

## Workplace diversity: A key to organizational competitiveness

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Received: 1 August 2022

Available Online: 15 November 2022

Revised: 23 October 2022

DOI: 10.5861/ijrse.2022.b055

Accepted: 15 November 2022

ISSN: 2243-7703

Online ISSN: 2243-7711

OPEN ACCESS



### *Abstract*

In the era of globalization, the environment of all organizations is changing at an unprecedented rate. Employees work in different ways and settings and the workplace is becoming more diverse. This paper reflects on the practices of workplace diversity among select business process outsourcing companies. The author aimed to get insight from respondents with management level positions to evaluate the implementation of diversity in their workplace, its challenges, and its implication to organizational competitiveness. The descriptive method and non-parametric test were used on this research. Results revealed that the participating respondents agreed that there is a high implementation of workplace diversity in their company and the most common challenges in multicultural organizations are professional etiquette and working styles. The study also revealed that there is a correlation between workplace diversity and organizational competitiveness as it can result to a strong brand identity, collaboration, engagement and by having a diverse experience and working styles, the problem-solving abilities of the employees and productivity may improve.

**Keywords:** workplace diversity, multicultural organizations, organizational competitiveness, diverse workforce, ethnic inclusiveness

## **Workplace diversity: A key to organizational competitiveness**

### **1. Introduction**

Top management has generally been responsible for understanding and responding to the situation of companies. However, the consequences of today's changing environment permeate the organization. As a result, to properly understand human behavior in organizational settings, it is also important to comprehend the changing workplace environment. (Griffin, Gully & Phillips, 2016). The paper reflects on the practices of workplace diversity among select business process outsourcing companies in National Capital Region. The author aimed to get insight from different respondents with management level position to assess the implementation of cultural diversity in their workplace, its challenges, and relationship to organizational competitiveness. Melé and Sánchez-Runde (2013) cited in their journal that in both domestic and international business, differences in color, gender, language, ethnicity, value systems, religion, and local traditions are essential components of the work environment. Cultural diversity is important to business leaders, policymakers, and international organizations worldwide.

A substantial number of research has been undertaken in the last few years to analyze the link between cultural diversity, team performance, and organizational competitiveness (Stahl et al., 2010). Diversification may be seen as advantageous to an organization's overall productivity and competitiveness in a variety of ways, according to several studies. First, it is understood that the stakeholders in the organization are culturally diverse by nature. As a result, having a diverse workforce is an important way of learning about and engaging minority groups in society (Ely and Thomas, 2001). Second, in addition to gaining a better understanding of external stakeholders (target groups and clients previous research has shown that diverse teams are more inventive and creative in fulfilling their responsibilities (Knippenberg et al., 2004). Cunningham & Melton (2011) said that aside from the direct benefits to productivity, cultural diversity is frequently regarded by businesses to convey a good image. By displaying the diversity of its employees, a business shows that it is a socially responsible organization that provides equal opportunity to all cultural groups and aims to remove prejudice and discrimination.

#### *1.1 Statement of the Problem*

The purpose of the analysis of this research is to assess the implementation of diversity in the workplace of select business process outsourcing companies and its implication to organizational competitiveness. Specifically, its goal is to address the following questions:

- In terms of the following variables, what is the profile of the respondents: Age, Highest Educational Attainment, and Number of Years Working in the Company.
- How do the participants assess the implementation of cultural diversity in their workplace?
- What are the issues and challenges in a multicultural workplace as evaluated by the respondents?
- How do the respondents evaluate the implications of workplace diversity to organizational competitiveness?
- Is there a significant relationship between workplace diversity and organizational competitiveness?

### **2. Literature Review**

Increasing globalization demands more connection than ever before among individuals of different cultures, backgrounds, and beliefs. People do not live or work in a closed economy; they are now a part of a larger

economy with competition from almost every region. As a result, businesses need to be more diverse to be more inventive and resilient. Developing and maximizing on workplace diversity is one of today's management challenges (Mazur, 2010).

2.1 Concepts of workplace diversity

According to Patrick and Kumar (2012) acceptance and respect are part of the diversity concept. It entails acknowledging that everyone is different and appreciating uniqueness. Instances include race, ethnicity, gender, gender identity, social position, age, physical ability, religious beliefs, political ideals, and other philosophies. It's all about examining these contrasts in a safe, fair, and encouraging setting. It's about getting to know one another and moving past tolerance to accepting and appreciating the different factors of uniqueness that each of us offers. Furthermore, they define workplace diversity as the variety of differences that exist among employees in a company. Diverse characteristics include race, sexuality, ethnic group, age, character, cognitive style, seniority, organizational role, profession, and background.

In addition, the study by Amaliyah (2015), "diversity" refers to the unique distinctions that people have because of social, psychological, or physical aspects in society. In another study of O'Donohue (2016), he defined it as the process of recognizing, understanding, and embracing people's differences, despite of their age, status, race, sexuality, physical ability, or religious beliefs. Rijamampianina and Carmichael (2005) indicates that diversity has many aspects which shown in the figure. These factors may help to shape unique syntheses of human personalities that include both similarities and differences. The dimensions are related and affect one another, and they develop or express different various situations, environments, and instances, making management analysis challenging. In some social settings, race may be more important than age, while in others, it may be less important than education. As a result, each dimension's position and dominance are dynamic rather than static, making the idea of diversity or multicultural workplace management more complicated.

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

Reference: Diversity Dimension based on the journal of Rijamampianina and Carmichael.

2.2 Challenges and issues in a diverse workforce

Geopolitical, economic, environmental, and technological factors have all had an impact on the diversity of world populations over time. As a result of activities, many countries' demographics have shifted, that had people's ways of communicating, working, and living together. As a result, many companies are searching for methods to leverage on increasing diversity to retain or improve competitiveness. Despite the increasing diversity, there is a lack of information on how it will affect the workplace, society, and the global economy in the future. The hiring of employees from a variety of personalities, cultures, and backgrounds can cause issues in the organization. Because of the concept's relevance, complexity, and holistic nature, businesses must consider the problems that might occur when recruiting talent or operating in locations with different people and cultures (Eboh & Asiah et al., 2018).

The art of managing diversity has been discovered to be a significant problem for managers who are responsible for leading heterogeneous teams (Agrawal, 2012). Furthermore, Hartel Fujimoto (2013) mentioned that If diversity is not managed appropriately, it can have negative consequences. The negative implications of diversity are commonly accepted in terms of negative behavioral and emotional effects such as diminished social cohesiveness, interpersonal problems, and higher staff turnover due to workers' perceived differences and unfavorable attitudes about diverse employees.

On the other side, in the study of Parillo and Donoghue (2005), It was discovered that when an employee is put with a group of people who are from a different country than his own background or nationality, he is more probably to keep distance from his colleague. The level of resistance to engage with other employees is known as the social distance (Chan and Goto, 2003). This is because individuals are more at ease when they engage with others that they believe to be like them. This social distance may cause negative feelings, which may lead to workgroup conflicts. (Ayub & Jehn, 2014).

In addition to the challenges in workplace diversity, Birkman (2018) cited that the difference in generation gaps is another issue in a diverse organization. The negative effect is a lack of cohesiveness, which is intensified by a gap of communication among older and younger generation. This can cause workplace issues, especially when strategic changes are necessary for an organization's growth. As a result, generations that are split apart face difficulties while in the adjustment period, which is commonly misunderstood as a transition in the career cycle rather than generational differences.

Moreover, because of their diverse opinions and viewpoint, the teams the highly diverse were found to get into disagreements. Due to their different viewpoints, diverse teams were shown to have more conflicts than teams with low diversity. Diverse attitudes and views can lead to tensions, which can lead to conflict. This generally leads in the polarization of the members of the team into subgroups with low communication and interaction, which can lead to various issues and can make it difficult to reach consensus among team members. When it comes to defining the company's growth strategy, several team members, for example, may be conservative and risk averse. Others, on the other hand, could be more willing to take risks and pursue an aggressive growth path. The establishment of subgroups often leads to an endless series of arguments and disagreements, polarization, and stress among all members of the team (Kakarika, 2013).

### *2.3 Strategies new perspectives in managing diversity*

According to Ghosh (2016), organizations must be cautious in their workforce management while the workplace undergoes a major change. Reagans and Zuckerman (2001) cited that different views are built on the foundation of two structural principles. One concept emphasizes dense methods or patterns of local engagement as the foundation for collective action and coordination. The second concept emphasizes the need of building bridges across global differences as a foundation for knowledge sharing and learning. Furthermore, these concepts capture critical aspects for a team to succeed in achieving their objectives. A team that fails to develop the ties among its members that enable it to keep unit suffers a huge challenge. However, when such relationships stay centered among homogenous individuals and groups, the team is unable to acquire the learning that can only arise in engagement between diverse individuals.

Moreover, Rodriguez (2006) mentioned that the primary motivation for significantly higher-level diversity approach or strategy is the effort to develop the creative and communication abilities of a diverse workforce and utilize those abilities and skills to better business practices, processes, policies, goods, and service experience. Because the task requires employees to venture beyond of their comfort zone and investigate matters, they may be unaware of or drawn to, the organization's managers or leaders should reiterate the significance of being an open-minded person.

On the other hand, Lewis and Giullari (2005) said that the capabilities approach to managing equality and diversity allows addressing the issue of gender equality in paid work and care while also offering a universal

equality model that is based on human diversity. The concept of basic capabilities varies by country, and organizations attempting to manage equality and diversity must be aware of this. Organizations must understand their workforce's basic capabilities, which relate to their innate abilities or character traits, and they must promote an atmosphere in which their employees may develop those capabilities (Morrison, Lumby, & Sood, 2006). Improving communication is one approach to increase employees' basic capabilities since it helps an organization and managers to figure out how to get the most out of its employees (Sadri & Tran, 2002).

In another study, Ely & Thomas (2001) said that the fairness-and-discrimination, access-and-legitimacy, and integration-and-learning views were presented as three approaches that businesses should use while managing organizational diversity. A diverse perspective can be expressed explicitly, such as through established policies and guidelines, or implicitly, as in leadership practices. Indeed, market globalization has resulted in changes in workplace demographics worldwide, which have been analyzed by scholars, businesses, and policymakers worldwide. Employees from diverse backgrounds have unique needs and an aspiration to be acknowledged at job. Leaders must consider the interests of these various groups of employees in order to reduce employee tensions and issues (Hill, Stephens, & Smith, 2003). Furthermore, it is important for organizations to preserve workplace harmony to increase productivity. Managers all around the globe are concentrating on equal opportunity by eliminating "we" vs. "them" assumptions and mindsets (Yang and Guy, 2006).

#### *2.4 Implications of cultural diversity in organizational competitiveness*

Companies must embrace inclusiveness in the face of diversity in globalization. In the highly competitive environment of global company and business management, this shall help businesses to handle not just workplace diversity but enhance productivity, increase profitability, and leverage their competitive advantage (Robinson et al., 2002). Other possible advantages include the creation ideas, skills, and abilities. As cited by Green et al. (2002), businesses must be able to attract and keep key employees, customers, and partners through diversity. Because of this, companies should examine and maximize on the uniqueness of the individuals who are vital to their achievement and success. This is with the consonance of Shipton et al. (2005), they mentioned that cultural diversity may contribute to increased flexibility, innovation, and, ultimately, organizational effectiveness.

According to Adler (2002), diversity aids in the broadening of an organization's standpoint, method, and strategic tactics, and the release of a product, the advancement of a marketing plan, the formation of a new idea, the betterment of an existing process, and the evaluation of recent trends. The five major strategies he established for managing diverse culture in the company are cultural accommodation, cultural compromise, cultural dominance, cultural synergy, and cultural avoidance.

### **3. Research method**

The researcher used the descriptive method of investigation. It provided information about the nature and state of everything. This approach is utilized to collect data on the present and factual conditions that demand the study's conduct. The descriptive research technique allows the researcher to evaluate and comprehend the descriptive information that has been gathered (Salvador, Baysa & Fua-Geronimo, 2008). This is the most used method for surveying current practices. As a result, this approach is best suited for obtaining all important data required for the research. A survey questionnaire was used to collect information on recurrent conditions. Rather than a group of people, the technique used existing knowledge about a set of factors.

Because of the present pandemic predicament, participants in this paper were chosen using convenience sampling, which is a kind of nonprobability sampling wherein the participants are selected merely since they are "convenient" data sources. The respondents of this study were 30 professionals whose job designation is in the management level of the organization in selected business process outsourcing companies. The participants were team managers, team leaders, senior team manager, quality analyst, supervisor, site admin manager, operations

manager, quality coordinator and operational excellence director. An ethical consideration was implemented, there is voluntary consent in answering the surveys and the respondents are informed that all the information will be kept with utmost confidentiality.

The respondents' demographic characteristics were described as frequencies with proportion expressed as percentages. All responses from individual question within each domain were treated as ordinal level and were summarized using frequencies and proportion. While the overall Likert-scale data were treated as interval level. The standard deviation and mean were computed to identify the extent of agreement across all domains. The questionnaire was mostly made up of Likert-type, five-point measurement scales. The following ratings of the numerical weights were assigned with a corresponding value:

Weighted Mean	Verbal Interpretation
1.0-1.8	Strongly Disagree
1.9-2.6	Disagree
2.7-3.4	Neutral
3.5-4.2	Agree
4.3-5.0	Strongly Agree

The correlation or relationship between workplace diversity and organizational effectiveness was determined using the Rank Correlation Coefficient of Spearman. It attempts to measure the degree of correspondence among ranks of responses in two variables, instead of between actual values. A non-parametric test was used because the normality of the distribution was not met based on the result of the Shapiro-Wilk Test of Normality. Data analyses were performed using the STATA 15.1.

#### 4. Results

The following are the results of data gathered:

##### 4.1 Respondent's Demographic Profile

As observed in Table 1, of the 30 participants, 15 or 50.0% of them are between 27 to 33 years old, followed by the age group of 34 to 40 years old with 10 or 33.3%. Third in population is 41 years old and above with 4 or 13.3% The age group that constituted the lowest number of respondents is 20 to 26 years old with 1 or 3.3 percent.

**Table 1**

*Total number and percent distribution of the respondents pertaining to age*

Age	F	P
20 to 26 years old	1	3.3
27 to 33 years old	15	50.0
34 to 40 years old	10	33.3
41 years old and above	4	13.3

*Legend: F – Frequency      P – Percentage*

As the majority of the participants were born between 1988 to 1994, they are considered as millennials or part of the Generation Y. Prensky (2001) cited that millennial is hailed as “digital natives.” Businesses have also noticed that millennials have indeed been extremely open in communicating their expectations, that include access to top leadership, a great mentor, and a clearer career path (Caraher, 2015).

In Table 2, it can be gleaned that 21 or 70.0% of the participants attained bachelor's degree which constituted the largest population, 4 or 13.3% did not finished bachelor's degree, 2 or 6.7% completed their doctorate degree and 1 or 3.3% of the respondents attained master's degree and a vocational graduate which got the lowest population.

**Table 2***Total number and percent distribution of the respondents pertaining to the highest educational attainment*

Highest Educational Attainment	F	P
Bachelor's Degree	21	70.0
Master's Degree	1	3.3
Doctorate Degree	2	6.7
Vocational Graduate	1	3.3
Others	4	13.3

*Legend: F – Frequency P – Percentage*

Despite of the highest educational attainment, since that the participants of this study were in the management level, it is required for managers to resolve any conflicts or misunderstandings and disagreements in the workplace. In this way, it can improve overall process and eliminate or minimize inconsistency in making decisions in the company if it comes to challenges or issues of diversity. Moreover, recognizing employee attitudes may support managers completely evaluate and create relevant solutions for staff development, particularly in a multicultural workplace (Speroni et al., 2016).

**Table 3***Total and percent of the respondents pertaining to the number of years working in the company or organization*

Number of Years Working in the Company	F	P
less than a year	2	6.7
1 - 3 years	6	20.0
4 - 6 years	12	40.0
7 years and above	10	33.3

*Legend: F – Frequency P – Percentage*

In table 3, it presents that 12 or 40.0% of the respondents are working in the company for 4 to 6 years, 10 or 33.3% have been in the company for 7 years and above, 6 or 20.0% are in the company for 1 to 3 years and 2 or 6.7% of the participants have been working in the organization for not more than a year which got the lowest frequency. Since most of the population of the participants of the study were working in the organization for 4 to 6 years, they already experienced personal growth and skills development because of their exposure in an environment of varied culture, working styles and etiquette (Cheah, 2013).

#### 4.2 Implementation of workplace diversity

**Table 4***Weighted mean, standard deviation and verbal interpretation of implementation of workplace diversity*

Indicators	WM	SD	VI
1. The company has done an excellent job delivering training programs that encourage multicultural awareness.	4.4	0.7	SA
2. The organization creates a space where employees may freely share their thoughts, opinions, and beliefs.	4.5	0.7	SA
3. At the organization, racial, ethnic, and gender-based jokes are not permitted and tolerated.	4.4	0.9	SA
4. The leadership at the company promotes and encourages diversity.	4.7	0.7	SA
5. The organization is aware of or has access to resources or programs that facilitate the recruitment of employees with international training.	4.2	0.9	A
6. The management displays a commitment to supporting the needs and concerns of disabled employees.	4.6	0.7	SA
7. Employees are respected, and their individuality are valued by the organization.	4.5	0.7	SA
8. Discrimination is discouraged by the organization's policies and procedures.	4.6	0.7	SA
9. Employees of all ages are treated equally by the company.	4.6	0.7	SA

10. Management demonstrates the importance of diversity through its action.	4.5	0.8	SA
<b>AVERAGE WEIGHTED MEAN</b>	<b>4.5</b>	<b>0.6</b>	<b>SA</b>
<i>Legend: WM – Weighted Mean</i>	<i>SD – Standard Deviation</i>	<i>VI – Verbal Interpretation</i>	<i>SA – Strongly Agree A – Agree.</i>

It can be observed from Table 5 that the statement “The leadership at the company promotes and encourages diversity.” got of 4.7 which is highest weighted mean and 0.7 standard deviation, verbally interpreted as “Strongly Agree.” Three statements got a weighted mean of 4.6 and 0.8 standard deviation, which has verbal interpretation of “Strongly Agree.” The statements are “The management displays a commitment to supporting the needs and concerns of disabled employees.”, “Discrimination is discouraged by the organization's policies and procedures.” and “Employees of all ages are treated equally by the company.” “The organization creates a space where employees may freely share their thoughts, opinions, and beliefs.” and “Employees are respected, and their individuality are valued by the organization.” acquired a weighted mean of 4.5 with standard deviation of 0.7 and is verbally interpreted as “Strongly Agree.” The statement “Management demonstrates the importance of diversity through its action.” also received a weighted mean of 4.5 but obtained 0.8 standard deviation, which has verbal interpretation of “Strongly Agree.” “At the organization, racial, ethnic, and gender-based jokes are not permitted and tolerated.” got a weighted mean of 4.4 with standard deviation of 0.9 and verbally interpreted as “Strongly Agree” and “The company has done an excellent job delivering training programs that encourage multicultural awareness.” also acquired a weighted mean of 4.4 with 0.7 standard deviation and verbally interpreted as “Strongly Agree.” The lowest weighted mean for this domain with 4.2 is “The organization is aware of or has access to resources or programs that facilitate the recruitment of employees with international training.” and has a standard deviation of 0.9 and can be verbally interpreted as “Strongly Agree”. The combined rating of the weighted means is 4.5 which has a verbal interpretation of “Strongly Agree.”

It can be concluded that majority of the respondents agreed that the leaders of their company encourage diversity. According to Green et al. (2002), managers in organizations should create a friendly culture. It can be achieved by creating and having an environment setting that promotes, invites, and enables employees with various talents to engage in teams. This is critical to add or support equal training and rewards without the basis of gender. The management can be extremely successful in building morale and encouraging people to perform to the best of their abilities.

#### 4.3 Challenges in multicultural organizations

**Table 5**

*Weighted mean, standard deviation and verbal interpretation of challenges in multicultural organizations*

Indicators	WM	SD	VI
1. Some employees from other cultures may be more reluctant to speak up.	3.0	1.0	N
2. Integrating diverse groups can be challenging or difficult in the face of negative cultural assumptions or prejudice.	3.4	1.1	N
3. Professional interactions or communication may not be interpreted clearly or hard to comprehend between language and cultures.	3.1	1.3	N
4. Professional etiquette is viewed differently by different individuals.	3.5	1.2	A
5. Diverse teams may have conflicting working styles.	3.5	1.2	A
6. There could be conflicting norms for decision-making in a diverse workforce.	3.3	1.2	N
7. Multicultural employees have different attitudes toward hierarchy and authority.	3.4	1.3	N
<b>AVERAGE WEIGHTED MEAN</b>	<b>2.9</b>	<b>0.3</b>	<b>N</b>
<i>Legend: WM – Weighted Mean</i>	<i>SD – Standard Deviation</i>	<i>VI – Verbal Interpretation</i>	<i>A – Agree N – Neutral</i>

Table 6 exhibits that there are two statements that got the highest weighted of 3.5 with 1.2 standard



deviation and verbally interpreted as “Agree.” The statements are “Professional etiquette is viewed differently by different individuals.” and “Diverse teams may have conflicting working styles. “Multicultural employees have different attitudes toward hierarchy and authority.” obtained 3.4 weighted mean with standard deviation of 1.3 and has a verbal interpretation of “Neutral.” “Integrating diverse groups can be challenging or difficult in the face of negative cultural assumptions or prejudice.” also acquired 3.4 of weighted mean with 1.1 standard deviation and can be verbally interpreted as “Neutral.” The statement “There could be conflicting norms for decision-making in a diverse workforce.” got a 3.3 weighted mean and 1.2 standard deviation and is verbally interpreted as “Neutral.” The second in the lowest weighted mean with 3.1 is “Professional interactions or communication may not be interpreted clearly or hard to comprehend between language and cultures.” with standard deviation of 1.3 and verbally interpreted as “Neutral.” The lowest in this domain is “Some employees from other cultures may be more reluctant to speak up.” with 3.0 weighted mean 1.0 standard deviation and verbally interpreted as “Neutral.” The overall rating of the weighted means is 2.9 which is verbally interpreted as “Neutral.”

It can be seen that based on the survey, the participants agreed that the main challenges in a diverse workplace are etiquette and conflicting working styles. Teams with a high level of diversity were shown to engage in arguments more frequently because of their diverse viewpoints. Conflicts may arise because of conflicts caused by contrasts in ideas and perceptions. This generally results in the division of team members forming subgroups with weak engagement, which can generate various communication issues and make managing conflict among team members difficult. The establishment of subgroups generally results in an unending cycle of arguments, division, and tension across all group members (Kakarika, 2013).

4.4 Implications of workplace diversity to organizational competitiveness

**Table 6**

*Mean, SD and verbal interpretation of implications of workplace diversity to organizational competitiveness*

Indicators	WM	SD	VI
1. By providing a varied range of expertise, skills, and working styles, a diverse workplace may improve problem-solving abilities and productivity.	4.5	0.7	SA
2. Diverse cultural backgrounds may promote innovation and creativity.	4.3	0.7	SA
3. By having a talent pool which is culturally diverse, the organization can attract or recruit and retain the finest employees.	4.4	0.6	SA
4. A workplace with a diverse abilities or unique skill set and abilities can provide a broader and innovative variety of products, goods, and services.	4.4	0.6	SA
5. Having multicultural workforce can help the company to have a strong brand identity.	4.5	0.5	SA
6. Culturally diverse teams are more productive and achieve better results.	4.3	0.7	SA
7. Workplace diversity can encourage collaboration and employee engagement.	4.5	0.5	SA
<b>AVERAGE WEIGHTED MEAN</b>	<b>4.4</b>	<b>0.6</b>	<b>SA</b>

Legend: WM – Weighted Mean    SD – Standard Deviation    VI – Verbal Interpretation    A – Agree    N – Neutral

As conveyed in Table 7, two statements got 4.5 weighted mean and 0.5 standard deviation and can be verbally interpreted as “Strongly Agree.” The statements are “Having multicultural workforce can help the company to have a strong brand identity.” and “Workplace diversity can encourage collaboration and employee engagement.” “By providing a varied range of expertise, skills, and working styles, a diverse workplace may improve problem-solving abilities and productivity.” also got a weighted mean of 4.5 but with standard deviation of 0.7 and has a verbal interpretation of “Strongly Agree.” Both “By having a talent pool which is culturally diverse, the organization can attract or recruit and retain the finest employees.” and “A workplace with a diverse abilities or unique skill set and abilities can provide a broader and innovative variety of products, goods, and

services.” obtained a 4.4 weighted mean and 0.6 standard deviation and verbally interpreted as “Strongly Agree.” There are two statements that acquired weighted mean of 4.3 with standard deviation of 07 and verbally interpreted as “Strongly Agree.” The statements are “Diverse cultural backgrounds may promote innovation and creativity.” and “Culturally diverse teams are more productive and achieve better results.” The overall rating of the weighted means is 4.4 and has a verbal interpretation of “Strongly Agree.”

As most of the participants agreed that diverse workplace may increase problem-solving ability, Cheah (2013) also said in their article that workplace diversity may help businesses enhance their employees' critical thinking and problem-solving skills. Employees with diverse experiences and backgrounds can provide a wide range of viewpoints to the company. As a result, a diverse workforce in an organization may stimulate critical thinking, providing not just multiple solutions and strategies to issue resolution, but also the essential edge to thrive in a challenging business market. Additionally, diversity allows for the exchange of personal perspectives, ideas, and strategies to the present organizational culture. These factors can help to develop talented individuals and strengthen an organization's work and business culture.

According to Robinson and Dechant (1997) in another research, workplace diversity can improve the identity of businesses to potential investors and partners, affiliates, and the public. Businesses that encourage diversity and organizational inclusion can increase their appeal to aspiring internal and external stakeholders. Furthermore, they noted that exposure may drive firms to attract new talent.

#### *4.5 Significant relationship of workplace diversity and organizational competitiveness*

The correlation coefficient of 0.4550 means that there is a moderate association between the workplace diversity and organizational competitiveness. Since  $p < 0.05$ , the null is rejected. Thus, the two variables are not independent, and there is a correlation between the two variables.

## **5. Findings**

The study adopted descriptive method to gather data. The following findings were made as results of the data analysis:

### *5.1 Respondents' demographic profile*

In terms of age, most of the participants were 27 to 33 years old with total number of 15 or 50.0% and the age group 20 to 26 years old got the lowest population with 1 or 3.3%. Based on their highest educational attainment, 21 or 70.0% completed their bachelor's degree and both respondents who finished master's degree and a vocational course got a frequency of 1 or 3.3%. Most of the respondents with 12 or 40.0% are working in the company for 4 to 6 years while 2 or 6.7% are in the company for less than a year.

### *5.2 Implementation of workplace diversity*

The statement “The leadership at the company promotes and encourages diversity.” got 4.7 with the highest weighted mean and 0.7 standard deviation and can be verbally interpreted as “Strongly Agree.” and the lowest weighted mean with 4.2 is “The organization is aware of or has access to resources or programs that facilitate the recruitment of employees with international training.” has a 0.9 standard deviation and can be verbally interpreted as “Strongly Agree”.

### *5.3 Challenges in multicultural organizations*

There are two statements that got the highest weighted of 3.5 with 1.2 standard deviation and verbally interpreted as “Agree.” The statements are “Professional etiquette is viewed differently by different individuals.” and “Diverse teams may have conflicting working styles.” The lowest is “Some employees from other cultures

may be more reluctant to speak up.” with 3.0 weighted mean 1.0 standard deviation and verbally interpreted as “Neutral.”

#### 5.4 Implications of workplace diversity to organizational competitiveness

Three statements got 4.5 which is the highest weighted mean and has a verbal interpretation of “Strongly Agree.”, two of them with standard deviation of 0.5 and one with 0.7 standard deviation. The statements are “Having multicultural workforce can help the company to have a strong brand identity.”, “Workplace diversity can encourage collaboration and employee engagement.” and “By providing a varied range of expertise, skills, and working styles, a diverse workplace may improve problem-solving abilities and productivity.” respectively. There are also two statements that acquired lowest weighted mean of 4.3 with standard deviation of 0.7 and verbally interpreted as “Strongly Agree.” The statements are “Diverse cultural backgrounds may promote innovation and creativity.” and “Culturally diverse teams are more productive and achieve better results.”

#### 5.5 Significant relationship of workplace diversity and organizational competitiveness

The null hypothesis is rejected; thus, the workplace diversity and organizational competitiveness are not independent.

### 6. Conclusions and Recommendations

Given the findings, the researcher came to the conclusion that majority of the respondents of this study were 27 to 33 years old, the highest educational attainment is bachelor’s degree and they have been working in the company for 4 to 6 years. It can be assumed the management of the selected business process outsourcing implement diversity in their workplace based on the results of the survey. The most common challenges or issues that the management encountered in multicultural organizations are professional etiquette and working styles. The study showed workplace diversity can result to a strong brand identity, collaboration, engagement and by having a diverse experience and working styles, employees' problem-solving abilities and productivity may improve. It can also be noted that there’s a significant correlation between workplace diversity and organizational competitiveness.

Based on the conclusions drawn, the company can create an empowering culture of inclusivity and equality as the employees are more inclined to speak out recommendation for the betterment of the company when they feel appreciated, included, and encouraged to contribute. The management of the organizations can also roll out programs for better understanding of diverse working styles and professional etiquettes of the employees. Moreover, employees shall not be subjected to discrimination or prejudice because of their ethnicity, culture, race, gender, or sexual orientation. The managers or supervisors should evaluate them based on their performance rather than any other aspect. The employees should also be equally rewarded for the level of effort they put into their work and achieving goals.

In the event that there are management decisions, it is also recommended that the leaders of the company seek ideas and suggestions to their employees. A diversified workforce might provide divergent thinking and this knowledge sharing can help the management solve problems, open new opportunities and be more innovative. Lastly, it is clear that workplace diversity has a significant contribution to organizational competitiveness. Thus, it is highly recommended to create more inclusive policies and practices. It can result to higher engagement, lower turnover, and increased productivity.

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