WORKFORCE DIVERSITY, HUMAN RESOURCE MANAGEMENT PRACTICES AND ORGANISATIONAL PERFORMANCE

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Abstract
The inevitability of workforce diversity and the legal requirement of employment opportunities and affirmative action have driven the adoption of diversity policies and initiatives by management of many organisations. The objective of this study is to examine the influence of workforce diversity on organisational performance and the moderating effects of human resource management practices (HRMPs) as moderating factor in the relationship between workforce diversity and organisational performance. Descriptive survey design was employed and a sample of 464 respondents were drawn, using Yemane (1967) method, from among 3,280 total employees of four selected Multinational Companies (MNCs) in the Foods and Beverage sub sector of manufacturing companies operating in Lagos State Nigeria. Data were generated through structured questionnaire schedule from the management, senior, middle and junior staff cadres of the selected MNCs. The data collected were analysed using both simple and multiple hierarchical regression statistical analysis. Result obtained of hypothesis One indicated that workforce diversity dimensions (WFDDs) insignificantly influenced organisational performance (OP) with coefficient of determination at $R^2 = 0.0003$. When the components of HRMPs were added to the regression model, there was a significant increase in OP 19.2% ($\Delta R^2 =0.192, p = 0.000$) since $R^2$ increased from 0.003 to 0.195. This result shows that HRMPs have enhancing effect on the relationship between WFDDs and OP. the study concluded that Organisations may not likely reap the benefits of increasing WFDDs except they effectively manage their internal process, specifically their HRMPs. It was therefore recommended among other things that approach to research of WFD should be holistic investigation of the contextual factors of organisation for their climate which could be discriminatory or non-discriminatory and the corresponding OP which could be negative or positive accordingly.

Keywords: Human resource management practices, organisational performance workforce diversity, workforce diversity dimensions

Introduction
Since 1990s, much attention of management scholars and business managers had been devoted to the likely influence of Workforce Diversity (WFD) on organisational outcomes (Idowu, 2012, 2015, 2020). Specific conferences and literature had focused on the study of the influence of WFD on organisational outcomes like performance, effectiveness, employees’ commitment, employees’ retention, employees’ efficacy and satisfaction (Kochan,Bezrukova, Ely, Jackson, Joshi, Jehn, Leonard, David, Thomas, 2002; Idowu, 2012). The renewed focus might have been driven by the “business case” argument that posited that organisations that embrace diversity initiatives are better than those that do not in terms of their performance (Kochan, et al, 2003). That is, organisation that is more diverse in terms of workforce demographic composition is likely to be more efficient and have competitive edge over those that are homogeneous in terms of their workers composition. Diversity is the uniqueness of all individuals and multitude of individual differences and similarities that exist between people which exert significant influence on their perceptions and work behaviours.
Based on this business case premise, and with the evolving global and digital business environment, change in workforce demographics, affirmative and equal employment opportunities’ legal requirements, businesses more than ever before are adapting their policies and strategies and investing increasingly in diversity programmes. The essence is to effectively appeal to future talents, remain competitive and abide by the trending norms of the business world (Sharma, 2016; Syed & Tariq, 2018; Idowu, 2020).

In spite of the adoption of diversity initiatives by multinational companies and many other businesses all over the world, research findings indicated that their WFD have concretely produced a number of positive and negative effects on organisational performance (Cletus, Mahmood & Umar, 2018). This suggests that having more of diverse workforce will not necessarily bring about higher Organisational Performance (OP) or effectiveness contrary to what “business case” argument posited. The organisational context within which diversity policies play out could play a major role as mediating factors in influencing WFD positive or negative effects on OP. Performance is the act of performing; the carrying into execution or recognizable action, achievement or accomplishment in the undertaking of a duty. It is how well an employee is fulfilling the requirements of the job (Prasad, 2015). The cumulative of individuals’ and groups’ performance in an organisation constitute its OP. This could be financial and non-financial (Kaplan & Norton, 1996).

The level of OP cannot be a function of one demographic group hence, the reward not based on the level of contribution of individuals will affect diverse groups’ performance and ultimately the overall OP. The context within which WFD initiatives play out may concretely influence the contribution of WFD to OP Therefore, the inevitability of diversity in the global economy requires that the Human Resource Management Practices (HRMPs) of organisations should be investigated for their influence on OP. Organisational context through HRMPs of promotion, reward and performance appraisal systems could reveal the clue to the barriers that impede or facilitate diverse groups’ interaction and integration, and the likely organisational outcomes of OP (Bakhri, Udin, & Suharnomo, 2018). Furthermore, the “the business case argument that diversity initiative will normatively bring about better efficiency may not fit the interpretation of equity, equality and fairness that diversity should entail in different culture (Bleijenbergh, Peters & Potusma, 2010).

The study objective was to investigate the influence of workforce diversity dimensions (WFDDs) of sex, age, and educational attainment on organisational performance and the mediating effect of HRMPs (promotion opportunity, reward and performance appraisal) on the relationships between WFDDs and OP. The research questions were raised and conjectured thus:

H1: There is no significant influence of workforce diversity dimensions on organizational performance.

H2.: There is no significant mediating effect of human resource management practices in the relationship between workforce diversity dimensions and organizational performance.

Empirical searchlight is sparse on organisational context of HRMPs as effective business strategies of managing diverse workforce with desirable organisational performance. This gaps the study intended to fill. The study was carried out among the employees of four (4) Foods and Beverage Multinational Companies in Lagos Nigeria to investigate how HRMPs were experienced and
perceived by different WFDDs of age, sex, and educational groups. Multinational companies and four of them in the sector were selected for their large concentration of workers who were diverse in the focused dimensions of diversity. They were also leaders in the market on the type of products they produced (Finlib, 2019; Foods Companies in Nigeria, 2019). The study becomes significant in providing an approach that can guide researchers in the empirical study of the effect of workforce diversity on organizational performance by situating it in an organization context of existing human resource management practices. The discrepancies reported by researchers on the study of the WFD effects on organizational outcomes can be resolved by focusing empirical studies of human resource management practices on organizational outcomes specifics. It will provide contextual benchmark that can help the Human resource managers in formulating fair human resource management policies and guide HRMP among diverse workgroup. HRM policies and their implementation can be checked for justice, fairness, and equity or otherwise in the diverse groups’ access to and distribution of the organization resources and the likely consequences for diverse workforce aspiration and also for the business effectiveness.

The introductory part having been highlighted the rest of the paper consists of review of related literature, the research method, analysis and discussion of findings and recommendation arising from the study.

**Literature Review**

The internal context of an organisation like HRMPs adopted in achieving its business goals has implications for organisational performance. Between the diverse work groups and the management, social exchange applies such that a group that perceived discrimination will respond with some level of emotional attachment to policies, procedures and duties (Kunze, Boehm & Bruch, 2013). The degree of homogeneity or diversity of an organisation’s workgroups may not affect the organisation performance positively or negatively. Rather, as Mansur (2010) found, unfair organisational process can account for differential responses by different work groups to an organisation stimulus resulting in different performance levels. The experience of equality or lack of it, by diverse workforce, drives consequentially diverse groups’ performance behaviour. The equality equation will also have either positive or negative effects on groups’ work interactions and performance (Kreitner, et al, 2002; Kochan et al, 2003).

Early research on workforce diversity focused on isolated group members like sex, age or race and their impact on performance (Kundu & Mor, 2016). Such studies rely on value - in – diversity perspective (Trittin & Schoenenborn, 2017), which argues that diversity within work groups increases an organisation effectiveness. With this assumption, “diversity at work is made to work” (Trittin & Schoenenborn, 2017) by business managers. However, negative relationship between WFDDs and organisational effectiveness was evident from field work (Kundu & Mor, 2016; Trittin & Schoenenborn, 2017). This position is supported in the WFD literature.

Mazur, (2010) noted, different diversity dimensions interact with and influence one another; emerging differently in different context, environments and circumstances making analysis and management of diversity complex. Gitonga, Kamara and Orwa (2016) reported studies which revealed that organisation that maintains pro-diversity work environment can provide the firm with
competitive advantage. They concluded that the extent to which organisation’s management embraces diversity and ensures mutual respect and appreciation of diverse groups the more successful the organisation.

Other previous research arrived at conflicting results of diversity effects on organisational outcomes. The findings of early studies in WFD and organisational outcomes showed that diversity could be a source of strength and of weakness. Hence, the impact of WFDD on organizational outcomes is somewhat regarded as double-edge sword (Shaban, 2016). Muasa, Egondi and Mathura (2017) reported that some studies do not link diversity to business performance but others suggested that it is key to business success and future. Prasad (2017) cited Fernandez (1993) as arguing that good WFD practice enhances employees and organisational performance. He also cited Mendez (1997) as finding a strong correlation between good diversity practices and profits. What constituted good WFD practice was not however illustrated. Ayega and Muathe (2018) study outcome, based on reviewing studies of five organisations in Ghana and Finland, showed that diversity has compelling part in few organisations.

Kunze, Boehm and Bruch, (2013) investigated diversity discrimination climate on performance, moderated by diversity friendly-HR policies. They found that age diversity does not directly relate to company’s performance, but rather it does through an increase in the climate of age discrimination. Under high friendly HR policies, employees are more likely to perceive their employers as age-neutral, just, trustworthy and upstanding. Perception of organisational value of discrimination will make employees to transfer the practices to their own behaviour and towards their colleagues. What this mean is that an age discriminate climate will engender hostility from those discriminated against to those favoured. Hence, non-supportiveness, tension and hostility could be evident among different age groups. Likewise, Azam and Waheed (2018) study on impact of WFD (age, gender, education, geographical income and religion) found the following relationship: Inverse relationship between organisation performance and age and gender diversity, such that at 0.132 a higher level of age and gender diversity will lower organisation performance. The study of management team diversity on organisation performance in the banking industry by Akewushola, Elegunde and Saka, (2018) showed that there is a weak relationship between gender diversity on return on equity.

The context of organisation (HRMP) in terms of its fairness, equality, justice as perceived by diverse groups will likely affect performance in any direction of being positive or negative rather than the numeric composition of any workforce diversity dimension like sex, age or educational attainment (Idowu, 2020). HRMP could be motivating leading to commitment, performance, engagement and satisfaction. It could on the other hand be demotivating to diverse group leading to withdrawn performance behaviour, less employees’ commitment and satisfaction and intention to leave the organisation (Idowu, 2020). The outcomes in any direction predicate on how fair and equitable are the HRMPs and how they are perceived by the diverse groups in the organisation (Idowu, 2020).

Managing diversity through organisational context of HRMPs with equality flavour become expedient to drive diverse work groups performance behaviour. This is supported by Ordu (2016) proposition that managing diversity through its context is a need for organisation success.
Shifnas and Sutha (2016) explained that performance states how well employee performs the task, duties and responsibilities of his or her job. This can come about when employees are happy and satisfied. They suggested the need for organisations to motivate higher performance among its workforce to attain higher targets. Though Shifnas and Sutha (2016) did not suggest how motivation to higher performance can be done, enabling environment through effective organisation culture and human resource management practices cannot be far from it. This assertion is corroborated by Ordu (2016). Citing Odaba (2004), Ordu (2016) narrated three factors that drive performance as work environment, personal factors (such as stress) and administration. It was concluded that it is the reality of a management approach in the application of leadership styles and its perception by the diverse groups that affect an individual performance (Ordu, 2016).

The performance of the organisation is influenced by the performance of an individual employee; such that the working of individuals working in collaboration (synergy) is greater than the sum of individuals working independently. Such synergetic collaboration can also be a source of competitive advantage by providing better goods and services to the customers (Jones 2011). This in turn enhances the performance and effectiveness of the organisation. The performance of an individual is affected by how organisational resources are distributed among diverse workforce. Equity and justice therefore come in place for diverse group in order for their capacities to be maximized by the management.

Denial of resources inappropriately to the accomplishment of individuals may lead to the frustration and the withdrawal of maximum contribution to an organisational effort. Every performance is to also meet the individual goal as well as that of the organisation. Denial of such goal after achieving necessary task can lower the employees’ performance. Yet, diverse workforce has however been linked with innovativeness, creativity and overall performance of the organisation (Azam & Waheed, 2018; Ayega&Muathe, 2018).

Studies demonstrated linkage between equity in the distribution of organisational resources with employee retention and labour turnover intention (Kreitner et al. 2002; Kochan et al, 2003) contended that perceived negative inequity can be devastating for an individual’s motivation and performance at work.

Prasad (2017) recorded that diversity practices in the area of human resources are believed to enhance employees’ and organisation performance. He studied selected banks in Tigray Region of Ethiopia on the impact of workforce diversity in organisational effectiveness. He found that the variables used (age, gender, tenure, religion, education, race and culture composition) combined in different ways to have impact on organisation effectiveness. Age correlated with tenure (0.777) followed by education (0.411) and culture composition (0.386). It was concluded that there is no empirical support for the diversity impact on organisational effectiveness when organisational context is not considered. Though the contexts were not mentioned, they cannot be far from the corporate culture and human resources management practices. Kundu and Mor, (2016) studied 400 respondents from 162 organisations (35.8% Indian and 64.2% MNC’s) and used human resource management factors related to diversity management but also used gender, age and experience as control to find the effect of diversity on employees’ organisational commitment. When the control variable (gender, age and experience) was regressed on commitment, their coefficient did not
indicate significant effect. However, with the predictor variable introduced (diversity management factors), a positive and significant effect of diversity on commitment was found (B= 0.358, P≤ 0.001). They concluded that diversity management can affect commitment in organisation especially when the approach is human resource management.

Wrongful promotion by organisations has been found by some studies (SHouse California Law Group (SCLA) 2019; Bosworth, 2019; Dyne, 2019). Wrongful promotion is expressed as promotion designed in such a way that deserving employee has been passed over for promotion (SCLA, 2019). Dyne, (2019) expressed discrimination of women in the workplace. Promotion to deserving employees builds up their morale, loyalty and performance (Pattanayak, 2010). It can also have damaged effect if it is not based on merit, individual contribution or is discriminatory (Bosworth, 2019). Exclusion tendencies from stimulating and challenging work were found to be factors for employees’ turnover, job dissatisfaction and less employees’ psychological commitment effects among diverse work groups (White, 2011; Samuel & Chipunza, 2013; Muatz, 2015; SwatzSundler, 2019). Some organizations decisions about job assignment were based on stereotype. Using tests to exclude older workers or promoting younger less qualified workers over an older worker have also been documented (White, 2011; SwartzSundler, 2019). Job dissatisfaction, less psychological commitment and turnover effects among employees, and cost to the organization arising from litigations have been linked with discrimination in job assignment (White, 2011; SwartzSundler, 2019).

As to reward, internal equity and individual equity are sometimes violated resulting in demographic-based employment discrimination along sex or age line (Doyle, 2019). Ellans (2019) found that in United States of America, a woman earns 79 cents for every dollar a man makes in 2019. It was concluded that the above is the raw gender pay gap regardless of job type or a worker’s seniority. Men earn more from the set go. Women not only earn less, the peak earning age for a woman is less than that of an average man. In spite of the pay gap, Adeoye and Omosanya (2018) study of reward and performance of non-academic staff of universities revealed that there is a strong and positive correlation between good compensation system and performance. Recognition and empowerment of employee as intrinsic reward systems strongly and significantly impact employee performance enhancement. Thus, where employees are given equal opportunities irrespective of diversity factors, employees exhibit high level of competitiveness, energy, and are enthusiastic about their work (Obuma&Worgu, 2017).

On performance appraisal, Mulins (2007) considered many organisation performance appraisals (PA) as fraught with errors and biases. Also noted are rater issues. It has been noted that dissimilarity in rater-ratee’s sex, race and age have resulted in disaffection and issue of trust between superior and subordinate (Boachie-Mensah & Seidu, 2013). Also, female mangers as compared to male manager rate male employees lower than female employees (Boachie-Mensah & Seidu, 2013). In that sense PA could be used as a tool of rewarding and punishing subordinate that are dissimilar from the manager’s sex, race, age or educational attainment. The resultant effect will be dissatisfaction among the group discriminated against, this in turn can affect negatively performance behaviour of the work groups that experienced unfair and inequitable appraisal.
The unfavourable treatment arising from an organisation HRMPs of promotion, job assignment, training, reward and performance appraisal can have negative consequences on organisational outcomes of performance, commitment, satisfaction, turnover intention and litigation cost (SCLG, 2019; Bosworth, 2019; Doyle, 2019; Dyne, 2019; SwatsSundler, 2019)

Theoretical Framework
Both equity and contextual theories will provide the theoretical foundation for this study. Equity theory was propounded by Stacy Adam (1964). The essence of the theory is that employees compare their efforts and rewards with those of others in similar work situation. It is based on the assumption that individuals, who work in exchange for rewards from the organisation, are motivated by a desire to be equitably treated at work. Equity exists when an employee perceives that the ratios of their inputs (efforts) to their outcomes (rewards) are equivalent to the ratio of another similar employee. Inequity exists when these ratios are not equivalent. This suggests that the components of employer–employee exchange are two: input and outcomes. An employee’s input, for which he or she expects a just reward include education, experience, skills and efforts. On the outcomes side of the exchange, the organisation provides pay, fringe benefits, promotion and meaningful assignment. Kreitner et al. (2002) contended that perceived negative inequity can be devastating for an individual’s motivation for performance at work. At the threshold of inequity, people have low tolerance for negative equity than they do for positive equity. Many organisational scholars agreed with Stacy Adams (1964) the proponent of equity theory, that those who are short changed are more powerfully motivated to correct the situation than those who are excessively rewarded. Some line of action when inequity is perceived include job dissatisfaction which may consequent in quitting or putting less effort.

Contextual Theory as proposed by Kochan et al.(2003) suggested that whether WFD has a positive or negative impact on performance may depend on several aspects of organisation’s strategy, culture and human resource (HR) practices. The model also proposed that the effects of WFD are likely to operate through group or team process such that under facilitating conditions, diversity is associated with positive group or team processes and is therefore beneficial to performance. Under inhibiting conditions, diversity is associated with negative group or team processes and is therefore detrimental to performance.

In both contextual and equity postulations the definition of the situation by individual members of the organisation may have some consequences that may be in positive or negative direction. This is corroborated by symbolic interaction dictate that states that if individual defines a situation as real, it is real in its consequences (Thomas, 1923). If the HRMPs of organisation is not engaging, is not involving, does not allow for growth and does not allow for equity in the procedure of distributing resources, the diverse workforce could react by work withdrawal behaviour of low performance, low job satisfaction and high labour turnover. A perception of inequity leads to action aimed at restoration of equity in which the utmost option is to change the situation by quitting. That is the position of both structuration and equity theory. Organisation context HRMPs would determine the situation and the specific reactions (positive or negative) the workforce will exhibit and the corresponding outcomes (positive or negative) specific that any organisation would experience (Idowu, 2012).
Research Method
Descriptive survey was adopted as the research design for this study. This is in the consideration of the objectives of the study. It was used to assess the relationship that exist between WFDM, HRMP and OP. The study population consisted of 3,280 employees of the four (4) selected multinational companies in Lagos, Nigeria. Using Yamane (1967) sample size determination, a sample size of 357 was arrived at. However, to eliminate low returns that often trail questionnaire by respondents and the issue of inappropriate filling of questionnaire items 30 per cent of the calculated sample size was added to ensure the representativeness of the sample to the study population. This is in line with the advice of Israel (2009). Using multistage sampling technique, 464 respondents were served with questionnaire of 4-Likert scale type that was self-constructed. The scale has a Cronbach alpha value of 0.87. The data collected was analysed using simple regression and multiple hierarchical regression statistics.

Results Analysis and Discussion
Hypothesis One
There is no significant influence of workforce diversity dimensions on organizational performance
Simple regression analysis was used to test this hypothesis

\[
\text{Independent variable (Xi) } = \text{ Workforce diversity dimensions (Sex, Age and Education attainment)}
\]

\[
\text{Dependent variable (Y) } = \text{ Organizational performance (promotion, reward and Performance appraisal)}
\]

Table 1a Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.056(^a)</td>
<td>.003</td>
<td>-.005</td>
<td>.33244</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Education, Sex, Age

The model summary in Table 1a above shows the extent to which Workforce diversity dimensions such as Sex, Age, Educational attainment influence Organizational performance. Coefficient of determination \((R^2 = 0.003)\) shows that 0.3% of the variance recorded in organizational performance is jointly accounted for by Sex, Age and Education attainment. The result is not statistically significant because the p-value for the result (0.777) is greater than the level of significance (0.05) used for the study.

Table 1b ANOVA\(^a\)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>.122</td>
<td>3</td>
<td>.041</td>
<td>.367</td>
<td>.777(^b)</td>
</tr>
<tr>
<td>Residual</td>
<td>38.902</td>
<td>352</td>
<td>.111</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>39.023</td>
<td>355</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: organizational performance
b. Predictors: (Constant), Education, Sex, Age

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Table 1b presents the results of ANOVA (overall model significance) of regression test which revealed that the combined workforce diversity dimensions have no significant effect on organizational performance. This can be explained by the F-value 0.367 ($F_{3,352} = 0.367$) and p-value (0.777) which is statistically insignificant at 95% confidence interval. Hence, the result posited that workforce diversity dimensions (sex, age and education attainment) do not influence organizational performance and is statistically insignificant at 95% confidence level.

Table 1c Coefficients*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant) 3.284</td>
<td>.092</td>
<td>35.531</td>
<td>.000</td>
</tr>
<tr>
<td>Sex</td>
<td>-.019</td>
<td>.037</td>
<td>-.028</td>
<td>-.520</td>
</tr>
<tr>
<td>Age</td>
<td>-.017</td>
<td>.019</td>
<td>-.049</td>
<td>-.875</td>
</tr>
<tr>
<td>Education</td>
<td>-.001</td>
<td>.020</td>
<td>-.002</td>
<td>-.032</td>
</tr>
</tbody>
</table>

a. Dependent Variable: organizational performance

Table 1c presents the results of regression coefficients which revealed that insignificant effects were reported for all the components of workforce diversity dimensions. The results revealed that at 95% confidence level, Sex ($\beta = -0.019, t = -0.52, p = 0.603$), Age ($\beta = -0.017, t = -0.875, p = 0.382$), and Education attained ($\beta = -0.001, t = -0.032, p = 0.974$) are all statistically insignificant as their p-values are greater than 0.05 and their t-values less than 1.96. Based on coefficient of regression table above, the regression model was developed.

Given these results, this study can conclude that workforce diversity dimensions do not influence organizational performance. On the strength of this result ($R^2 = 0.003, F_{3,352} = 0.367, p = 0.684$), this study accept the null hypothesis which states that workforce diversity dimensions have no significant influence on organizational performance.

**Hypothesis two:** There is no significant mediating effect of human resource management practices in the relationship between workforce diversity dimensions and organizational performance

Hierarchical multiple regression analysis was used to ascertain the moderating effect of human resource management practices on the relationship between workforce diversity dimensions and organizational performance.
Table 2: Summary of hierarchical regression analysis for the moderating effect of human resource management practices on the relationship between workforce diversity dimensions and organizational performance.

<table>
<thead>
<tr>
<th>Model</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.056(^a)</td>
<td>.003</td>
<td>-.005</td>
<td>.33244</td>
<td>.003</td>
<td>.367</td>
<td>3</td>
<td>352</td>
<td>.777</td>
</tr>
<tr>
<td>2</td>
<td>.442(^b)</td>
<td>.195</td>
<td>.186</td>
<td>.29915</td>
<td>.192</td>
<td>83.689</td>
<td>1</td>
<td>351</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Education, Sex, Age  
b. Predictors: (Constant), Education, Sex, Age, HRMP

**Step 1**

In the first step (MODEL 1), the effect of workforce diversity dimensions on organizational performance was ascertained. The Hierarchical multiple regression analysis shows that workforce diversity dimensions (sex, age and education) accounted for 0.3% of the variance recorded in organizational performance ($R^2 = 0.003$, $F_{(3,352)} = 0.367$, $p > 0.05$). Based on the fact that the p-value of the result is greater than the level of significance used for the study, signifying that workforce diversity dimensions do not have significant effect on organizational performance.

**Step 2**

When the interaction term human resource management practices were added to the regression model (MODEL 2), there was a significant increase in organizational performance of 19.2% ($\Delta R^2 = 0.192$, $p = 0.000$) because $R^2$ increased from 0.003 to 0.195. This result shows that human resource management practices have *enhancing* effect on the relationship between workforce diversity dimensions on organizational performance.

Based on this result, null hypothesis was rejected while the alternative hypothesis was accepted. This signifies that human resource management practices have significant moderating effect on the relationship between workforce diversity dimensions and organizational performance.

**Discussion of Findings**

The objective of this study was to investigate the influence of workforce diversity dimensions (sex, age, and educational attainment) on organisational performance and the mediating effect of HRMPs (promotion, reward and performance appraisal) on the relationships between workforce diversity dimensions and organizational performance. The essence was to examine if WFDDs have significant effects on organisational performance or that organisational context of HRMPs have a mediating effect, such that the WFDDs requires to be managed through HRMPs to bring about significant effects. It was proposed that equality, justice and fairness experienced by the diverse groups (like sex: male/female) will influence their performance which cumulate into the level of performance the organisations attained.
The result of test of objective 1 indicated that WFDDs insignificantly influenced organisational performance with coefficient of determination at $R^2 = 0.0003$. This indicated that WFDDs of age sex and educational attainment jointly accounted for 3 per cent of the variance recorded in organisational performance of the organisation studied. To further examine if any of the joint WFDDs has any influence they were individually regressed on performance. The result indicated that each regression coefficient was statistically insignificant. At 95% confidence level, Sex ($\beta = -0.019$, $t = -0.52$, $p = 0.603$), Age ($\beta = -0.017$, $t = -0.875$, $p = 0.382$), and Education attained ($\beta = -0.001$, $t = -0.032$, $p = 0.974$) are all statistically insignificant as their p-values are greater than 0.05 and their t-values less than 1.96. It was concluded that WFDDs do not normatively influenced organisational performance as posited by “Business Case” argument (Kochan, et al, 2003). The study confirms contextual theory that suggested that whether WFD has a positive or negative impact on performance (an organisation outcomes factor) may depend on several aspects of organisational strategy, culture and human resource practices and not on WFD itself (Kochan et al., 2003; Shore et al., 2009). In conformity with the theory assumptions, the WFDDs have no joint significant influence on OP in this study. Also, individual diversity dimension has no significant positive contribution to OP


The finding of Kunze, et al. (2013) which indicated that each diversity dimension within companies related positively to negative age discriminant climate and negative age discrimination climate related negatively with company performance. The result suggests that age diversity does not directly relate with company’s performance in positive or negative direction but rather with increase age discrimination climate. This position is corroborated by Ali, et al. (2015) findings which showed that gender does not directly affect retention but through HRM policies and practices. This is corroborated by Ogunleye and Osekila (2016) findings which showed that gender does not directly influence OP such that irrespective of sex performance is similar. Their findings corroborated the earlier work of Kundu and Mor (2016) who used gender, age and experience to represent WFDDs to find out the relationship of these dimensions on employees’ organisational commitment. Regressing gender, age, and experience on commitment, their coefficient did not indicate significant effect of WFDDs on commitment.

The second objective of the study examined the mediating effect of human resource management practices in the relationship between WFDDs and OP. Hierarchical multiple regression was used to ascertain this. The result of first regression showed that WFDDs components jointly accounted for 3% of the variance recorded ($R^2 =0.003$, $F_{(3,352)} = 0.367$, $p > 0.05$) signifying that WFDDs do not have significant effect on OP. However, when the components of HRMPs were added to the regression model, there was a significant increase in OP 19.2% ($\Delta R^2 =0.192$, $p = 0.000$) since $R^2$ increased from 0.003 to 0.195. This result shows that HRMPs have enhancing effect on the relationship between WFDDs and OP.
The work of Prasad (2017) is also corroborated by this study’s findings. Prasad (2017) recorded that diversity management practices in the area of HRM are believed to enhance employees and OP. When diverse groups perceive equity and fairness in the distribution of the resources of the organization which they have contributed to, the likelihood of higher performance can be evident. The reverse can also hold true. The work of Adeoye and Omosanya (2018) is corroborated by the finding of this study. Non-Academic staff of universities were studied to assess the relationship between reward and performance. It was found that there is a strong and positive correlation between good compensation system and performance. It was also found that recognition and empowerment of employee as intrinsic reward systems strongly and significantly impact employee’s performance enhancement (Adeoye & Omosanya, 2018).

Conclusion
Organizations may not likely reap the benefits of increasing WFDDs except they effectively manage their internal process, specifically their HRMPs. These contextual factors have become imperative for organizations as strategy of achieving maximally the organization business objectives, to remain competitive and have competitive advantage through its diverse workforce. Since workforce diversity management is about equality of all regardless of backgrounds of an individual, managing the contextual process of an organization (HRMPs) in that direction will release the potential benefits of diverse workforce as this study findings confirmed. It is recommended that researchers should not isolate a diverse group like sex, age or educational attainment for study as the result does not reflect the true nature of diversity in an organization. Business managers should likewise embrace human resource management practice that is fair and equitable to all diverse workforce. Corporate policies on promotion, reward and performance appraisal must be commensurate and should be evaluated and seen by the entire diverse workforce to be so. The above recommendations are some of the contributions of the study to knowledge. Other contextual issues that researchers can look at include: leadership, strategy, organization culture as they mediate on the influence of specific organization WFD on OP.

References


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