DIVERSITY MANAGEMENT AND FIRM PERFORMANCE IN SELECTED BREWERIES IN SOUTH EAST OF NIGERIA

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Abstract
The purpose of this study was to investigate the effect of diversity management on the performance of brewing companies in South East Nigeria. The study was anchored on social identity theory of exclusion in the work place. A descriptive survey research design was used for the study. Data was sourced using the primary source. A population of 900 employees of all brewing companies in South Eastern Nigeria was used for the study. A sample size of 173 employees derived through Borg and Gall were used for the study. The instrument used for data collection was a structured questionnaire. The instrument was subjected to both face and content validity. A reliability co-efficient of 0.79 was obtained through test-retest method. The data collected was analyzed using frequency count and percentages while ANOVA was used to test the hypotheses. The findings of the study revealed that gender diversity had significant positive effect on firm performance in South East Nigeria. Age diversity had significant positive effect on firm performance in South East Nigeria. Ethnicity diversity had significant impact on firm performance in southeast Nigeria. The study recommended that in setting up teams in the workplace, personnel department in line with top managers must ensure that there is a proper representation of members of various ethnic groups, age and gender so as to create room for effective succession planning. Management should choose the most qualified in terms of academics to ensure that appropriate guides to thinking are done to formulate policies on diversity management and firm performance.

Keywords: age, ethnicity, educational qualification and performance in selected breweries

Introduction
Advances in technology and the arrival of a universal economy bring the people of the world closer together than ever before. Given this fact, businesses, educational systems and other entities are investigating ways to better serve their constituents (Jhunjhunwala, & Mishra, 2012). This includes being able to draw and keep the best and most qualified workers. The Breweries recruits their workers from across the country and also foreigners alike (Chen, Liu, and Portnoy, 2012). Hence it can be optional that their work force is varied. Workforce diversity has significant implications toward management practices and policies. Frequently, variety is viewed in a limited style, primarily addressing issues of race, ethnicity, cultural or gender differences.

There are many lawfully mandated actions that employers must take to reduce employment favoritism. In Nigeria, there is the federal makeup rule which specifies that recruitments in federal government agencies and parastatals must reproduce the federal personality, but many CEOs employ to favour their own people to the detriment of other Nigerians from other places. This is unprincipled and tends to unenthusiastically affect the performance level of most organizations in Nigeria (Ogbo, Kifordu, and Wilfred, 2014). The 21st century managers are saddled with the responsibility of both leading employees and responding to the
needs of customers who are more ethnically and culturally diverse from each other. Leaders in both the public and the private sectors are focusing more attention on the issue of diversity. Leaders and managers within organizations are primarily responsible for the success of diversity policies because they must ensure that the policies are effective.

Statement of the Problem
The brewing industry today is one of those sectors that have not really made use of the strength embodied in their diversity. There are still cases where certain tribes seem to claim ownership in certain brewing without regard to performance par excellence. Most workers in certain brewing firms who should be laid off are not laid off rather; those who are more capable are laid off just because of sentiments obsessed by top managers. It has become a usual event each time we watch the television or listen to the radio, we see and hear of workers being laid off and if we could dig deeper, we would realize that most of those being laid off are coming from a particular ethnic group. These issues decrease the level of commitment employees would put in their job and this has made organizations not to achieve the much needed performance level. The 35% gender affirmation that was established by the previous government which led to women handling sensitive issues in the economy has been discontinued as only a few women are found at the top echelon of brewing firms. Today, it is almost believed that the leadership of brewery firm belongs to the masculine folks and this is a major problem. Jim (2012) affirmed that worldwide, only 15% of employees are engaged at work and that the vast mass of employed people around the globe are “not engaged” or “actively disconnected” at work, meaning they are emotionally detached from their place of work and less likely to be productive. Much attention should be given to scope; methodology and variables, for instance inadequacy of the statistical data used in some of the reviewed literature will be overcome through proxy variables and that is what this study seeks to address.

Research Objectives
The general objective of this study was to examine the relationship between diversity management and performance of an organization.

The specific objectives of this study are to:

1. Examine the relationship between gender diversity and performance in the brewery firms under study.
2. Investigate the relationship between age diversity and performance in the brewery firms under study.
3. Examine the relationship between ethnic diversity and performance in the brewery firms under study.
4. Inspect the relationship between educational background and performance in the brewery firms under study.

Research Questions
1. To what extent has gender diversity affected the performance of the breweries under study?
2. How does age diversity affected the performance of the breweries under study?
3. To what extent has ethnic diversity affected the performance of the breweries under study?
4. At what level has Educational diversity affected the performance of the breweries under study
Hypotheses
Ho: There is no significant positive relationship between gender diversity and performance of the brewing firms under study.
Ho: There is no significant positive relationship between age diversity and performance of the brewing firms under study.
Ho: There is no significant positive relationship between ethnic diversity and performance of the brewing firms under study.
Ho: There is no significant positive relationship between educational diversity and performance of the brewing firms under study.

Significance of the Study
The findings of this study will add to existing knowledge that will aid in understanding of diversity management in general and its relevance to employee performance, which in turn will lead to organizational performance and it will be essential to organizations that are equipped with diversified workforce.

To researchers and academics, the study will serve as a reference to other researchers who intend to conduct similar or related studies on workforce diversity in the future as it will provide reliable insight that are useful for educational purposes. This study has also provided information that could form the basis for future research.

To employers and management of organizations, this study will provide in-depth knowledge explaining how workforce diversity has an effect on performance. The study provides key information in terms of recommendations and suggestions that will be useful in improving the general policies and practices of workforce diversity management in organizations. This study is also beneficial to organizations striving to create a culture that is inclusive rather than exclusive.

To Employees: This study will help the employees to accept and respect the unique diversity of colleagues who are not only similar to them but also those who are dissimilar. It will help them to realize that working together can help improve their performance.

To Government: Diversity management is a vital topic for a country like Nigeria that is quite culturally diverse. This study will help the government in its quest to manage the diversity of its population across regions. It will awaken the government to look into the issue of diversity and ensure the laws that suppose diversity are obeyed by every organization.

To the Society: Nigeria as a country is rich in ethnic diversity. This study will educate our society as it will help people to begin to see diversity as a blessing rather than a curse that needs to be avoided. It will help the society to see the need for having diverse groups.

Scope of the Study
The study was restricted to only brewery companies in south east. It examined the effect of diversity management on firm performance in brewery firms. The study was also limited to few workforce diversity- age, gender, ethnicity and educational background diversity and also limited to firm performance. The population of the study was limited to employees of employees of selected brewery firms in south east Nigeria.
Review of Related Literature

Conceptual framework

Diversity Management

Diversity Management is the aptitude of a manager to attain success for an organization by making the best of use of the similarities and differences among workers in terms of age, cultural background, physical abilities and disabilities, race, ethnicity, religion, sex, as well as in terms of personality, values, attitudes, perception and cognitive style. Individuals who think towards deep level diversity are more likely to perceive themselves as similar, rather than dissimilar, to members of their workgroup on unobservable character (Liao, 2012). To Daft (2015) Labor force diversity refers to a workforce made up of people with different human character or who belong to different cultural groups. The author regarded entity diversity to include people dissimilar from themselves along the size such as social background.

Diversity management issues flourish in organizations and it is measure that they are proactively identified and properly addressed. Prejudice and bias seem to be alive more in settings where there are varied sets of persons. The modern Nigerian place of work may be a typical example. In this study, the management of labor force diversity was examined in terms of the management of the surface-level variety dimension of gender, ethnicity and religion on the one hand; and the management of deep-level diversity dimension focusing on the effects of an individual’s level of apparent fairness and locus of control on the performance of organizations, on the other hand (Kundu, 2011).

Organizational Performance

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard et al. (2009), organizational performance encompasses three specific areas of firm outcomes: (a) financial performance (profits, return on assets, return on investment, etc.); (b) product market performance (sales, market share, etc.); and (c) shareholder return (total shareholder return, economic value added, etc.).

Organizational performance is the ultimate dependent variable of interest for researchers concerned with just about any area of management (Devinney et al., 2010). This broad construct is essential in allowing researchers and managers to evaluate firms over time and compare them to rivals. In short, organizational performance is the most important criterion in evaluating organizations, their actions, and environments. Performance of an employee at his/her workplace is a point of concern for all the organizations irrespective of all the factors and conditions. Consequently the employees are considered to be very important asset for their organizations. (Qureshi & Ramay, 2006) A good performance of the employees of an organization leads towards a good organizational performance thus ultimately making an organization more successful and effective and the vice versa. (Armstrong & Baron, 1998). These moderators were further investigated and strong correlations between organizational commitment and work behavior were found against self reported and for supervisory report of performance. The problems arise for the organizations when they start perceiving that their organizations are already performing at their level best and with great efficiency furthermore, there is no need for further improvement in their organizations (Summers & Hyman, 2005). Hence keeping in view these barriers must be tackled and addressed as they result in underdeveloped competencies and more over lead towards, finally the organizational ineffectiveness. Ultimate success or failure of an organization is determined majorly by the performance of their employees. (Bartlett & Ghoshal, 1995).
Gender diversity
Gender refers to the socially constructed roles for women, girls, men and boys. Gender roles are learned, changeable over time, and variable within and between cultures. Gender often defines the duties, responsibilities, constraints, opportunities and privileges of women, girls, men and boys in any context. Gender equality refers to the equal enjoyment of their rights, responsibilities and opportunities and it implies that the interests, needs and priorities of each gender are respected.

Gender diversity is an umbrella term that is used to describe gender identities that demonstrate a diversity of expression beyond the binary framework. For many gender diverse people, the concept of binary gender – having to choose to express yourself as male or female – is constraining. Some people would prefer to have the freedom to change from one gender to another, or not have a gender identity at all. Others just want to be able to openly defy or challenge more normalised concepts of gender. For gender diverse people, their identity is about presenting something more outwardly authentic to the world; whether they understand themselves to be differently gendered, or have no gender at all. It is important to recognise that many cultures throughout history have recognised gender diversity beyond masculine and feminine. Today the internet has provided a platform where people can explore common experiences with gender diversity and a lot of the language used to describe these experiences is still evolving. There are often misunderstandings that report of there being hundreds of genders, each with unique rules, language and pronouns. A lot of these claims are exaggerated, taking into account very niche and specialised terms, or very personal explorations of gender.

Age Diversity
Age refers to the different stages in one’s life cycle. Age diversity is the ability to accept all different types of ages within a business environment. Companies have to adjust to an aging population in various ways. Age diversity offers positive advantages for healthy organisations, just like any other sort of diversity in work and life. Treating people fairly, regardless of age, is central to the principles of ethical business and ethical organisations.

Robbins & Judge (2013) said the relationship between age and workers job performance is likely to be a subject of increasing significance during the next decade. According to them, the reasons for this are; first, the common believe that job performance diminishes with increasing age. Secondly, the present place of work is characterized by aging population. As such, quite a number of employers know that older employees signify a huge potential pool of high excellence applicants. Thirdly, is the system set by some countries that outlaw compulsory retirement e.g. the USA. It is a common to presume that as people get older, their skills in terms of nimbleness, strength, speed and harmonization begins to turn down and job could become boring and lack of intellectual inspiration all contributes to abridged productivity.

Ethnic Diversity
Ethnicity is identity related to a specific cultural or national tradition. Ethnic diversity, then, refers to the presence of different ethnic backgrounds or identities. In the United States, many people identify with more than one ethnic group, and they might experience ethnic diversity within their own families.

It is vital to look closely to how persons and different groups within the working surroundings interact with each other at work as organizations are becoming more varied in
its ethnicity (Weiliang, Mun, Fong, & Yuan, 2014). It is necessary for managers to have information on diversity and ways in which they can manage ethnic variety of their labor force in ways that will help the organization take full advantage of the beneficial aspect of ethnic diversity while plummeting the negative effects that could sprout out in form of conflict or communication issues (Benschop, 2011). According to the social identity, social categorization and similarity magnetism theories, when a labor force is ethnically diverse, it could result in psychological processes like in-group liking, in-group magnetism and worst of all in-group favouritism. The outcome of this may affect the behaviours of workers in a way that group members may only decide to favour those belonging to their ethnic background. This could also bring about a lot of negative outcomes like; less message, less cooperation, less cohesiveness and even conflicts. Furthermore, it could lead to high turnover intention and less job satisfaction (Oerlemans, Peeters, & Schaufeli, 2013).

Educational Background
Cohen & Bailey (2015) said differences in the educational setting of workers can bring about an important effect on group performance just like their diverse capabilities since it promotes a wide variety of talents. Holland (2007) mentioned that a person’s favorite of a certain field of knowledge can in some way disclose the character and the strong point of such individual. This entails that the background education of a person point out the competences of the individual. As such, managers welcome individuals with different educational background as a way of encouraging the labor force to successfully work with each other in order to accomplish organization’s goals (Gwendolyn, 2012). For example, a computer scientist is often predictable to possess information that is different from that of a marketer (Hambrick & Mason, 2012). When an organization has a labor force that has different educational background, it is likely to enlarge the variety of its information base revealing the diverse educational background of its workers (Cohen & Levinthal, 2014).

Theoretical framework
Social Identity Theory
This theory predicts that people tend to group themselves into exact groups based on certain areas which are of personal significance to them such as demographic individuality like ethnicity, gender, etc. The result of this is that they inclined to favour colleagues of their in-group at the expense of the out-groups. This theory was originally formulated by Tajfel (2015) to explain keeping out in the place of work. Tajfel (2015) said social identity theory is “that part of an individual’s self idea which originates in his/ her membership in a social group(s), along with the significance and the moving consequence emotionally involved to that group membership”. Korte (2007) said that social identity theory tries to explain group membership and behaviour. Thus, when people identify themselves with a certain ethnic group (e.g. Yoruba to Yoruba, etc.) which usually happens, the social identity theory expects that individuals will most likely favour those who share the same ethnicity with them (in-group) over those of other ethnicity (out-groups).

Empirical Review
Obama, and Worlu, (2017) examines the bond in workplace diversity and employee engagement in banks in rivers state. Based on the findings, it is recommended among others that the top manager must understand that there is unity in diversity and this can be done through orientation programs, seminars and workshops on a periodic.

Odita, & Egbule, (2015) aimed at assessing the effects of workforce diversity on organizational effectiveness in Brewery industry using selected Breweries. The findings show
that there is a significant positive relationship between the variables of workforce diversity and organizational effectiveness; in particular cultural diversity was found to be more effective.

Ogbo, Kifordu & Ukpere, (2014) determine whether workforce diversity has a positive influence on customer related issues. Findings revealed that workforce diversity has a positive effect on customer related issues in an organisation.


Ugwuzor, (2014) examined the nature of the relationship between Workforce Diversity Management and Corporate Performance of manufacturing firms in Nigeria. The findings revealed that the apparent low performance rate of the Study firms may be traceable to poor management of surface and deep level diversity.

Edewor, Yetunde & Onabanjo, (2017) Diversity management, challenges, and opportunities in multicultural Organizations. The study concludes that it is imperative for employers and policy makers to understand changing workforce demographics and the impact of increasing diversity on human behaviour in the workplace.

Zahradeen. (2017) studied impact of workforce diversity on organizational performance in cross river state in Nigeria for the study. The study find significant relationship between a portion of the diversity factors and also individual diversity factors with the measures of organizational performance.

Omankhanlen & Joshua (2011) studied therefore seeks to find out the impact of workforce diversity on organizational effectiveness using a Nigerian bank for the study. The study finds significant correlation between some of the diversity variables as well as individual diversity variables with the measures of organizational effectiveness.

Ng & Feldman (2008) in their study provided an extended meta-analysis on the correlation between age and job performance. Furthermore, findings also stressed that the relationship between age and core task performance, as well as counter-productive work behaviours are curved in nature and some sample distinctiveness and data collection characteristics moderate the relationship of age performance.

Darwin & Palanisamy (2015) study on workforce diversity and employee performance showed that age, gender and ethnic diversity have no significant impact the performance of employees. The findings revealed that employees had a neutral perception about workforce diversity.

Milliken & Martins (2016) study on one hand found that workforce diversity (especially ethnicity, age and gender) as having a positive effect on teams as it increases the opportunity for creativity among members. Their conclusion was that in the short term, there are several negative consequences associated with workforce diversity.
Akpakip, (2017) examine the effects of workforce diversity on employee performance. The research findings showed all aspects of workforce diversity used in the study has a significant relationship with employee performance except for ethnic diversity.

**Methodology**
A descriptive survey research design was used for the study. A population of 900 employees of all brewing companies in South Eastern Nigeria was used for the study. A sample size of 173 employees derived through Borg and Gall were used for the study. The instrument used for data collection was a structured questionnaire. The instrument was subjected to both face and content validity. A reliability co-efficient of 0.79 was obtained through test-retest method. The data collected was analyzed using frequency count and percentages while ANOVA was used to test the hypotheses.

The model was used to specifying a multiple regression equation made up of brewing firms as a function of the independent variables. As a result, the model is specified below,

\[ DM = f (GD, AD, ED, EB,) \]

Where
- \( DM \) = Diversity management
- \( GD \) = Gender diversity
- \( AD \) = Age diversity
- \( ED \) = Ethnicity diversity
- \( EB \) = Education diversity
- \( F \) = Functional Notation

The above equation can be put in an econometric form as:

\[ DM = b_0 + b_1 GD + b_2 AD + b_3 ED + b_4 EB + \mu \]

Where;
- \( b_0 \) = Autonomous or intercept
- \( b_1 \) = Coefficient of parameter GD
- \( b_2 \) = Coefficient of parameter AD
- \( b_3 \) = Coefficient of parameter ED
- \( b_4 \) = Coefficient of parameter EB
- \( \mu \) = Stochastic variable or error term

**Findings**

**Test of Hypotheses**
To further justify the results, ANOVA test was conducted to measure the impact of diversity management on firm performance in south east Nigeria. The results are shown in the ANOVA Table below:

**Ho:** There is no significant relationship between gender diversity and performance of the firms under study.

**Ha:** There is a significant relationship between gender diversity and performance of the firms under study.

**Table 1:** Evaluation on whether gender diversity has significant impact on performance in the firm under study.
The test table reveals that small significance value (F. sig<.05) indicate group differences. Since the F-value of 241.453 which has a significance of .001 is less than .05 (i.e .001<.05), there exist no group difference among the variables. Therefore, gender diversity has significant effect on performance in the brewery.

**Ho2:** There is no significant relationship between age diversity and performance in the brewery under study.

**Ha2:** There is a significant relationship between age diversity and performance in the brewery under study.

**Table 2: Evaluation on whether age diversity has significant impact on performance in the brewery under study**

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>22.784</td>
<td>3</td>
<td>7.595</td>
<td>250.331</td>
<td>.000</td>
</tr>
<tr>
<td>Within Groups</td>
<td>4.278</td>
<td>162</td>
<td>.030</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27.062</td>
<td>165</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source: SPSS, Version, 2019**

The small significance value (F.sig<.05) indicates that there is a group difference. The F-value of 250.33 has a significance value of .000 which is less than .05 (i.e 000<.05), therefore age diversity has significant effect on performance in the brewery.

**Ho3:** There is no significant relationship between ethnic diversity and performance in the firm under study.

**Ha3:** There is a significant relationship between ethnic diversity and performance in the firm under study.

**Table 3: Evaluation on whether ethnic diversity has significant impact on performance in the firm under study**

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>1.747</td>
<td>8</td>
<td>.873</td>
<td>211.029</td>
<td>.002</td>
</tr>
<tr>
<td>Within Groups</td>
<td>21.217</td>
<td>157</td>
<td>.849</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>22.964</td>
<td>165</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source: SPSS, Version, 2019**

The test conducted revealed that the large significance value (F.sig<.002) indicate no group differences. Since the F-value of 211.029 with a significance of .002 is less than .05 (i.e
.002<.05), there exist no group difference. Therefore, ethnic diversity has significant effect on performance in an organization.

**H04:** There is no significant relationship between educational diversity and performance in the brewer under study.

**Table 4: Evaluation on whether educational diversity has significant impact on performance in the brewery under study**

<table>
<thead>
<tr>
<th>Source: SPSS Window 7, Version, 20 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>The small significance value (F.sig&lt;.05) indicates group differences. Since the F. value of 129.280 which has a significance value of .000 is less than .05 (i.e 000&lt;.05). Therefore, educational diversity has significant effect on performance in the firm.</td>
</tr>
</tbody>
</table>

**Conclusions and Recommendations**

Based on the findings the study concludes that Gender diversity has significant positive effect on firm performance in southeast Nigeria. Age diversity has significant positive effect on firm performance in southeast Nigeria. Ethnicity diversity has significant positive effect on firm performance in southeast Nigeria. Lastly Education diversity has significant positive effect on firm performance in southeast Nigeria.

This study therefore recommends that Organizational leaders/managers should formulate policies that guide against gender discrimination in their organizations in other to encourage innovative and creativity. In setting up teams in the workplace, personnel department in line with top managers must ensure that there is a proper representation of members of various ethnic groups, age and gender so as to create room for effective succession planning and integration.

**References**


