorities and affirmative action, but it is not confined to this aspect only. (Jayne & Dipboye, 2004) it is stated that all those organisations who attach high value to manage

diversity are more successful and forward looking. (Jain & Verma, 1996)

Organisations can succeed at diversity if the initiative to create, manage and value the diverse workforce has the full support of the top management (Hayes, 1999; Jackson, et al, 1992). The following are the HR policies/practices which would make workforce diversity a success in any organisation.

Losing talents and employees result in performance losses which can have long term negative effect on companies especially if the departing talent leaves gaps in a company's execution capability and human resource functioning which not only includes lost productivity but also possibly loss of work team cohesion and social good will. It has been noted that spectacular economic growth in India did not come without pain or change of social norms. One of the "causality" has been increased employee turnover. Excessive labour turnover should not be taken lightly as it causes both financial costs and threats to the organisational growth and maturity by increasing system vulnerability and risks. Labour turnover especially of key personnel exposes enterprises to potential risks to their core competence and to the loss of key accounts. Both could result in loss of organisational performance and mounting costs of personnel expenditure.

Finally, excessive turnover will have a negative impact on the sustainability of the company.

Attracting, motivating and retaining knowledge workers have become important in a knowledge-based and tight labour market, where changing knowledge management practices and global convergence of technology has redefined the nature of work. While individualisation of employment practices and team-based work may provide personal and organisational flexibilities, aligning HR and organisational strategies for competitive advantage has become more prominent (Horwitz et al. 2003).

According to the Chartered Institute of Personnel Development (CIPD 2006), the changing demographics of the labour market, enduring skills shortages and employee demands for work-life balance have created a so-called „war for talent“. In this „war“, successful organisations look to improve their strategies, policies and practices for the attraction, development, deployment and retention of talent vital for their business needs. Superior talent is increasingly recognised as the prime source of sustainable competitive advantage in high performance organisations. Underlying this trend is the rapidly changing business environment and the growing need for globally aware managers and professionals with multi-functional fluency, technological literacy, entrepreneurial skills, and the ability to operate in different cultures, structures and markets (Chambers et al. 1998). At the same time, the signs are that attracting and retaining talented employees is becoming harder. In fact, a number of