



SEEK WISDOM, ELEVATE YOUR INTELLECT AND SERVE HUMANITY |

Addis Ababa University
አዲስ አበባ ዩኒቨርሲቲ



**THE EFFECT OF WORKFORCE DIVERSITY ON TEAM
EFFECTIVENESS; THE MEDIATING ROLE OF INDIVIDUAL
PERFORMANCE**

(THE CASE OF CAROLINA LOGISTICS CORPORATION)

BY: KIRUBEL TEFERA

**A Thesis Submitted to Addis Ababa University College of Business and
Economics in Partial Fulfilment of the Requirements for the Degree of Master
of Arts in Business Administration.**

Department of Management College of Business and Economics

Addis Ababa University

September, 2024

Addis Ababa, Ethiopia

Addis Ababa University
College of Business and Economics

APPROVALS

We, the undersigned, hereby certify that we have read and fully endorse the acceptance of the thesis submitted by Kirubel Tefera titled "The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance (The Case of Carolina Logistics Corporation.)". We recommend its approval as it meets the criteria for partial fulfilment of the requirements necessary for obtaining a Master's Degree in Business Administration from Addis Ababa University.

Approved by Board of Examiners

Name of Internal Examiner Dr. Zelalem G. Tsadik Signature [Signature] Date _____

Name of External Examiner Dr. Baynet G. Adese Signature [Signature] Date _____

Name of Advisor Abera L. Signature [Signature] Date 20 Nov. 2024

Letter of Certification

I certify that **Kirubel Tefera** has successfully completed his theses on the topic "The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance (The Case of Carolina Logistics Corporation)" under my guidance and supervision. I assure you that his work meets the necessary standards to be considered as a thesis for the Master of Arts in Business Administration.

Name of the Advisor: _____

Signature: _____

DECLARATION

I also declare that I am the author of these theses entitled "The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance in the Case of Carolina Logistics Corporation. I received guidance from my advisor throughout this process. The content presented here is primarily my own work unless stated otherwise in the text. Furthermore, I confirm that this work has not been submitted, either wholly or partially, for any other academic degree or professional qualification.

Name: _____

Signature: _____

Acknowledgment

I would like to express my sincere gratitude to all individuals who have contributed to the completion of this thesis. Firstly, I am immensely grateful to my supervisor for their guidance, support, and valuable insights throughout the entire research process. Their expertise and willingness to provide constructive feedback significantly strengthened the quality of this work. I would also like to acknowledge the assistance of my colleagues and friends who have provided valuable suggestions and encouragement during the development of these theses. Their input and discussions have been instrumental in shaping the direction of these theses. Furthermore, I extend my gratitude to the participants who generously shared their time and experiences for this thesis. Their cooperation and willingness to participate were crucial in obtaining insightful data and contributing to the success of these theses. Overall, I am deeply thankful to all those who have played a role, no matter how big or small, in this study. I am grateful for the opportunity to have worked with such dedicated and talented individuals.

Table of Contents

Acknowledgment	i
List of Abbreviations.....	vi
List of Tables.....	vii
List of Figures	viii
Abstract.....	ix
CHAPTER ONE:INTRODUCTION.....	1
1.1 Background of the Study	1
1.2 Background of the Organization.....	4
1.3 Statement of the Problem.....	7
1.4 Research Questions.....	9
1.5Objective of the Study	9
1.5.1 General objective of the study.....	9
1.5.2 The specific objectives of the study	9
1.6 Scope of the Study	9
1.7 Significance of the Study	10
1.8 Organization of the Study	10
CHAPTER TWO:2. LITERATURE REVIEW	11
2.1 Theoretical Literature Review	11
2.1.1Concept of Work Force Diversity	11
2.1.1.1 Importance of Diversity for Employees in the Workforce :	13
2.1.1.2 Approach to Managing Diversity: Problems and Perspectives in Management.	14
2.1.1.3 Basic Steps to Successful Organizations When Managing Diversity.....	16
2.1.2 Employee Performance	17
2.1.3Work Force Diversity and Employee Performance.....	19
2.1.3.1 Age Diversity and Employee Performance	19
2.1.3.2 Gender Diversity and Employee Performance	20
2.1.3.3 Educational Diversity and Employee Performance.....	20
2.1.3.4 Ethnicity and Work Performance.....	21
2.1.4 Defining Team	22
2.1.5 Team Work Process	23

2.1.5.1 Team Cohesion	23
2.1.5.2 Role Clarity	23
2.1.5.3 The Concept of Effective Team:	25
2.1.5.4 The Dimensions of the Effectiveness of the Team	26
2.1.5.5 Characteristics of Effective Teams	28
2.1.5.6 Factors Affecting the Effectiveness of the Team:	28
2.1.5.7 The Impact of Effective Team Performance	29
2.1.6 Work Force Diversity and Team Effectiveness	30
2.1.6.1 Gender Diversity on Team Effectiveness	31
2.1.6.2 Ethnic Diversity on Team Effectiveness.....	31
2.1.6.3 Age Diversity on Team Effectiveness.....	31
2.1.6.4 Educational Background Diversity on Team Effectiveness	31
2.1.7 Individual Performance on Team Effectiveness.....	32
2.1.7.1 Skills and Knowledge on Team Effectiveness.....	32
2.1.7.2 Communication and Collaboration on Team Effectiveness	32
2.1.7.3 Adaptability on Team Effectiveness	32
2.1.7.4 Task Completion on Team Effectiveness.....	33
2.1.8 The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance	33
2.2 Empirical Review of Literature	33
2.2.1 Work Force Diversity and Individual Performance	33
2.2.1.1 Gender diversity and employee performance	33
2.2.1.2 Age Diversity and Employee Performance	35
2.2.1.3 Ethnic Diversity and Employee Performance	36
2.2.1.4 Education Background and Employee Performance	37
2.2.2 Workforce Diversity and Team Effectiveness	38
2.2.2.1 Age diversity and Team Effectiveness.....	38
2.2.2.2 Ethnic Diversity and Team Effectiveness	39
2.2.2.3 Gender Diversity and Team Effectiveness.....	40
2.2.2.4 Educational Diversity and Team Effectiveness	41
2.2.3 Effects of Individual Performance on Team Effectiveness	42

2.2.3.1 Skills and Knowledge on Team Effectiveness.....	42
2.2.3.2 Communication and Collaboration.....	43
2.2.3.3 Adaptability	43
2.2.3.4 Task Completion.....	44
2.2.4 The Mediating Role of Individual Performance in the Relationship between Workforce Diversity and Team Effectiveness	44
2.3 Conceptual Frame Work	45
2.4. Hypothesis.....	46
CHAPTER THREE:3. RESEARCH METHODOLOGY	50
3.1 Design of the Research and Approach	50
3.2 Data Collection Sources and Types	51
3.2.1 Primary Source of Data.....	51
3.2.2 Secondary Source of Data	52
3.3 Target Population	52
3.4 Data Gathering.....	52
3.5 Data Processing.....	53
3.5.1 Pilot Test.....	53
3.5.2 Validity Test.....	54
3.5.3 Reliability Test	54
3.6 Methods of Data Analysis.....	54
3.6.1 Descriptive Analysis.....	54
3.6.2 Inferential Analysis	54
3.6.3 Correlation Analysis.....	55
3.6.4 Multiple Linear Regression Analysis	55
3.6.5 Mediation Analysis.....	55
3.7 Ethical Considerations	56
CHAPTER FOUR:4. RESULTS AND DISCUSSION.....	57
4.1. Response Rate.....	57
4.2. Descriptive Analysis	57
4.2.1. Demographic Characteristics of Respondents.....	57
4.2.2. Cross Tabulation of variables	61

4.2.3. The State of Workforce Diversity.....	62
4.3. Inferential Analysis	72
4.3.1. Regression Assumptions	73
4.3.2. Multiple Regression Analysis	79
4.3.3. Mediation Analysis.....	84
4.4. Discussion of Results.....	85
CHAPTER FIVE:5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	93
5.1. Introduction.....	93
5.2. Summary of Major Findings.....	93
5.3. Conclusion	96
5.4. Recommendations for Future Implications.....	97
5.4.1. Recommendations for more research	99
Reference	101
Appendices.....	I

List of Abbreviations

CLC	Carolina Logistics Corporation
EP	Employee Performance
HR	Human Resource
IP	Individual Performance
M	Mean
P	Level of Significance
SNNP	Southern Nation Nationalities and Peoples
SPSS	Software Packages for Social Science
Std. Deviation	Standard Deviation
t	t – Test Value
TE	Team Effectiveness
WFD	Workforce diversity
WPD	Work Place Diversity

List of Tables

Table 4.1 Response Rate	57
Table 4.2. Gender, Age and Ethnicity of Respondents	58
Table 4.3. Educational Level, Work Experience and Team Involved	59
Table 4.4 Cross Tabulation Gender with Age	61
Table 4.5 Ethnicity Educational level Cross tabulation	61
Table 4.6 Gender Educational level Cross tabulation	62
Table 4.7 Descriptive Statistics on Gender Diversity	63
Table 4.8. Descriptive Statistics on Educational background Diversity	64
Table 4.9: Descriptive Statistics on Ethnic Diversity	66
Table 4.10: Descriptive Statistics on Age Diversity	67
Table 4.11: Descriptive Statistics on Individual Performance	69
Table 4.12: Descriptive Statistics on Team Effectiveness.....	71
Table 4.13. Normality Test.....	73
Table 4.14. Multicollinearity Test	74
Table 4.15. Autocorrelation Test	75
Table 4.16. Correlation between Workforce Diversity, Individual Performance and Team Effectiveness	78
Table 4.17. Regression Cof. In the Case of Workforce Diversity on Individual Performance	79
Table 4.18 Regression Cof. In the Case of Workforce Diversity and Team Effectiveness.....	81
Table 4.19. Regression Cof. In the Case of Employee Performance and Team Effectiveness	82
Table 4.20 Hypothesis and its Acceptance.....	86

List of Figures

Figure 1: Organizational Structure of Carolina Logistics Corporation

Figure 2: Variables measured the Effectiveness of Team in relation to Workforce Diversity

Figure 3: Conceptual Framework

Abstract

The purpose of this study is to explore and understand the relationship between workforce diversity (including age, gender, ethnicity, and educational background) with individual performance and team effectiveness at Carolina Logistics Corporation. There has been limited research conducted in Ethiopia on this topic, especially within the logistic sector. Furthermore, little attention has been given to examining the impact of workforce diversity on team effectiveness through individual performance as a mediator, which ultimately contributes to overall organizational performance. The methodology was involve an explanatory research design using a total population census. Primary data were collected from 240 respondents through a structured questionnaire. The data were analysed using software packages such as SPSS version 26. Various statistical techniques including mean, standard deviation, correlation analysis, regression analysis, and analysis of variance were employed for data analysis. The findings indicate that diversity in gender, educational background, ethnicity, and age significantly influences both individual performance and team effectiveness. Gender, ethnicity and age diversity was found to have a positive direct effect on individual performance while education found to be insignificant on the other hand gender, education, ethnicity have a positive direct effect on team effectiveness while age diversity showed a negative effect on team effectiveness. However, these effects were mitigated through the enhancement of individual performance, emphasizing the importance of fostering individual capabilities within diverse teams. The research suggests that Carolina Logistics Corporation can benefit from targeted initiatives to enhance individual performance and leverage diversity for better team outcomes. Recommendations include adopting inclusive recruitment and leadership development strategies, promoting cultural competence, and creating a flexible work environment tailored to diverse employee needs. Continuous evaluation and adaptability training are also advised to optimize team dynamics and ensure sustained organizational growth.

Keywords: Workforce Diversity, Individual Performance, Team Effectiveness, Gender Diversity, Ethnicity Diversity, Educational Background Diversity, Age Diversity, Mediation Analysis

CHAPTER ONE

INTRODUCTION

This chapter presents a concise conceptual overview of the study, emphasizing the problem statement. It outlines fundamental research questions to be addressed, objectives of the study, its significance, and delimits its scope and limitations. Additionally, it provides definitions of key terms and describes the organization of the study.

1.1 Background of the Study

Diversity, as defined by Jackson et al (1995), is the presence of variations among individuals within a group or organization. In today's society, diversity is an essential aspect of institutional life, as our world becomes increasingly diverse in terms of ethnicity, gender, national origin, race, age, and other personal characteristics (Shaw & Barrett-Power, 1998). The modern workforce consists of individuals with diverse needs, attitudes, values, and work behaviour's (Deluca & McDowell, 1992).

Workforce diversity (WFD), according to Kathimba and Anyieni (2018), encompasses both similarities and differences among employees in terms of age, gender, cultural background, race, religion, disabilities and physical abilities and sexual orientation. People not only differ from each other based on these aspects but also in their preferences and perspectives. Society has historically segregated individuals based on these perspectives. However, organizations now recognize the importance of embracing enhanced WFD. Despite its significance for organizational success and innovation, managing diverse workforces poses a significant challenge for administration.

Various factors such as geopolitical changes, technological advancements, environmental transformations, and socioeconomic shifts have contributed to the changing demographics and components of societies worldwide. Consequently, the way people communicate and collaborate with one another has been profoundly affected by these forces of change. Due to this many institutions are finding a way to gather the benefits from the increasing diversity to have a competitive advantage (Kathimba & Anyieni 2018).

According to the Pew Research Centre, by 2055, the United States of America (USA) was no longer have a single racial or ethnic majority. Studies also estimate that over 20 million people currently working in the USA were born in other countries. This demographic shift is expected to result in increased diversity not only in the USA but globally as well (Cletus et al., 2018). As a result, there were both challenges and opportunities in the near future.

With this changing demographic landscape, workforce diversity (WFD) becomes a critical issue for businesses and organizations. WFD goes beyond simply enrolling or representing individuals within an organization; it encompasses the complexities of managing and leveraging diverse talent. (Cletus et al., 2018). Performance, as defined by Khan et al (2015), refers to effectively carrying out one's job responsibilities with efficiency. It is crucial for employees to meet the requirements of their roles while contributing to organizational goals and enhancing employee engagement.

Previous research on WFD suggests that it can either impede or enhance employee performance (EP) within organizations. For instance, diversity has been found to have positive associations with creativity, critical thinking, and problem-solving skills, while having negative associations with conflict and cohesiveness issues. Gender disparities within organizations are perpetuated and normalized due to stereotypes and biases that attribute positive qualities to males, thus favoring their advancement over females (Leonard & Levine, 2003). In other words, organizations tend to prefer hiring male employees because they are perceived to have better performance and job management abilities.

However, it is important to recognize and address gender issues for workforce diversity (WFD) initiatives to be effective (Brown, 2008). Age diversity is also becoming more prevalent in many organizations (Kunze et al., 2009). This relationship can be understood through two major theories: social identity theory and self-categorization theory. Individuals tend to categorize themselves into specific groups based on dimensions that personally resonate with them, according to these theories (Kunze et al., 2009). As organizations become increasingly diverse ethnically, it is crucial to examine how individuals and different groups interact within the workforce. With a growing interest in understanding the impact of a diverse workforce on workforce cohesion and overall organizational performance, managers must carefully consider the implications of a heterogeneous workforce (Akpakip, 2017).

According to Lewis and Sappington (1993), education plays a crucial role in the success of employees. Without a solid educational background, individuals may struggle to find employment and perform effectively in their roles. Research conducted by Lewis and Sappington (1993) indicates that organizations are hesitant to hire individuals who lack sufficient education, experience, and training for specific positions.

This study aims to examine the impact of workforce diversity on team effectiveness through individual performance at Carolina Logistics Corporation Communication, Advertisement, and Production. To achieve this, the study was employing a narrow definition of diversity using demographic categorization. The independent variables were consisted of four dimensions of workforce diversity: ethnicity, gender, age, and education. The dependent variable was team effectiveness measured by support innovation, clear vision and direction, role exchange flexibility, hiring right people and individual performance such as knowledge and skills, communication and collaboration, adaptability, Task completion serves as a mediating effect.

It is imperative to acknowledge that components of team effectiveness, individual performance and workforce diversity carry the potential to significantly shape team effectiveness as well as individual performance. Yet it must be underscored that incorporating all these variables into a single study could propagate an unwarranted intricacy that may complicate the derivation of insightful outcomes. Thus, by deliberately restricting parameters for examination to more manageable elements- which are prominently featured in scholarly literature relating to workplace diversity, individual performance and team effectiveness- researchers can concentrate on a limited number of significant factors. Furthermore, these variables have frequently been exercised within explorations pertinent to team efficacy and personal performance; consequently, facilitating comparative analysis across various research studies.

This research is significant for those interested in understanding workforce diversity, team effectiveness, and perceived employee performance. It delves deeper into how employee performance contributes to team effectiveness and can serve as valuable teaching material in the learning process. It is anticipated that this study was generate new insights on testing team effectiveness within organizations and provide researchers with an advantage for future investigations on workforce diversity, team effectiveness, and employee performance.

1.2 Background of the Organization

Carolina Logistics is a globally renowned end-to-end transportation provider, offering exceptional logistics services. Our company innovatively transforms the sector through its distinctive, inventive, and precise methodology in structuring the transport process; this includes shipping temperature-sensitive commodities or delivering ocean freight within containers. As an international transportation provider, they offer their clients personalized services that strictly comply with optimum standards of contemporary transport. Carolina Logistics crafts expeditious solutions designed to sustain continuous and rapid expansion of client businesses. Their primary focus lies on fulfilling transport necessities above all else. Their chief objectives are driven towards ensuring flexibility and efficiency in every delivery operation; guaranteeing its safety, promptness whilst being bespoke to your unique specifications. They steadfastly uphold respect for both our customers and employees which has contributed towards constructing a robust reputation for reliability and professionalism. Garnering support from an extensive team of skilled truckers who display agile performance abilities—they're well-prepared to handle any category of freight using an assortment of advanced & specialized vehicles at hand. Carolina Logistics is committed to streamline your business's transportation experience while maintaining utmost smoothness & seamlessness.

Internal Structure

Figure 1: Organizational Structure of Carolina Logistics Corporation (2022)



Source: Company Internal Structure

The Human Resources division is integral to the management of our fleet of drivers. Their responsibilities span numerous critical tasks, including advertising job vacancies to potential talent, presiding over hiring operations, evaluating candidates through thorough interviews and resolving driver-related issues as they arise. Additionally, their duties extend to managing circumstances in which drivers demonstrate violent behavior; thus, ensuring a safe working environment for all by taking necessary disciplinary action up until termination if deemed necessary. The role that the HR department plays is instrumental in maintaining an effective driver management system.

Similarly, dispatch department has irreplaceable significance with regards to logistical efficiency and operational fluency. They bear the responsibility of effectively assigning available loads to appropriate drivers by considering various factors such as destination specifics, load capacity and truck availability among others. It's also within their purview that once booking confirmation is achieved for a particular load assignment, they promptly render comprehensive details about it to the assigned driver - detailing information regarding cargo weight & type along with pickup & delivery locations while briefing them on specific requisites or directives. It remains crucially important that communication lines between the dispatch unit and drivers are consistently open and efficient throughout these processes. All changes or updates have to be accurately communicated so that drivers can achieve full preparedness for their assignments thereby mitigating any chances of disruptions or delays during transportation operations smoothly.

Within the operational or consumer support division, we differentiate between two core groups: the Loads Team and the Updates Team. The former concentrates on constructing and introducing loads into our system with a concentrated focus on accuracy and currency to facilitate seamless scheduling and allocation efforts. Their principal obligation lies in managing the database for loads, ensuring all essential data points and requirements are meticulously logged. Conversely, the function of the Updates Team pivots squarely around fostering strong links between our organization and brokers. They commit themselves to deliver regular updates concerning load statuses, delivery timelines along with any significant modifications or issues that could potentially surface during transit. This team also takes on responsibility for dealing promptly with any challenges encountered during transportation trips. They prioritize ensuring streamlined operation flow as well as troubleshooting potential obstacles which might hinder deliveries.

The Safety Team performs an indispensable task in enforcing compliance standards while reducing risk factors associated with transport operations. This group's remit covers diverse functions intended to preserve top-tier safety protocols alongside stringent security levels. Among their primary duties is a thorough vetting process of new units or drivers coming into service. This encompasses validating driver credentials such as requisite licenses, certifications, plus prior experience in transporting freight safely. Alongside vetting drivers, a meticulous examination of insurance certificates occurs to affirm legal adherence whilst limiting probable liabilities. Rounding out their portfolio is careful scrutiny of hazardous material loads (hazmat) underlining their commitment towards assuring safe passage at every stage of cargo movement.

The financial transactions within the transportation organization are adeptly handled by experienced accounting team. This dedicated group holds several responsibilities, of which invoice creation is the most significant; these meticulous professionals compile and generate invoices for each service provided to clients or brokers. Additionally, they undertake the task of dispensing salaries to drivers with calculated precision, factoring in variables such as work hours logged, total distance covered, and applicable rewards or incentives. Beyond that role, their responsibility extends to managing payment receipts from brokers—diligently tracking each payment received and ensuring it matches its respective invoice.

There are clear distinctions between industry coaches and customer service coaches. The former specializes in providing expertise tailored strictly to specific sectors within which the company operates; staying current on industry trends, regulations, regulations—thus enabling their fluency in best practices—to ensure that our firm remains informed and fully equipped to tackle unique challenges particular to each sector we serve. Conversely, customer service coaches underpin our staunch commitment toward maintaining superior rapport with customers—they take charge of instructing customer service representatives through comprehensive training programs aimed at delivering an exceptional client experience. This ensures that every representative acquires requisite knowledge and skills essential for efficient handling of customer inquiries—resolving problems proficiently while affording accurate information promptly

1.3 Statement of the Problem

In order to achieve their goals and maintain a competitive advantage, organizations require a highly skilled and diverse workforce that collaborates effectively as a team. Diversified teams can benefit from the unique skill sets of each individual, leading to enhanced performance and improved outcomes. Both individual employees and the team as a whole find satisfaction in performing at a high level, experiencing feelings of mastery and pride. The ability to accomplish objectives is essential for teams to succeed.

Over the past thirteen years, there has been significant growth in the workforce, drawing attention from researchers towards the concept of worker diversity (Gupta, 2011). As we live in this rapidly changing postmodern world, organizational cultures are evolving at an accelerated pace. Similarly, changes are occurring within the workforce compared to previous years. This phenomenon is commonly known as workforce diversification or having a diversified workforce. It is crucial to recognize both the positive aspects of having a diverse workforce and the potential challenges it may present.

A study on the impact of workforce diversity on organizational performance in the Education Sector of Karachi Pakistan aimed to explain the influence of various diversity factors on organizational performance (Hafiza & Faiza, 2015). The factors investigated in this analysis included gender diversity, ethnic diversity, and education diversity, along with their impact on employee expertise, efficiency, and effectiveness. The findings suggest a significant relationship between gender and worker skill in the education sector. However, no significant relationship was found between cultural diversity and worker skill or between cultural diversity and employee efficiency and effectiveness. Additionally, the study revealed a positive relationship between education diversity and worker effectiveness or efficiency.

A study in the Banking sector in Tigray Region of Ethiopia did not find empirical support for the two propositions regarding the effect of workforce diversity on organizational effectiveness (Prasda, 2017). The results indicate that the impact of workforce diversity on organizational effectiveness is marginal when considering workforce contexts. It is important to note that this study represents a singular case and may not be generalized due to certain limitations. The focus on limited dimensions within the study could have affected its robustness, as well as the potential

influence of sample size on the outcome. The presence of these limitations has greatly contributed to the literature on diversity by providing empirical evidence that there is no causal relationship between workforce diversity and organizational effectiveness.

Previous studies on workforce diversity have shown that it can have both positive and negative effects on employee performance in organizations (Jonathan et al., 2004). While several studies have been conducted by researchers such as (Chew, et al., 2011; Joseph & Selvaraj 2015; Maingi 2015; Mwatumba, 2016; Zhuwao, 2017) in developed countries, there is limited research conducted in less developed countries that includes the mediating impact of individual performance on team effectiveness. When an organization promotes workforce diversity and maintains a non-discriminatory attitude towards its employees, it enhances motivation, facilitates skill transfer, and fosters commitment among employees (Erasmus, 2007). The issues at hand are a result of inadequate leadership skills in managing workforce diversity and ineffective practices in human resource management when it comes to effectively implementing workforce diversity and understanding the factors that contribute to its success (Erasmus, 2007).

This study aims to address the gaps identified in previous research by examining the relationship between workforce diversity and team effectiveness through employee performance. While previous studies have predominantly focused on the impact of diversity on organizational performance or productivity, there has been limited research conducted in Ethiopia and specifically within the logistic industry. Ethiopia, like many other countries, boasts a diverse population with various ethnic and cultural backgrounds. This diversity is also reflected within organizations, encompassing factors such as age, gender, and educational background. To shed light on these dynamics, this study focuses on Caroline Logistics Corporation, which is located in Addis Ababa.

By conducting this research, my aim is to contribute to the existing literature on workforce diversity by empirically and theoretically exploring its implications in terms of age, gender ethnicity, educational background, and their influence on team effectiveness through employee performance. In the case of Ethiopia, as far as the researcher's knowledge extends, there has been insufficient research published on common sources which are conducted on the specific topic of *The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance*

1.4 Research Questions

- ✓ What is the effect of workforce diversity (gender, educational background, ethnicity and age) on individual performance in Carolina Logistics Corporation?
- ✓ What is the effect of workforce diversity (gender, educational background, ethnicity and age) on team effectiveness in Carolina Logistics Corporation?
- ✓ What is the effect of individual performance (skill and knowledge, communication and collaboration, adaptability, task completion) on team effectiveness in Carolina Logistics Corporation?
- ✓ Does individual performance mediate the relationship between workforce diversity and team effectiveness in Carolina Logistics Corporation?

1.5 Objective of the Study

1.5.1 General objective of the study

The purpose of this study is to examine The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance

1.5.2 The specific objectives of the study

- ✓ To determine the effect of Workforce diversity (gender, educational background, ethnicity and age) on individual performance in Carolina Logistics Corporation.
- ✓ To determine the effect of workforce diversity (gender, educational background, ethnicity and age) on team effectiveness in Carolina Logistics Corporation.
- ✓ To determine the effect of individual performance (skill and knowledge, communication and collaboration, adaptability, task completion) on team effectiveness in Carolina Logistics Corporation.
- ✓ To investigate the mediating role of Individual Performance on the Relationship between workforce diversity and Team Effectiveness in Carolina Logistics Corporation.

1.6 Scope of the Study

This study is also limited to examining independent variables such as educational background, ethnicity, gender diversity, and age diversity and their influence on team effectiveness such as

support innovation, clear vision and direction, hiring the right people, role exchange flexibility through employee performance measured with knowledge and skills, communication and collaboration, adaptability, task completion as a mediating factor. The study takes place in Carolina Logistics Corporation located in Addis Ababa, which consists of diverse departments and teams comprising individuals from various cultural backgrounds and nationalities. The objective is to explore how workforce diversity affects team effectiveness through individual performance within Carolina Logistics Corporation.

1.7 Significance of the Study

The results of this research can be utilized by company administrators and employees alike. It serves as a benchmark for organizational officials, offering insights into the concept of workforce diversity (WFD) and its impact on team effectiveness through employee performance. This understanding enables employees to appreciate each other's value and perception. Numerous parties stand to benefit from this study. The Human Resource Management office of the company can leverage these findings to review employment policies. Additionally, top management in various sectors can incorporate these findings into policy formulation regarding diversity and related matters. Scholars and lay readers were gain valuable insights from this study, shedding light on the effects of workforce diversity on employee work performance and team effectiveness within Carolina Logistics Corporation Communication, Advertisement, and Production. Future researchers in this field were also find value in these findings. Ultimately, the recommendations put forth in this study contribute to ongoing efforts aimed at managing diverse workforces for organizational success.

1.8 Organization of the Study

Chapter one serves as an introduction, providing a background to the study along with stating the problem at hand. It further outlines the objectives of the study, its significance, scope and limitations. Additionally, key terms are defined while outlining the structure of the overall study. Chapter two delves into a comprehensive review of literature concerning teamwork's impact on organizational performance. Chapter three outlines the research methodology employed in this study, while chapter four focuses on the analysis and discussion of the data. Chapter five provides a summary, conclusion, and recommendations based on the findings.

CHAPTER TWO

2. LITERATURE REVIEW

This chapter comprises a comprehensive review of secondary data gathered by the researcher from various scholarly journals and books. It details an in-depth examination of the literature and relevant theoretical frameworks pertaining to employee performance, with a specific focus on clearly defined variables. Understanding the relationship between independent variables (gender, age, ethnicity, and educational background) and the dependent variable (employee performance) is crucial for this analysis. Hypotheses have been formulated based on these relationships between the dependent and independent variables.

2.1 Theoretical Literature Review

2.1.1 Concept of Work Force Diversity

According to (Robbins 2009), workforce diversity refers to the heterogeneous mix of employees in an organization in terms of age, race, gender, and educational background. Mecheo (2016) adds that workforce diversity also includes differences in age, gender, culture, ethnicity, physical ability, education level, and religion. Bhatia (2008) further emphasizes that diversity is not limited to traditional factors but includes political affiliation, ability level, and socio-economic background.

The impact of workforce diversity on employee performance can be positive or negative depending on its management. Effective management questionnaire allows organizations to harness the ideas, skills, abilities, and capabilities of their employees (Erasmus 2007). These qualities play a crucial role in the progress and development of an organization.

However, if workforce diversity is managed ineffectively, it can lead to the formation of various groups within the organization. This can result in miscommunication, interpersonal conflict, and power struggles (Jehn, 1995). These challenges hinder an organization from achieving its goals (Maingi, 2015). Given the increasing importance of accommodating people from diverse cultures within the same place (Maingi, 2015), it is essential for organizations to effectively manage their workforce diversity.

The concept of workforce diversity is continuously evolving on a global scale. Organizations are increasingly hiring employees from various cultural backgrounds (Saxena, 2014). It has been observed that when employee diversity is not effectively managed, it can lead to increased turnover rates, low morale, and communication problems within the organization (Roberson & Kulik, 2007). Carrel, Mann, and Sigler (2006) conducted a study on the relationship between workforce diversity and employee performance. Their findings revealed that due to the varying backgrounds of employees, their performance levels differed, which in turn affected their commitment and affiliation towards the organization. Similarly, a study by Ogbo, Ukpere and Kifordu (2014) demonstrated that workforce diversity has a positive impact on organizational performance in selected organizations in Nigeria. Furthermore, Saeed et al.'s (2013) research highlighted a positive correlation between workforce diversity and student performance.

Diversity itself is subjective in nature as it is determined by group members who categorize others based on their own social identities: "A group is considered diverse if its members differ based on characteristics upon which they base their own social identity." Diversity encompasses differences along primary and secondary dimensions. Primary dimensions exert significant influences on our identities; these include gender, ethnicity, race sexual orientation age mental or physical abilities and characteristics

The concept of diversity includes a wide range of dimensions, as defined by (Cox, 1994). In addition to primary dimensions such as culture, social class, language, race, ethnicity, gender, age, and disability, Cox also incorporates secondary dimensions like healthcare beliefs and recreational interests. Furthermore, Cox introduces a tertiary dimension that encompasses an individual's historical experiences.

Cox presents 38 potential diversity dimensions and asserts that the dimension of "character traits" is virtually limitless. To illustrate the multi-faceted nature of individuals, he uses the metaphor of a kaleidoscope. This analogy brings to mind an iceberg: the visible aspects such as race and disability represent just a fraction of what constitutes diversity. These visible characteristics serve as the foundation for much anti-discrimination legislation worldwide. On the other hand, less apparent dimensions like religion, culture, and political orientation lie just beneath the surface and may become evident over time. The tertiary dimensions hold great significance in shaping one's personal identity and dwell even deeper within. It is crucial to

recognize and embrace the vast array of qualities hidden beneath the surface when considering diversity. Until recently, these rich depths have often been overlooked or disregarded. It should be noted that Table 1 does not encompass all possible dimensions; the lists provided are far from exhaustive in capturing the true essence of diversity.

Table 1.1.: Dimensions of Diversity		
Primary Dimension	Secondary Dimensions	Tertiary Dimensions
<ul style="list-style-type: none"> • Race • Ethnicity • Gender • Age • Disability 	<ul style="list-style-type: none"> • Religion • Culture • Sexual orientation • Thinking style • Geographic origin • Family status • Lifestyle • Economic status • Political orientation • Work experience • Education • Language • Nationality 	<ul style="list-style-type: none"> • Beliefs • Assumptions • Perceptions • Attitudes • Feelings • Values • Group norms

Source: based on Rijamampinina & Carmichael (2005)

2.1.1.1 Importance of Diversity for Employees in the Workforce :

According to Ruth (2016), it is crucial to have diversity in the workplace for several reasons:

- ✓ Diversity contributes to the organization's reputation, leading to increased profitability and more opportunities for employees. It also promotes fair practices and recognition of

talent, making the organization attractive to a wider range of applicants. Additionally, having a diverse workforce allows the organization to access foreign markets.

- ✓ Enhancing functionality: Diversity creates opportunities for staff members to grow and develop, and it opens up global market prospects by employing individuals with multilingual and multicultural skills.
- ✓ Increased learning from experiences: Having a diverse workforce leads to an accumulation of expertise through the exchange and fusion of different cultures among employees. Natalie (2013) also emphasizes the importance of diversity in organizations.
- ✓ Cost-saving advantage: Diversity reduces hiring costs and turnover rates while attracting top talent from diverse backgrounds.
- ✓ Furthermore, promoting diversity is essential for fostering awareness and creating a collaborative working environment.

2.1.1.2 Approach to Managing Diversity: Problems and Perspectives in Management.

The data presented in Table 1 illustrates the complex nature of diversity. It is evident that diversity encompasses various dimensions that interact and influence each other in unique ways, resulting in diverse human profiles comprised of both differences and similarities. These dimensions manifest differently depending on the context, environment, and circumstances, adding to the complexity involved in analysing and managing diversity. For instance, race may exert more influence than age in certain social situations, while education might overshadow race within a work setting. Therefore, the position and dominance of each dimension are not fixed but dynamic, contributing to the intricate nature of diversity. Furthermore, secondary dimensions possess greater flexibility and are subject to change over time. Understanding and managing diversity is far from straightforward; it requires grappling with its intricacies.

Many studies have approached diversity by treating socio-demographic characteristics as independent variables for measuring diversity. However, this approach fails to capture the dynamic essence of diversity as a constantly evolving concept. Leonard and Devine (2003) highlight how businesses have traditionally limited their understanding of diversity to multicultural, multi-ethnic, and multiracial aspects within their workforce. They propose a broader definition of diversity as encompassing any combination of items characterized by both differences and similarities. It's important to note that gender-based inequalities within

organizations are perpetuated by stereotypes and biases that ascribe positive traits and higher status specifically to males (Jackson & Joshi, 2004; Leonard & Devine, 2003).

Growing age diversity is a common phenomenon observed in many organizations (Florian et al., 2009). This relationship can be explained by two major theory's social identity and self-categorization.

Social Identity Theory (SIT), a concept rooted in social psychology, was first postulated by Tajfel in 1978 and subsequently expanded upon by both Tajfel and Turner in 1979. This theory suggests that individuals classify themselves into varying affiliations, be it professional circles, fan clubs of specific musical bands or associations comprising of individuals with children or those without. Within this identification process, people discern the collectives to which they feel they belong (in-groups) as well as those to which they don't identify as part (out-groups). The intrinsic worth associated with these classifications is determined through an ongoing self-categorization process where the individual assesses their respective group's value while simultaneously comparing it to other groups. This amalgamation of social categorization along with group evaluation contributes significantly to one's social identity formation. A positive connotation towards a particular social identity yields appreciable self-esteem for the individual, whereas its negative counterpart initiates persistent rivalry, evokes behavioural changes geared toward social mobility or potentially prompts cognitive tactics aimed at augmenting the perception of their affiliated group(s). As merit stand-alone or integrated processes such derivation from SIT have often been proactively applied for expounding media effects.

Turner introduced Self-Categorization Theory (SCT) later in 1999 dissecting between concepts of 'social' versus 'personal' identities'. While our 'social' identity arises from our affiliation memberships; personal identity remains largely autonomous not necessarily influenced by any external associational allegiance. According to SCT doctrine depending on situational alignment - how important given situation aligns towards affecting either 'social' or 'personal' esteem - consequent behaviour exuded is dictated predominantly either via influence stemming from elements tied with either persona – being more personal centric motive driven behaviourist approach contrasted against more societal obligation inclined decisions. According to these theories, individuals tend to classify themselves into specific groups based on personally relevant dimensions (Kunze et al., 2009).

The importance of culture in business success has been highlighted by the findings of the 2013 Culture and Change Management Survey. When more than 2,200 global businesspeople were surveyed about the role of culture in business, it was evident that culture is perceived as being more crucial than companies' strategies or operating models. This perspective on the significance of culture holds true across different regions (Cox, 1991; Cox 1994; Gilbert & Ivancevich, 2000).

2.1.1.3 Basic Steps to Successful Organizations When Managing Diversity

Greenberg (2004) identified several key factors that contribute to organizational success.

- ✓ Evaluate workforce diversity: Prominent companies integrate a process for evaluating diversity into their management system. This helps them identify challenges associated with diversity and assess the effectiveness of their action plans.
- ✓ Develop a comprehensive diversity plan: The plan should be measurable and include specific changes that need to be implemented within a defined timeline to achieve the desired goals.

Recommended solutions in the workforce where there is diversity:

In Greenberg's study (2004), several solutions were presented to address diversity in the workforce:

- ✓ A culture change that involves all potential employees in the formulation and implementation of diversity initiatives. This approach encourages employees to express their ideas and opinions, fostering a sense of equal value for everyone.
- ✓ Promoting diversity in leadership positions to bring about new visions and realize the benefits of workforce diversity.
- ✓ Utilizing training on diversity and employing tools to formulate a diversity policy.
- ✓ Using the results obtained from these efforts to build and implement successful diversity strategies in the workforce.

On the other hand, Rosado (2006) outlines key steps organizations must follow when managing workforce diversity:

- ✓ Developing an employment strategy that emphasizes diversification as a core organizational mode. This includes establishing policies and principles that guide organizational behaviour.
- ✓ Appointing skilled staff who were come experts in diverse matters. Ensuring that only candidates best suited for jobs are selected.

2.1.2 Employee Performance

According to Cascio (2000), performance refers to working effectively by doing the right job, which is judged based on effectiveness. Cornelius (2001) adds that effective performance plays a crucial role in achieving organizational objectives while maximizing employee contributions.

Organizations that prioritize the development of their employees tend to see improved performance at both individual and team levels. Managers play a crucial role in supporting the learning and development of their employees, which ultimately benefits the organization as a whole. There are various factors that contribute to performance, and researchers have developed different formulas for measuring effectiveness. For example, one factor is employee effectiveness, which is influenced by employee behaviour (Lebans & Euske 2006; Kaplan & Norton, 1992).

There have been multiple researchers who have developed different formulas or factors to determine employee performance. Effectiveness, for example, is a measure of an employee's ability to create the desired outcomes and deliver high-quality work (Borman, et al., 2003). Efficiency can refer to the cost or speed at which tasks are completed, with the goal of achieving results using minimal resources. Overall, employee performance is seen as a function of both ability and motivation. (Blackard, 2000, Khan, et al., 2015, Secord, 2003)

According to Vroom (1994), successful performance requires a combination of these two factors. This concept is further supported by Robert et al. (2015) who propose that performance equals to $f(\text{ability} \times \text{motivation})$. It is crucial for human resource management to consider these determinants when evaluating employee performance, as low ability and motivation can lead to subpar results.

In this study the employee's performance consider as effective and efficient based on their ability regarding to task completion, knowledge and skill they have towards the Job, the ability to

communicate and collaborate with in the team, and the adaptability to challenging and different circumstances. These variables are selected for study because they are complementary with the organization nature.

Knowledge and Skills: The efficacy of team performance fundamentally relies on the combination of an individual's knowledge and skills. Research conducted by Salas, Tannenbaum, Kraiger, and Smith-Jentsch in 2012, firmly stresses the crucial role played by personal expertise in amplifying team efficacy. In addition to this, the idea of "skill diversity" as proposed within (Hackman & Oldham's Job Characteristics Model, 1976) substantiates the vital impact of a broad spectrum of abilities in boosting both individual and collective functioning.

Communication and Collaboration: Proficient communication teamed with effective collaboration stands paramount for orchestrating concerted efforts towards attaining group objectives. Insightful research has reported how structured communication methods such as seamless information exchange and constructive feedback can considerably influence productive team operations (Campion, Medsker & Higgs 1993; Jehn & Bendersky, 2003). Supplemented by observations from collaborative problem-solving studies that underline interpersonal interactions' weightage in steering successful teamwork outcomes (Dillenbourg, 1999).

Adaptability: Present-day perceptions give increased prominence to adaptability as an integral influencer shaping both independent and collective effectiveness within teams. Contemporary academic literature sheds light on adaptive behaviour – showing flexibility during uncertainties or turbulences at work - which fosters creativity while reinforcing resilience in challenging occupational scenarios (Pulakos et al., 2000). Parallely, highlighting is another topical study emphasizing each team member's adaptability quotient relevance for fostering joint resilience thereby catalysing enhanced performance outcomes (Wang et al.,2020).

Task Completion: undertaken in a timely manner, is an integral element of individual productivity and contributes significantly to the success of the overall team. Advances in recent research have delved into the various factors that influence task performance; these include essential constructs such as goal-setting strategies, feedback mechanisms and motivational processes (Locke & Latham, 2019; Podsakoff et al., 2012). Furthermore, with increasingly tech-driven workplaces today, attention has been given to understand how technology bolsters both

task completion rates and overall team dynamics within current scholarly discourse (Montague & Chiou, 2014).

To conclude: Individual effectiveness within professional teams is facilitated by a variety of contributors - encompassing knowledge assets and abilities, sophisticated collaboration tactics coupled with excellent communication strategies, adaptability prowess along with efficient task completion techniques. A thorough comprehension of these diverse yet interconnected dimensions is indispensable for enhancing team productivity while ensuring organizational objectives are met effectively in our current high-tech work environments.

2.1.3 Work Force Diversity and Employee Performance

2.1.3.1 Age Diversity and Employee Performance

Age diversity refers to the variation in ages among employees within an organization or group (Kunze, Boehm, & Bruch, 2011). Collaboration between employees of different age groups has been shown to enhance productivity compared to working alone. This is because individuals bring unique skills, perspectives, personality traits, and a diverse problem-solving toolkit (Backes-Gellner & Veen, 2009). Despite this potential for leveraging the talent and expertise of older workers, organizations often overlook their contributions due to unfounded assumptions about their health issues and adaptability to new technology (Joseph & Selvaraj, 2015). Numerous research studies have explored the advantages and disadvantages associated with age diversity.

According to Mwatumba (2016), age diversity can lead to communication challenges and conflicts among employees. Poor management of age diversity can exacerbate these conflicts, resulting in reduced productivity (Mwatumba, 2016). On the flip side, Bohem and Kunze (2015) argue that an age-diverse workforce can offer a wide range of skills and intellectual styles while boosting morale, ultimately leading to increased productivity. Gellner and Stepen's findings in 2009 align with this view - when employees with different ages collaborate in teams, it enhances productivity as they bring distinct skills, perspectives on problems, personality traits, and an expanded problem-solving toolbox. Zhuwao's study (2017) supports these claims by demonstrating a positive relationship between age diversity and employee performance. Overall, the understanding of the advantages and disadvantages of age diversity is crucial for companies

seeking effective collaboration among employees of different generations. By recognizing the diverse skill sets and experiences attributed to each age group, organizational leaders can harness these various strengths resulting in improved overall performance.

2.1.3.2 Gender Diversity and Employee Performance

The term "gender" is derived from the Latin word "genre," which means kind or race (Bhushan, 2016). Gender diversity refers to the expression of masculinity or femininity in individuals (Connell, 2002). When both males and females are given equal opportunities, gender diversity can enhance employee performance within an organization (Kirton & Greene, 2015). The combination of cognitive abilities from both genders can significantly boost an organization's overall creativity and innovation (Hoffman, 1965). In contrast to homogeneous teams, gender-diverse teams tend to make higher quality decisions (Roberson & Kulik, 2007). Empirical research consistently supports the argument that gender diversity has a positive impact on organizational performance. Chew et al. (2011) further suggest that gender diversity at both the management and organizational levels can provide firms with a competitive advantage. According to Brown (2008), if gender-related issues are not addressed and managed effectively in a diverse workforce, the benefits of workforce diversity was not be realized.

However, previous studies indicate that there is still inequality between men and women. Kossek, Lobell, and Brown (2006) found that globally only 20% of the workforce consists of women compared to 80% men. Women often face barriers in terms of access to education and promotional opportunities due to gender discrimination (Bhushan, 2016). Ensuring equal employment opportunities for both men and women is crucial for improving team performance within organizations (Kirton and Greene 2015). Additionally, Abbas, Hameed, and Waheed's study in 2011 revealed that gender-based discrimination during recruitment and promotion significantly affects employee performance.

2.1.3.3 Educational Diversity and Employee Performance

Education diversity, as defined by Tracy and Lewis (1993), refers to the differences in education among employees. It is crucial for individuals to have a sufficient educational background in order to find a job and perform well (Lewis & Sappington, 1993). Unfortunately, in Pakistan, while significant progress has been made in various sectors, the education sector has been largely neglected. Education plays a vital role in achieving success in life.

According to research conducted by Lewis and Sappington (1993), organizations do not hire employees whose training, experience, and education are insufficient for a specific job or position. Consequently, it becomes evident that education holds great importance for employees as lacking a satisfactory educational background can hinder their ability to secure employment and perform effectively. Implementing initiatives aimed at promoting education diversity within an organization serves as motivation for employees to work diligently towards achieving organizational goals. An employee's educational background serves as a reliable indicator of their knowledge, skills, and capabilities (Maingi, 2015).

Cognitive strengths and personality traits of an employee can be discerned from their educational background (Maingi, 2015). For instance, an individual educated in computer science will possess different cognitive skills compared to someone with a finance background (Hambrick & Mason, 1984). Moreover, productivity levels depend upon an employee's level of education; individuals with higher levels of education tend to be more productive (Daniel, 2009). According to a study conducted by Cohen and Bailey (1997), having a diverse education background within a team has a positive impact on overall performance. This is because it promotes a wider range of cognitive skills and perspectives. Studies also support the notion that there is a positive correlation between education background diversity and employee performance (Elsaid 2012; Mwatumwa, 2016; Zhuwao, 2017).

2.1.3.4 Ethnicity and Work Performance

In a report published by Makokolo (2005), it is explained that an ethnic group is formed based on shared historical origins and often develops a sense of common destiny. Pitts (2010) argues that as organizations become more ethnically diverse, it becomes crucial to pay attention to how different groups interact with each other in the workplace. Opstal (2009) highlights that ethnic diversity can have both advantages and disadvantages for an organization. Jackson et al. (2004) provides examples of some disadvantages, such as communication problems and conflicts arising from ethnic diversity.

Managers who ignore clashes caused by ethnicity may experience long-term consequences, including personal and emotional conflicts that can damage organizational culture, lower employee morale, and ultimately result in decreased overall performance, as emphasized by (Kiglai's assertion in 2006). Benschop (2001) also adds that discrimination can be seen as a

disadvantage of ethnic diversity, while Dahlin, Weingart and Hinds (2005) argue that high levels of ethnicity might generate conflict and cause cliques due to social categorization. Zgourides et al. (2002) have highlighted the advantages of cultural differences in team problem solving, stating that diverse perspectives can lead to increased team performance when effectively utilized. Opstal (2009) further emphasized the benefits of ethnic diversity, such as creativity and innovation. Van Knippenberg, De Dreu and Homan (2004) noted the potential for ethnic diversity to provide a rich pool of ideas and perspectives. Additionally, Van Esbroek and van Engen (2008) emphasized the importance of managing diversity in order to maximize its advantages while minimizing any negative effects on employee and organizational performance. Timmermans, Ostergaard, and Kristinsson (2011) also recognized ethnicity as a positive factor that broadens viewpoints within firms.

2.1.4 Defining Team

When it comes to defining a team, researchers acknowledge that it involves two or more individuals who interact socially, share common goals, and perform organizationally relevant tasks. These individuals must also exhibit interdependence in terms of workflow, outcomes, purpose, and goals (Salas, 2008). As teams progress through their work processes, Hackman & Morris (1975) identified three phases: first, the team must determine what inputs they were contribute to support their collective endeavours. The team follows a structured process to achieve their goals and produce outputs. The effectiveness and performance of the team are evaluated based on the quality of these outputs. One important factor that can impact effectiveness is team composition, which refers to the balance of knowledge, skills, abilities, and other identifying characteristics among team members. In this study, I was specifically investigating surface-level diversity in terms of gender, age, educational background and ethnicity.

Multiple factors can impact the effectiveness of a team, according to this model. One important factor is team composition, which refers to the balance or imbalance of team members' knowledge, skills, abilities, and other identifying characteristics in relation to the team's purpose (Amason et al., 2006; Ensley et al., 2005; Hackman & Morris, 1975). Surface-level diversity, specifically gender, age, educational background and ethnicity, contributes directly to team composition. In this study, I was focus on investigating these aspects of team composition.

2.1.5 Team Work Process

2.1.5.1 Team Cohesion

Cohesion is another crucial element that indicates the level of motivation among team members to stay on the team. High cohesion within a team is associated with lower rates of absenteeism, increased involvement in team activities, and effective coordination during tasks (Morgan & Lassiter, 1992). It has been found that cohesive teams experience satisfaction, productivity, and positive member interactions (Buttenhausen's 1991). Cohesion plays a significant role in distinguishing between effective and ineffective teams in terms of teamwork process principles (Swezey & Salas, 1992). Research has shown that team cohesion serves as a critical motivational factor influencing overall team effectiveness (Weaver et al., 1997). Various studies have demonstrated a notable correlation between cohesion and performance outcomes (Evans & Dion, 1991).

2.1.5.2 Role Clarity

Team roles are crucial in contributing to the overall success of a team. When team members have a clear understanding of their roles, tasks become much easier to accomplish. Clear roles also enable team members to perform at their best, leading to improved employee performance.

2.1.5.2.1 Leadership

The leader within a team can take on various roles such as manager, supervisor, foreman, project manager, or committee coordinator. The success or failure of a team heavily relies on the effectiveness of its leader. A successful team requires strong leadership and proper task allocation along with clearly defined roles among its members (McShane & Glinow, 2003). Leaders who prioritize building strong relationships with their team members and foster a supportive and friendly environment are commonly referred to as people-oriented leaders (Beatty, 1988; Katz et al., 1950). These leaders focus on facilitating interaction within the team and maintaining the well-being of the team as a whole (Anderson, 1974; Bass, 1967; Blake & Mouton, 1964).

For a team to function effectively, it is essential that all members agree on who is responsible for what and that the workload is shared equally. This requires leadership and structure either from management or from within the team itself. Numerous studies have explored different leadership behaviors and their impact on team effectiveness. Burns (1978) distinguished between transactional leadership and transformational leadership as two distinct approaches. Overall,

effective teamwork relies on clear role definitions, strong leadership qualities, and open communication among all members involved. According to a study by (Bucic, Robinson, & Ramburuth, 2010), the leader's impact on the team is significant, and their leadership style plays a crucial role in team learning and performance

Leadership qualities that contribute to goal achievement include the ability to establish a clear vision, understand organizational culture, prioritize performance development, and foster innovation (Gomez, 2017). The leadership style employed also affects employee satisfaction and performance. Satisfied team members are more likely to actively contribute to the team's objectives. A transformational leadership style, combined with well-defined roles and responsibilities for team members, is essential for the success of a team. An effective leader was motivated, guide, inspire, and challenge their team members to achieve greater levels of success. Additionally, the structure of a team also plays a crucial role in its success. Micken and Rodger (2000) identify two main types of team structures: functional teams and project teams.

Functional teams handle various functions such as marketing and finance and consist of permanent members responsible for executing the organization's vision as well as resolving significant conflicts or challenges. On the other hand, project teams are established with specific objectives in mind.

2.1.5.2.2 Performance Evaluation and Reward System

A crucial aspect of an effective team is implementing a comprehensive performance evaluation and fair reward system. Instead of relying on the traditional and individual-centric evaluation approach, teams should adopt a performance and reward system that evaluates the collective achievements of the team (Acharya, 2005). Performance appraisals involve systematically assessing an individual employee's job performance and productivity in relation to predetermined criteria and organizational objectives. These evaluations serve as a valuable tool for providing feedback and incentives for meeting performance targets, which have been consistently linked to motivation in previous studies. However, it is common in many organizations for individuals to be evaluated without emphasizing their contributions to the team, and bonuses and rewards are often based solely on these individual assessments.

In reality, numerous employees actively participate in teams; however, their contributions within those teams may not be explicitly acknowledged during their performance evaluations (Brown, 2009). Consequently, it is imperative that an individual's achievements within a team are seamlessly integrated into their annual appraisal process. Recognizing the efforts made by individuals working in teams should be at the forefront of managers' focus (Rabey, 2003). Managers must diligently plan and develop appropriate reward systems that encourage employee engagement in team projects. Furthermore, they need to establish team goals that align with the company's strategic plan while also fostering employee growth and ensuring equitable compensation methods (Manzoor et al., 2011).

According to Herzberg (1987), reward and recognition play a crucial role in motivating employees both intrinsically and extrinsically. Dunford (1992) also found that recognition and rewards have a positive impact on employee performance. Therefore, it is widely acknowledged that performance appraisal and rewards significantly affect employee performance.

2.1.5.2.3 Team Trust:

The importance of team trust arises when team members have faith in each other's competence and professional abilities. Rodger and Mickan (2000) conducted a study on this topic and concluded that there is a positive correlation between trust and team performance. Building trust within the workforce is the responsibility of every team member, while creating a trustworthy work environment is essential for the organization. Trust has the power to enhance teamwork, empower individuals, and foster the development of their skills and talents. This magical power ultimately leads to improved employee performances.

In order to achieve constant growth and high-performance in the workplace, it is imperative to establish a sense of trust among team members. The concept of cooperation can only flourish when trust becomes a fundamental principle within the team foundation. With trust as its backbone, a positive and healthy working environment is created where team members can freely discuss ideas without fear of judgment or criticism.

2.1.5.3 The Concept of Effective Team:

An efficient and effective team is distinguished by several key qualities. These include a foundation of respect, trust, and cooperation among team members. Disagreements are viewed as

normal and focused on the topic rather than personal attacks. Information flows freely throughout the organization, involving all team members and ensuring clarity and accuracy. Power dynamics are minimized, with decisions based on shared information that everyone is committed to. Power is dependent on efficiency and shared by all, without being subject to negotiation or favouritism. According to Naquin and Tynan (2003), teamwork and fostering a team spirit are essential in today's business environment for achieving success. Katzenbach and Smith (2003) further highlight that an effective team consists of employees who work together with complementary skills to complete tasks or projects successfully, exceeding expectations. Thomas and Inkson (2004) emphasize that effective teams consist of individuals who possess specific roles, along with talent, skills, high levels of cooperation, innovation, and a shared commitment towards achieving common goals.

According to the research conducted by Hackman (1990), team effectiveness can be measured by focusing on three dimensions: group outputs, the ability of the group to work together in future projects, and growth. Another study by Gibson et al. (2003) defines team effectiveness as the ability of a team to deliver high-quality performance and minimize errors during work. Additionally, Eccles et al (2010) assert that team effectiveness is determined by the successful achievement of project objectives.

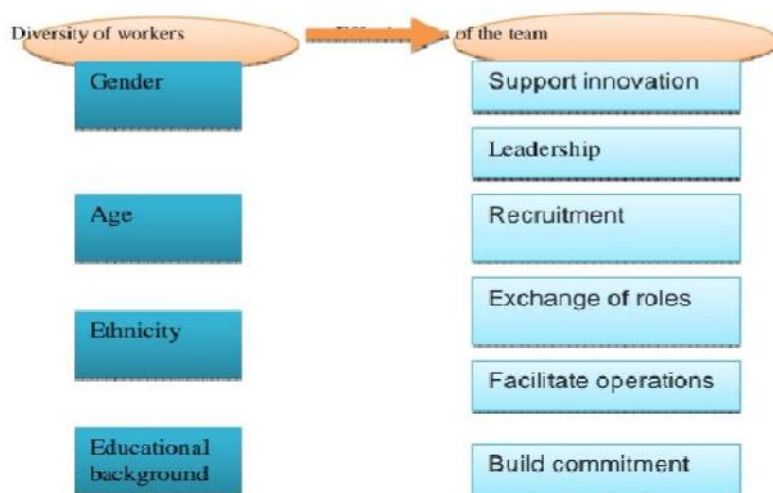
One crucial factor that contributes to team effectiveness, as highlighted by Smith et al. (2010), is the role played by individual team members. It is important to ensure that teams are composed of individuals with diverse skills and roles in order to achieve optimal business performance. By having the right mix of personnel, teams can work efficiently and effectively. In line with these findings, Tyrone (2015) emphasizes that effective teams are able to perform at a high level consistently over a long period of time. They are able to complete tasks more efficiently and effectively than less effective teams. While specific goals, plans, and roles may vary among different teams, consistent practices such as goal setting, promoting communication among members, and developing positive relationships are essential for achieving team effectiveness.

2.1.5.4 The Dimensions of the Effectiveness of the Team

There are several positive factors that identified by Amanda (2015) as potential contributors to team effectiveness. These factors include:

- ✓ Supporting innovation: Companies that prioritize flexibility and innovation tend to be the most successful. Creating a workforce that values and embraces innovation can lead to an environment where new ideas are welcomed and comfortably audited.
- ✓ Leadership with a clear vision: Effective leadership involves driving a clear vision and understanding the efforts needed from individuals to achieve important strategic goals. Such leadership can foster a culture of continuous improvement, openness to new ideas, and willingness to take risks in order to achieve high levels of performance.
- ✓ Hiring the right people: The selection of competent individuals is a fundamental factor in a company's success. It goes beyond just considering skills and knowledge; it also involves finding individuals who align with the company's vision and can help propel its values forward.
- ✓ Role exchange or ongoing learning: Teams benefit from skill development and opportunities for members to take on new and different roles. This creates a culture that supports learning and encourages innovative thinking. For example, fostering collaboration between production departments and marketing departments allows for the exchange of ideas. Overall, these factors play crucial roles in enhancing team effectiveness within organizations.

Figure 2: Variables measured the Effectiveness of Team in relation to Workforce Diversity.



Source: Amanda (2015)

2.1.5.5 Characteristics of Effective Teams

According to David (2007), in order for a joint action or joint venture to be successful, it is crucial to have a clear and common goal. Organizations that strive for success, excellence, and sustainability are the ones that establish a clear sense of purpose. Regular contact and communication within the team are vital for maintaining cohesion and avoiding any misunderstandings regarding the overall objective.

According to Rohini and Mary (2008), effective teams possess certain characteristics. Firstly, they have clearly defined goals that all team members agree upon. Secondly, they effectively utilize available resources in a manner that is recognized by all team members. Trust and conflict resolution skills also play an important role in enhancing team effectiveness. The higher the level of trust among team members, the more effective the team becomes at handling conflicts that arise between them. Additionally, sharing leadership roles among team members has been found to significantly increase overall team effectiveness.

2.1.5.6 Factors Affecting the Effectiveness of the Team:

Eccles highlights several factors that influence the effectiveness of a team (2010). Firstly, the reactions of team members towards one another are considered crucial as they greatly impact group dynamics and productivity. Furthermore, ensuring that all team members actively work towards achieving shared goals enhances both communication and productivity within the team. Strong communication skills are key in fostering successful teamwork. Overall, establishing clear goals, effective resource utilization, trust building, conflict resolution skills, shared leadership roles, positive reactions amongst teammates, alignment with common objectives, and strong communication contribute to creating highly effective teams.

Building a competent and efficient teamwork can be quite challenging, especially in today's technologically advanced and competitive landscape. Recent developments in all fields have introduced various challenges that make it even harder to establish a strong team structure within organizations. However, there are key elements that play a vital role in overcoming these difficulties and promoting effective teamwork. Positive communication, confidence, and productive leadership are essential factors for building an efficient teamwork. Without these elements, it is nearly impossible to foster collaboration and achieve desired outcomes. The

following elements are of great importance when it comes to the competence and efficiency of a team:

- ✓ Trust among all team members: Establishing trust is crucial for creating a supportive environment where everyone feels valued and respected.
- ✓ Well-preparation for engaging in debates around ideas: Encouraging open discussions and diverse perspectives allows teams to come up with innovative solutions.
- ✓ Learning to commit to decisions and plans of action: Ensuring that team members are aligned with decisions made collectively promotes accountability and progress.
- ✓ Effective leadership and clear roles/responsibilities: A well-defined team structure with strong leadership helps guide the team towards success.
- ✓ Proper performance evaluation and recognition: Evaluating individual contributions fairly and providing rewards/recognition for outstanding work boosts morale and motivates team members.
- ✓ Focus on achieving collective results: Emphasizing the importance of working together towards shared goals drives productivity and fosters a sense of camaraderie among the team.

2.1.5.7 The Impact of Effective Team Performance

When assessing teams, efficiency plays a significant role. According to the Oxford Dictionary, effectiveness is defined as having the desired effect or achieving the intended result, which creates an enjoyable and robust impression. On the other hand, Gibson (2003) views efficiency as a measure of how well a team leads while minimizing errors during goal completion. According to Pollock (2009), individual performance within a team greatly affects its success. The collective effort of each team member plays a crucial role in achieving the desired performance and overall effectiveness of the team. Team roles also play an important part in shaping the behaviour and characteristics of team members, as well as the dynamics between them. Some researchers suggest that teams with diverse abilities and skills tend to be more effective compared to teams with homogeneous performance.

2.1.6 Work Force Diversity and Team Effectiveness

The concept of "team effectiveness" has been studied from different angles. Drawing from Kozlowski and Ilgen's (2006) work, we can understand team effectiveness through the input-process-output (I-P-O) framework. Inputs refer to the composition of individual members and available resources at various levels, while processes encompass the activities undertaken by team members as they combine resources and perform tasks together. Outputs pertain to the overall performance of the team in meeting its goals, as evaluated by external parties such as fulfilling interorganizational needs.

Numerous studies have examined the relationship between perceptions of team diversity and team effectiveness. While some findings indicate that diversity among team members may not significantly impact effectiveness, other researchers recognize that diversity across multiple dimensions does indeed influence team processes (Woehr et al., 2013). On one hand, research on diversity has highlighted the positive impact of team member heterogeneity on team outcomes. On the other hand, it has also been acknowledged that heterogeneity among team members can lead to dysfunction and poor performance in team interactions.

For instance, studies have shown that while visible diversity may have a negative effect on performance, nonvisible job-related diversity is likely to enhance performance, especially in situations involving conflict (Pelled, 1996).

Visible diversity pertains to easily identifiable characteristics such as ethnicity, gender expression, age bracket, and physical capabilities (Cox, 1993). These attributes are typically conspicuous and therefore readily discernible. Among other elements, this form of diversity encapsulates aspects like skin tone and visible manifestations of gender. Conversely, invisible diversity denotes traits that may not be immediately evident or perceptible on initial contact; for instance - sexual orientation, religious views, socio-economic upbringing as well as neurodiversity (Thomas & Ely, 1996). While these facets of diversity might be less transparent to the naked eye at first encounter, they nonetheless significantly shape individuals' experiences and viewpoints.

Comprehending both visible and invisible nuances of human variation is indispensable in driving inclusivity along with equitable treatments across myriad contexts like workspaces, learning

environments plus wider communities (Ely & Thomas 2001). Appreciating varying degrees within the spectrum of people's differences facilitates more holistic strategies designed towards mitigating systemic prejudices besides nurturing ambiances where every individual feel acknowledged for their value.

These findings suggest that diversity plays a significant role in determining cooperation and influencing different team members' perceptions of similarity or dissimilarity, particularly across national cultures (Zhang & Hua 2016).

2.1.6.1 Gender Diversity on Team Effectiveness

Gender diversity encompasses the balanced representation of both males and females within an organization or team. Studies indicate that teams with gender diversity are often more creative and possess superior problem-solving skills (van Knippenberg & Schippers, 2007). Such a mix ensures a variety of viewpoints, mitigates the risk of uniform thinking, and fosters inclusive decision-making practices (Kulik et al., 2007).

2.1.6.2 Ethnic Diversity on Team Effectiveness

Ethnic diversity involves incorporating individuals from various ethnicities into a team or organization. Research highlights that groups characterized by ethnic disparities tend to achieve higher levels of innovation and problem resolution capabilities (Horwitz & Horwitz, 2007). This variant promotes exchange among diverse perspectives and increases adaptability in multi-ethnic environments (Cox, 2001).

2.1.6.3 Age Diversity on Team Effectiveness

Age diversity refers to incorporating employees across a spectrum of age brackets within an organizational framework. Teams that harness this form of diversity enjoy access to varied experiences, skill sets, and insights (Zhang & Shaw, 2012). Benefits include enhanced knowledge transfer between generations, increased mentoring opportunities, and improved adaptability across operational tasks (Ng & Feldman, 2012).

2.1.6.4 Educational Background Diversity on Team Effectiveness

Diversity concerning educational backgrounds involves integrating members possessing varying academic credentials from distinct fields within an ensemble. Research supports the conclusion that such diversified teams display heightened capabilities around complex problem-solving

processes and decision-making frameworks (Jehn,1995) Additionally; it deepens discussion quality during meetings leading towards an interdisciplinary methodology when addressing intricate projects.

2.1.7 Individual Performance on Team Effectiveness

In this literature review, I examine the significant impact of individual performance factors on team effectiveness. These factors include competencies and knowledge, communication and collaboration, adaptability, and task execution as supported by theoretical frameworks and empirical research.

2.1.7.1 Skills and Knowledge on Team Effectiveness

Individual competencies and expertise are critical to effective team performance (Salas et al., 2009). Hackman (2002) emphasizes that teams derive substantial benefits when members possess diverse skills and a breadth of specialized knowledge. West (2012) suggests that elevated levels of expertise among team members facilitate productive engagement in collective tasks and enhance problem-solving capabilities.

2.1.7.2 Communication and Collaboration on Team Effectiveness

The roles of robust communication practices and collaborative efforts in achieving organizational goals cannot be overstated (Pearce & Barkus, 2004). Individuals who excel at inter-personal interactions, active listening, and precise expression significantly enhance team cohesion through a shared understanding of goals (Mathieu et al., 2008). Moreover, DeChurch and Mesmer-Magnus (2010) describe how collaborative actions enable effective information exchange coordination aligning towards united problem resolution efforts.

2.1.7.3 Adaptability on Team Effectiveness

An adaptable disposition is indispensable for teams operating within fluctuating or ambiguous environments—marked as vital by (Marks et al. 2001). Team members characterized by flexibility amid adversity contribute effectively to informed decision-making processes... adapting promptly to unforeseen challenges they manifest resilience which identify as crucial amidst volatile situations; while provide evidence positioning adaptability as an accelerator for optimal responsiveness against shifting demands or unexpected assignments necessitating immediate attention (Parker et al. 2006).

2.1.7.4 Task Completion on Team Effectiveness

The punctual and precise completion of tasks by each team member is essential for enhancing team productivity and performance (Ilgen et al., 2005). A strong personal commitment to task objectives, coupled with diligence and accountability, substantially benefits team results (Hollenbeck et al., 2012). Moreover, proficient management of tasks ensures alignment with overall team goals and aids in advancing toward common objectives (Campion et al., 2011).

2.1.8 The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance

The interplay between workforce diversity and team effectiveness is multifaceted, subject to the influence of several mediating variables that include dimensions of individual performance such as skills, communication prowess, adaptability, and efficiency in task completion. Cox (2001) posits that workforce diversity fosters enhanced creativity and improved problem-solving capabilities within teams by amalgamating diverse viewpoints and methodologies. This synthesis is propelled by key individual performance factors like effective communication skills and flexibility (Zhang & Shaw, 2012). Furthermore, diversity encourages cognitive complexity and collective learning processes within groups which are pivotal to affecting metrics measuring team efficacy (Horwitz & Horwitz, 2007). It has been theorized that diverse teams derive benefits from an augmented cognitive complexity and superior information processing capacities which in turn breed significant leaps in creativity and innovation (Cox, 2001). The crucial role played by individual performance elements such as communicative ability and adaptability is instrumental in weaving together varied perspectives thereby significantly enhancing overall team effectiveness (Parker et al., 2003).

2.2 Empirical Review of Literature

2.2.1 Work Force Diversity and Individual Performance

2.2.1.1 Gender diversity and employee performance

The increase in gender diversity in the workplace has garnered attention from researchers. Empirical research has yielded conflicting results, suggesting that gender diversity can either be beneficial or detrimental to organizations. In the mid-1990s, both researchers and professionals were generally optimistic about the impact of workforce gender diversity on performance.

However, theories and empirical evidence now indicate that diversity can lead to both positive and negative outcomes. Research indicates that a moderate level of gender diversity enhances competitive advantage, while a higher level adversely affects organizational performance (Gupta, 2011).

The findings of Gellner and Stephen (2009), as well as other researchers, have demonstrated a positive effect of gender diversity on team/employee performance. Based on the information provided in these studies, there seems to be no cause for concern regarding gender as an area of potential bias or disadvantage overall.

The research also indicates that gender diversity does not result in segregation during the hiring and recruitment process. It is stated that women are given the opportunity to work in roles that match their skills, education, and training. Employees receive fair treatment throughout their employment, and both male and female candidates are considered equally during the hiring process. Gitonga et al., (2016) affirm a positive effect of gender diversity on employee performance. Gender equality, a balanced male-female ratio, fair treatment, and inclusion of gender in hiring and promotion decisions have an impact on employee performance.

Furthermore, the organization provides equal opportunities for progress and advancement for both men and women. The relationship between gender diversity and organizational performance is extensively studied due to its prevalence across various countries. It is crucial to examine this connection in order to understand the impact of gender representation on organizational outcomes. However, there is no consistent link found between gender composition and organizational performance (Al-Ahmad & Alkhawlani, 2017).

Research on gender diversity presents conflicting perspectives on its influence on performance, with some studies indicating that gender diversity can enhance competitive advantage, while others suggest potential drawbacks at higher diversity levels (Gupta, 2011). Findings from Gellner and Stephen (2009) highlight positive effects, particularly in terms of reducing biases and promoting fair hiring practices. However, these advantages are not universally agreed upon, as other studies, such as Gitonga et al. (2016), emphasize that gender diversity requires robust management strategies to foster equity and avoid biases. The lack of consensus regarding the

optimal level of gender diversity raises questions about how organizations can maximize its benefits without experiencing diminishing returns, which this study aims to explore further.

2.2.1.2 Age Diversity and Employee Performance

In addition to gender diversity, age-diverse workforces bring together individuals with diverse knowledge, values, perspectives, interpretations, and preferences - all of which are essential for fostering innovation within an organization. Young managers tend to possess greater learning abilities as well as remain up-to-date with current knowledge trends. Consequently, they are more willing to take risks, adapt quickly to change situations, and showcase their creativity capabilities. Having a diverse group of workers with a mix of ages and backgrounds can significantly enhance innovation and creativity within an organization (Winnie 2008).

However, research conducted by Kyalo and Gachunga (2015) suggests that there is a weak negative effect of age diversity on employee performance. Additionally, the inclusion of employees from all age groups can also have an impact on employee performance. Younger individuals are often seen as ambitious and eager to prove themselves, while older individuals are valued for their experience and problem-solving skills (Kyalo&Gachunga, 2015).

A study by Gitonga et al. (2016) explores whether employee commitment mediates the relationship between workforce diversity and organizational performance. It suggests that young employees tend to be more innovative, quick learners, and drivers of growth in organizations, particularly in the field of technological advancements. Due to their unique socialization experiences and adaptability to change, they can readily embrace innovation and contribute to organizational performance.

The age of workers may also influence their level of commitment and engagement with the organization. Employees nearing retirement age may subconsciously begin to withdraw from their work as they prepare for retirement. This could manifest in absenteeism or tardiness. Older employees may also spend more time seeking medical attention for age-related ailments compared to younger workers (Gitonga et al. 2016).

Furthermore Gellner and Stephen (2009) , in organizations with routine tasks, age heterogeneity does not bring significant benefits that could offset the increasing costs associated with greater age diversity. As a result, in these types of companies, a more diverse age workforce typically

leads to a decrease in productivity. The researchers also emphasized the importance of older and younger employees coming together to establish a cohesive and sustainable corporate culture. The unique attributes possessed by different age groups can complement each other within organizations, resulting in improved overall performance. Previous studies have also found a significant correlation between an employee's age and their performance.

Research suggests that age diversity can either enhance or hinder individual performance. While studies by Kyalo and Gachunga (2015) found a weak negative relationship, indicating possible conflicts due to generational differences, other studies, such as those by Gitonga et al. (2016), suggest younger employees drive innovation, whereas older employees contribute stability and experience. The varying effects of age diversity across industries reveal a gap: it is unclear how age diversity impacts organizational performance in settings with complex, team-based tasks, like logistics. This research seeks to address this by examining age diversity's unique effects within Carolina Logistics Corporation.

2.2.1.3 Ethnic Diversity and Employee Performance

Therefore, it is imperative for organizations to develop strategies to effectively manage their diverse workforce in order to maximize its advantages while minimizing its disadvantages (Opstal, 2009). According to the researchers' study, ethnic diversity can bring both benefits and drawbacks for organizations. Some examples of disadvantages include communication difficulties, conflicts (Jackson & Joshi, 2004), discrimination (Ely & Thomas, 2001), lack of social cohesion within work teams, and challenges in reaching consensus (van Knippenberg et al., 2004). On the other hand, benefits include increased creativity and innovation, access to a larger pool of resources within the organization (e.g., knowledge, skills, and social networks) (van Knippenberg et al., 2004), as well as enhanced problem-solving abilities (Jackson & Joshi, 2004). Ethnic diversity has a positive significant effect on employee performance in the case of banks (Kyalo & Gachunga 2015). In the case of other industry, ethnic diversity has a direct effect on employee performance (Al-Ahmad & Alkhawlani, 2017).

Effective management of diversity is crucial for organizations to reap the benefits and reduce the potential negative impact on performance (Benschop, 2001). According to Opstal's research (2009), organizational performance encompasses not only strategic outcomes like competitive advantage but also the processes through which these outcomes are achieved. Efficient resource

utilization plays a vital role in this regard (van Knippenberg et al., 2004). In summary, ethnic diversity can both positively contribute to and pose challenges for employee performance within an organization.

Ethnic diversity can boost creativity and innovation (van Knippenberg et al., 2004), yet it also risks challenges like communication barriers and conflicts (Jackson & Joshi, 2004). While Al-Ahmad & Alkhwilani (2017) found positive effects in industry-specific contexts, Benschop (2001) and Opstal (2009) suggest that without strong management, the drawbacks of ethnic diversity, such as discrimination, could outweigh its benefits. This indicates a research gap in determining how ethnic diversity's advantages might be maximized while addressing its challenges within team-oriented work environments.

2.2.1.4 Education Background and Employee Performance

In 2011, Tracy and David highlight that employer often reject candidates lacking sufficient educational background, experience, or training. They argue that educational qualifications are indispensable for employees to secure employment and perform well in their roles. Although there is a positive yet negligible correlation between team members' educational backgrounds and worker performance, having diverse education types or achieving a balanced mix of education types within a firm enhances the likelihood of fostering innovation.

Diversity in education levels and backgrounds facilitates broader awareness and knowledge by promoting mutual learning across a wider range of intellectual skills (Al-Ahmad & Alkhwilani, 2017). On the other hand, Mwatumba (2016) suggests that educational backgrounds do not significantly impact job performance. Furthermore, lower-educated workers have not experienced diminished value due to opportunities for growth and advancement being available to all employees regardless of their educational background.

The research indicates that educational differences among workers in the banking industry in Kenya have not caused conflicts. According to a study conducted by Sikalich and Mkoji (2012) on the impact of workforce diversity on employee performance, the majority of employees in the banking industry hold university degrees. Banks typically hire staff with sufficient education, experience, or training to provide financial services to clients. The study also found that education diversity positively affects employee performance in the Kenyan banking industry,

concluding that there is a significant correlation between education diversity and employee performance.

Furthermore, the level of education, training attended, skills and abilities have a positive impact on employee performance. The recruitment strategy of most banks in Kenya is based on promoting education diversity among employees (Gitonga et al., 2016). According to Eduard (2010), employees with lower levels of education are more likely to experience feelings of inferiority, which can greatly affect their performance. He argued that such employees may develop persistent feelings of being inferior, leading to social insecurity and reduced self-confidence at work. He concluded that this lack of confidence would significantly hinder their performance and could even result in a negative attitude towards other employees and the organization as a whole. Numerous studies have revealed a significant relationship between educational background and employee performance (Rizwan et al., 2016).

Educational diversity is generally linked to positive outcomes like mutual learning and innovation (Al-Ahmad & Alkhawlani, 2017). However, Mwatumwa (2016) suggests that education diversity's impact on job performance is not significant unless paired with relevant experience and skill sets. While this view contrasts with Gitonga et al. (2016), who highlight its positive effects in financial services, there remains a gap in understanding how educational diversity influences performance in operationally intensive environments. This study seeks to bridge this gap by examining educational diversity's role in a logistics context.

2.2.2 Workforce Diversity and Team Effectiveness

2.2.2.1 Age diversity and Team Effectiveness

Additionally, research indicates that age has a positive impact on performance, creativity, and problem-solving within organizations. Older employees, equipped with extensive work experience, effective stress coping strategies, and support systems from their environment (Shirom et al., 2008), are adept at effectively managing their workload. Research findings also demonstrate that older employees tend to exhibit higher levels of organizational performance compared to their younger counterparts (An et al., 2011; Shirom et al., 2008).

On the other hand, certain studies have shed light on negative perceptions regarding age group diversity in the workplace. The official retirement age is recognized as a crucial factor

influencing age diversity. In Malaysia, the extension of the retirement age to 60 has led to increased age diversity within organizations. In contrast, Australia maintains a retirement age of 65. This extension has resulted in a larger age gap among employees and has given rise to issues relating to differing perspectives and work habits. Chowdhury (2005) and Kunze et al. (2016) have discovered a negative effect of age diversity on team effectiveness. However, Bell et al. (2011) found no detrimental effect of age on team performance.

Shore et al. (2011) conducted a comprehensive review and meta-analysis of research on inclusion and diversity in workgroups, including age diversity. The study synthesized findings from various empirical studies and found evidence supporting the positive effect of age diversity on team effectiveness. Specifically, diverse age groups were associated with increased creativity, innovation, and problem-solving capabilities within teams. Joshi and Roh (2009) conducted a meta-analytic review examining the role of context in work team diversity research, including age diversity. The study analyzed data from numerous empirical studies and found a positive effect of age diversity on team performance across different organizational contexts. Teams with diverse age groups were found to have enhanced decision-making abilities, adaptability, and overall effectiveness.

Age diversity has been associated with creativity and resilience (An et al., 2011; Shirom et al., 2008). However, other studies identify challenges due to varying work habits and communication preferences across generations (Kunze et al., 2016). This presents a nuanced understanding of age diversity's effects, and there is a need for further research in team-focused, collaborative environments to determine how diverse age groups can best contribute to organizational goals.

2.2.2.2 Ethnic Diversity and Team Effectiveness

According to a meta-analysis conducted by Bell et al. (2011), there is a weak effect of ethnic diversity on team performance. Zhang (2012) found that ethnic diversity was positively associated with technical weaknesses but had a positive impact on institutional strength ratings in South Korea, as having minority representation on the board increased the firm's legitimacy in the eyes of stakeholders. However, ethnic diversity was found to have a negative impact on team performance and led to problems in process orientation in public organizations (Pitts & Jarry, 2009). Numerous studies have shown that ethnicity has a negative influence on work

performance due to ethnocentrism affecting cooperation within teams (Waring & Bell, 2013). On the other hand, Dijk et al. (2012) discovered that demographic diversity, including age, ethnicity, gender, etc., had a positive relationship with innovation and task complexity.

Harrison et al. (1998) conducted research on the impact of both surface-level diversity, such as ethnicity, and deep-level diversity, including values and attitudes, on group cohesion and performance in the workplace. The findings from their study indicate that work groups with ethnic diversity tend to show enhanced creativity and innovation compared to more homogeneous groups. Furthermore, it was observed that deep-level diversity serves as a mediator in the correlation between surface-level diversity and team effectiveness.

Richard et al. (2007) explored the relationship between racial diversity within teams and their performance across different time periods while also considering the effect of environmental context as a moderating factor. Their results reveal that ethnically diverse teams achieve higher levels of creativity, problem-solving capabilities, and overall performance when they are situated in environments that appreciate and support diversity. This study underscores the significance of external factors in maximizing the advantages derived from ethnic diversity within teams.

The literature on ethnic diversity's influence on team effectiveness is also mixed. While some studies support positive outcomes in terms of creativity (Horwitz & Horwitz, 2007), others identify issues like ethnocentrism, which can hinder collaboration (Waring & Bell, 2013). This inconsistent evidence calls for further investigation, particularly to understand how diverse ethnic backgrounds can be managed to enhance team cohesion in cross-functional teams. This study aims to fill this gap.

2.2.2.3 Gender Diversity and Team Effectiveness

The research on gender diversity and team effectiveness remains inconclusive. Some researchers, such as Chowdhury (2005) and Marinova et al. (2016), did not find any significant relationship between gender and team effectiveness. However, Bell et al. (2011), in their meta-analytical study spanning from 1980 to 2009 reported a negative effect of gender diversity on team performance. Conversely, Zhang (2012) and Zoogah et al. (2011) found that gender diversity has the potential to enhance team performance by providing valuable insights and contributions.

These inconsistent findings highlight the complex nature of gender and its impact on team dynamics.

Mannix and Neale (2005) carried out a comprehensive meta-analysis to scrutinize the effect of gender diversity on team effectiveness in diverse organizational settings. Analyzing data from 50 distinct teams, their research uncovered a notably positive effect of gender diversity on team performance metrics. The findings indicated that teams with an equitable representation of both genders demonstrated superior creativity, problem-solving capabilities, and enhanced overall performance when compared to their less diverse counterparts. This study underscores the critical role those diverse perspectives and collaborative dynamics play in bolstering team success.

The effects of gender diversity on team performance are inconclusive, with some studies showing positive impacts (Zoogah et al., 2011) and others reporting challenges (Bell et al., 2011). The inconsistent findings suggest that while gender diversity can be a strength, it requires specific management approaches to avoid potential drawbacks. This study will explore this by assessing how gender diversity specifically influences performance outcomes at Carolina Logistics Corporation.

2.2.2.4 Educational Diversity and Team Effectiveness

The concept of educational level refers to the highest educational attainment of an individual. While it is often studied as a factor in diversity research, simply having members with different educational levels does not necessarily enhance task performance by bringing in a wider range of perspectives. Early research by Bantel and Jackson (1989) examined the impact of education level on innovation, but not in terms of diversity in educational levels.

Instead, the authors suggested that education level influences innovation through an additive effect of team members' individual education levels. It is believed that teams comprising individuals with higher education levels, who are likely to possess higher general mental ability (Sewell & Shah, 1967). Previous meta-analyses have also indicated a positive relationship between general mental ability and team performance, with the average general mental ability of a team being a stronger predictor than heterogeneity (Bell, 2007; Devine & Phillips, 2001).

Although the educational background of team members is indicative of their knowledge and relevance to a particular task, it can be posited that teams composed of individuals with higher education levels, as opposed to those with varied educational backgrounds, might possess an enhanced pool of task-relevant knowledge and information. The nature of the team itself plays a pivotal role in moderating the impact that average educational level has on overall team performance.

In scenarios involving intellectual teams such as advisory boards, design groups, commissions, command centres, and negotiation panels, the education level of participants is particularly critical. These types of teams engage in activities demanding extensive planning capabilities, sophisticated integration of information, and strategic direction implementation which are best served by academically advanced team members. Conversely for physical-oriented teams like those involved in production or service industries performing tasks such as construction, maintenance or assembly the level of education still contributes to performance but does not play as vital a role compared to their counterparts engaged primarily in intellectual pursuits.

Educational diversity's effects on team performance largely depend on team composition. Studies by Bell (2007) and Devine & Phillips (2001) indicate that high levels of general mental ability correlate with better outcomes. However, how varying educational backgrounds contribute within skill-diverse teams remains unclear, especially in logistics environments, where technical and collaborative competencies are essential. This research will examine how educational diversity impacts effectiveness within a logistics setting, thereby addressing an identified gap.

2.2.3 Effects of Individual Performance on Team Effectiveness

2.2.3.1 Skills and Knowledge on Team Effectiveness

Extensive empirical research consistently evidences the significant influence of individual skills and expertise on team effectiveness. Notably, Salas et al. (2009) in their meta-analysis revealed that teams consisting of members with diverse and specialized knowledge tend to display enhanced performance levels and innovation capacity. Similarly, Hackman's study (2002) reinforces the critical nature of task-specific competencies, underlining how individual abilities substantially contribute to overall team success.

Skills and knowledge are often linked to team effectiveness (Hackman, 2002). However, it remains under-explored how specific skill sets contribute across different team roles and organizational contexts. This study will address this by analyzing the unique contributions of individual competencies within Carolina Logistics Corporation's teams.

2.2.3.2 Communication and Collaboration

The role of effective communication and robust collaboration are pivotal in driving team success, as detailed by empirical investigations. Mathieu et al.'s (2008) thorough review illustrated that teams exhibiting strong interpersonal communications coupled with cooperative behaviours often deliver superior performance results and achieve goals more effectively. Further supporting this notion, Pearce and Barkus (2004) investigated the synergy between hierarchical leadership models combined with shared leadership approaches, demonstrating a notable improvement in communication efficiency which subsequently elevates overall team productivity.

Effective communication and collaboration are essential for team success, as documented by Mathieu et al. (2008) and Pearce & Barkus (2004). Nevertheless, the specific influence of communication styles in diverse workforces remains a gap in the literature. This study will examine how communication preferences among diverse teams affect outcomes.

2.2.3.3 Adaptability

Research substantiates the pivotal role of individual adaptability in augmenting team effectiveness, especially within environments characterized by volatility and uncertainty. Parker et al.'s study (2006) on proactive behaviour in professional settings, discovered that team members who are adaptable exhibit enhanced resilience and superior problem-solving skills, thereby significantly contributing to the overall performance of their teams. Furthermore, Zaccaro et al., (2012), emphasized the critical function of team leadership in nurturing adaptive behaviours among individuals which, in turn, bolsters team efficacy.

Adaptability is frequently cited as essential for team effectiveness (Parker et al., 2006; Zaccaro et al., 2012), yet its role in dynamic environments, where rapid decision-making is critical, is not fully explored. This research aims to provide deeper insights into adaptability's importance within a high-pressure logistics setting.

2.2.3.4 Task Completion

Empirical investigations consistently affirm that an individual's dedication to completing tasks has a beneficial effect on team effectiveness. Ilgen and colleagues (2005) explored various team processes and identified task-oriented attributes like diligence and accountability as substantial contributors to enhancing team productivity. Moreover, Campion et al.'s research conducted in 2011, on workgroup dynamics underscores effective task management as crucial for realizing specific group objectives—establishing it as indispensable for optimal operational performance. Effective task completion enhances team productivity (Campion et al., 2011). However, how diverse backgrounds influence task management strategies within teams remains uncertain. By examining these dynamics, this research aims to add to existing knowledge on workforce diversity's role in team productivity.

2.2.4 The Mediating Role of Individual Performance in the Relationship between Workforce Diversity and Team Effectiveness

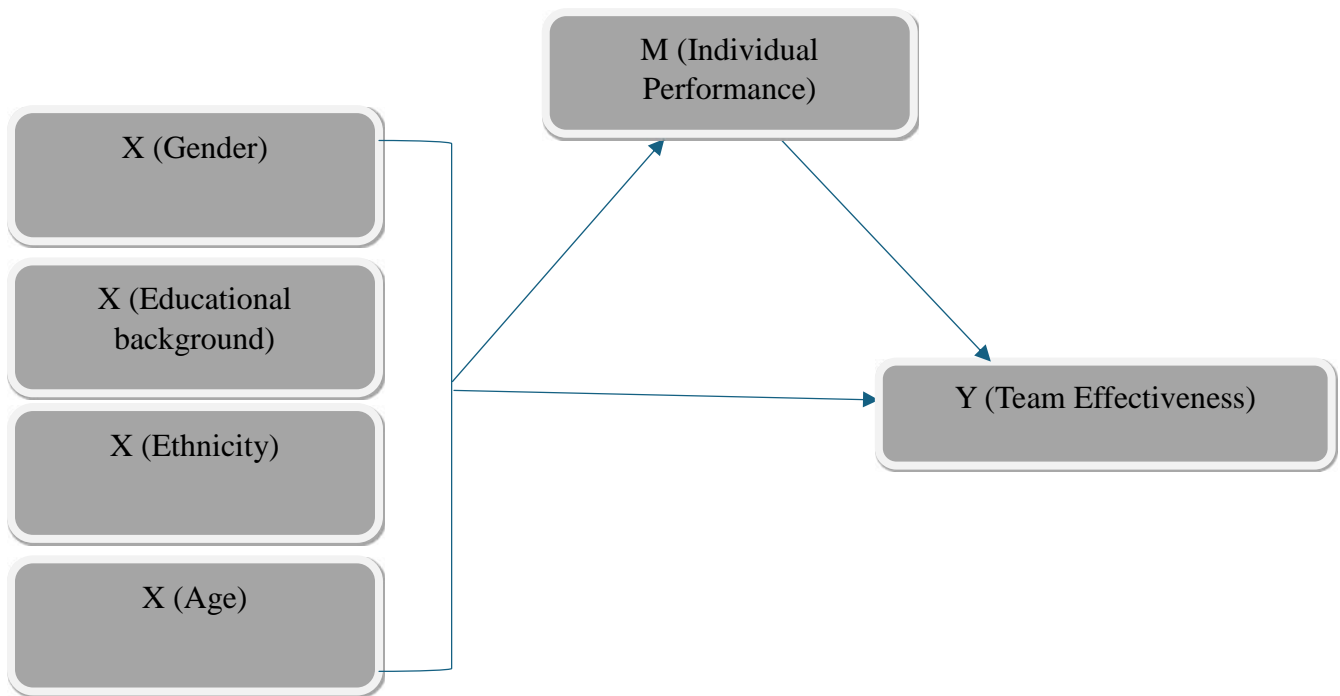
Jehn (1995) and Milliken & Martins (1996) have provided evidence that teams comprised of diverse members in terms of gender, educational backgrounds, ethnicity, and age are more innovative and effective in decision-making. These benefits are partly due to the mediating role of individual performance factors like task completion and adaptability, which contribute significantly to team effectiveness metrics (Ilgen et al., 2005; Mathieu et al., 2008). Furthermore, research by Ilgen et al. (2005) and Mathieu et al. (2008) supports the notion that individual performance is a crucial mediator between workforce diversity and team effectiveness. Task completion and adaptability have been underscored as pivotal elements that facilitate the positive impact of diversity on both innovation within teams and the achievement of goals (Horwitz & Horwitz, 2007). In summary, it is evident from these studies that individual performance substantially influences how diversity within teams translates into greater overall effectiveness. The incorporation of varied perspectives and skills enhances not only innovation but also clarifies goals and augments flexibility in role functions. It is recommended for future investigations to delve further into the complex interplays among workforce diversity, individual performance levels, and team efficacy in order to refine strategies for maximizing organizational success. Studies by Jehn (1995) and Ilgen et al. (2005) suggest that individual performance mediates the link between diversity and team effectiveness. Yet, empirical evidence on the

specific ways adaptability and communication mediate this relationship remains limited. This study addresses this by investigating how individual performance serves as a mediator in diverse teams, with a focus on practical, logistics-based applications.

2.3 Conceptual Frame Work

The conceptual framework provides a clear direction for this study by identifying the central process. In this particular study, the conceptual framework includes independent variables such as age, ethnicity, gender, and educational background to measure workforce diversity. The dependent variable is team effectiveness expressed by supporting innovation, hiring the rights people, flexibility of role exchange, clear vision and direction with employee performance indicated by knowledge and skills, adaptability, communications and collaboration, task completion serving as a mediator. Leadership and creativity are going to be controlled because they might have an influence to alter the result of the study in the relationship between workforce diversity and team effectiveness, workforce diversity and individual performance respectively. Relationship is illustrated in the diagram below.

Figure 3 A Conceptual framework



Source: Hayes and Preacher (2014),

2.4. Hypothesis

Based on the research objective and the proposed conceptual frame work/ model stated in the above, then the following hypothesis is presumed:

Empirical research on workforce diversity reveals varying impacts on individual performance, encompassing gender, age, ethnicity, and educational background. Gender diversity shows mixed results, with some studies like (Gellner & Stephen 2009) demonstrating positive effects on performance and no significant biases in hiring, while others indicate moderate diversity as beneficial and excessive diversity as detrimental (Gupta, 2011). Age diversity presents a complex picture; young employees are seen as innovative and adaptable (Winnie, 2008), but excessive age diversity may lead to reduced productivity due to increased costs (Gellner and Stephen, 2009). Ethnic diversity offers both advantages, such as enhanced creativity and problem-solving (Jackson & Joshi, 2004; van Knippenberg et al., 2004), and challenges like communication difficulties and lack of cohesion. Effective management is crucial to leverage benefits and mitigate drawbacks (Opstal, 2009). Educational background diversity enhances mutual learning and innovation but shows mixed impacts on performance, with some studies highlighting positive correlations (Al-Ahmad & Alkhawani, 2017) and others finding negligible effects (Mwatumwa, 2016). The review supports the hypothesis that workforce diversity positively affects individual performance. The gap identified lies in the need for a cohesive analysis that integrates these diverse dimensions and their impact on individual performance in a specific organizational context, such as Carolina Logistics Corporation. Existing studies often isolate one dimension at a time or provide conflicting outcomes, underscoring the necessity for a comprehensive examination within a single organizational setting. This study aims to address this gap by analysing how gender, age, ethnic, and educational diversity interact and contribute to individual performance, providing a holistic understanding that can inform more effective diversity management strategies. This study aims to fill the gap by providing a comprehensive analysis of how these diverse factors influence individual performance within Carolina Logistics Corporation, hypothesizing a significant positive effect of workforce diversity on individual performance.

H1: Workforce diversity (gender, educational background, ethnicity and age) has a significant positive effect on Individual performance s in Carolina Logistics Corporation.

Empirical research on workforce diversity highlights its complex impact on team effectiveness, involving dimensions such as age, ethnicity, gender, and educational background. Age diversity appears beneficial, with older employees bringing experience and stability, enhancing creativity and problem-solving capabilities (An et al., 2011; Shirom et al., 2008). However, some studies suggest negative perceptions and impacts due to wider age gaps and differing work habits (Chowdhury, 2005; Kunze et al., 2016). Ethnic diversity shows mixed results; while it can enhance creativity and problem-solving, it may also lead to conflicts and reduced team cohesion (Harrison et al., 1998; Pitts & Jarry, 2009; Zhang, 2012). Gender diversity research is inconclusive, with studies showing both positive impacts on creativity and problem-solving and negative or negligible effects on team performance (Bell et al., 2011; Mannix & Neale, 2005). Educational diversity contributes positively to team performance, particularly in intellectual tasks requiring extensive planning and strategic thinking (Bantel & Jackson, 1989; Bell, 2007). The review supports the hypothesis that workforce diversity positively affects team effectiveness, with evidence of varied impacts from different diversity dimensions. The identified gap lies in the need for a holistic analysis that integrates these diverse dimensions within a specific organizational context like Carolina Logistics Corporation. Existing research often left some individual dimensions or provides mixed outcomes, necessitating a comprehensive examination of their impact. This study aims to address this gap by analysing how gender, age, ethnic, and educational diversity interact to influence team effectiveness, providing insights for more effective diversity management strategies. This study aims to fill the gap by examining how these diverse aspects of workforce diversity influence team effectiveness within Carolina Logistics Corporation, hypothesizing a significant positive effect of workforce diversity on team effectiveness.

H2: Workforce diversity (gender, educational background, ethnicity and age) has a significant positive effect on team effectiveness in Carolina Logistics Corporation.

Empirical studies highlight the significant impact of individual performance factors—skills and knowledge, communication and collaboration, adaptability, and task completion—on team effectiveness. Salas et al. (2009) and Hackman (2002) emphasize that teams benefit significantly from members possessing specialized knowledge and task-specific competencies, enhancing overall team performance and innovation. Effective communication and collaboration, as

reviewed by Mathieu et al. (2008) and Pearce and Barkus (2004), are crucial for superior team performance, with shared leadership models enhancing communication efficiency and productivity. Adaptability, especially in volatile environments, is essential for team success, with adaptable team members demonstrating resilience and superior problem-solving abilities (Parker et al., 2006; Zaccaro et al., 2012). Additionally, task completion attributes like diligence and accountability significantly boost team effectiveness (Ilgen et al., 2005; Campion et al., 2011). The review supports the hypothesis that individual performance positively affects team effectiveness, with substantial empirical evidence linking skills, knowledge, communication, collaboration, adaptability, and task completion to enhanced team outcomes. The identified gap lies in the need for an integrated analysis that considers these performance factors simultaneously within a specific organizational context like Carolina Logistics Corporation. Existing research often left some of these factors or provides fragmented insights, necessitating a comprehensive examination of their collective impact. This study aims to address this gap by analysing how these individual performance factors interact to influence team effectiveness, providing insights for more effective team management strategies. This study aims to fill the gap by examining these individual performance factors within the context of Carolina Logistics Corporation, hypothesizing a significant positive effect on team effectiveness.

H3: Individual performance (skill and knowledge, communication and collaboration, adaptability, task completion) has significant positive effect on team effectiveness in Carolina Logistics Corporation.

Empirical studies underscore the significant mediating role of individual performance in the relationship between workforce diversity and team effectiveness. Research by Jehn (1995) and Milliken & Martins (1996) indicates that diverse teams, in terms of gender, educational backgrounds, ethnicity, and age, show enhanced innovation and decision-making abilities. These improvements are facilitated by individual performance factors such as task completion and adaptability, which are crucial mediators between diversity and team effectiveness (Ilgen et al., 2005; Mathieu et al., 2008). Horwitz and Horwitz (2007) further highlight that these performance factors help in realizing the positive impacts of diversity by promoting innovation and achieving team goals. The studies collectively suggest that individual performance significantly determines how diversity influences team effectiveness, through enhancing innovation, goal clarity, and role

flexibility. However, the gap identified is the need for further exploration of the intricate relationships between workforce diversity, individual performance, and team efficacy, to develop more effective strategies for organizational success. This study aims to fill this gap by examining the mediating effect of individual performance on the diversity-effectiveness link in Carolina Logistics Corporation, providing insights for optimizing team dynamics and performance.

H4: Individual performance mediates the relationship between workforce diversity (gender, educational background, ethnicity and age) and team effectiveness in Carolina Logistics Corporation.

CHAPTER THREE

3. RESEARCH METHODOLOGY

The success of a research project hinges significantly on the selection of appropriate methodologies, which are critical in yielding accurate and reliable results. To ensure precision, it is imperative that the methodology employed is meticulously designed, as the validity and relevance of the research findings are directly influenced by it. This chapter delineates the research methods utilized and offers guidance on implementing these methodologies to achieve the stated objectives. Given consideration to foundational theories and key research questions, this section provides a methodological framework for this study. It includes an extensive discussion on various components: research design, targeted population, sampling techniques, sample size determination, data collection processes, design of questionnaires for data gathering, alongside strategies for data processing and analysis. Furthermore, ethical considerations pertinent to conducting this study have been systematically addressed to uphold integrity throughout the research process. This comprehensive approach ensures that every aspect from conceptualization to execution aligns with rigorous academic standards necessary for achieving influential insights through scholarly inquiry.

3.1 Design of the Research and Approach

In order to effectively address the research problem at hand, it is widely acknowledged that a well-suited research design must be selected and applied. In this particular case, the chosen approach is quantitative research. Overall, research design refers to the overall arrangement or strategy for conducting and concluding the analysis (Oso & Onen, 2008). Specific to this study's objectives, an explanatory type of research design using survey-based data collection was utilized. The methods which were employed include explanatory survey study and quantitative business research in alignment with the stated purpose of the study.

The focus of this study was to examine the mediating effects of individual performance in the relationship between workforce diversity and team effectiveness in the Case of Carolina Logistics Corporation. To gather data for this analysis, questionnaire surveys were utilized. Structured questionnaires were used to ensure completeness and consistency of the information collected. This provided inputs for both descriptive and statistical analyses.

Data collection sources can come from a variety of places - primary and secondary sources. For this study, hand-administered questionnaires and internet-based surveys as Google surveys are chosen as the primary source of data collection instruments. These questions are adopted from different literatures to gain a more comprehensive understanding of individual performance, workforce diversity and team effectiveness.

3.2 Data Collection Sources and Types

In any research work, data can be gathered from a variety of sources, which can be classified into two major categories: primary source and secondary source. Structured questionnaires were used as the data collection instrument in this study, with questions adopted from different literatures.

3.2.1 Primary Source of Data

This refers to original data collected specifically for the purpose of a research study. In this study, hand-administered questionnaires as well as internet-based questionnaires used to gather primary data. Primary data is defined as information gathered through interactions with people through conferences, matched interviews, focus groups, and surveys. The purpose of primary data research is to gain a better understanding and perform a direct assessment of the research topic by obtaining first-hand information. In this research, 240 questionnaire copies were distributed to certain targets or segments of people through self-administered surveys. The use of questionnaires ensured completeness and consistency in the information gathered for this study. For the purpose of this research, questionnaires are carefully crafted by adopting and modifying questions from well-developed questionnaire templates used in related research journals. This approach ensured a high level of validity for the questions intended to be asked of the targeted respondents. It is generally accepted that higher validity leads to more accurate measures that represent a given concept.

The surveys are commonly derived from validated and established instruments in organizational behaviour and management research. Questions relating to gender, educational background, ethnicity, and age diversity are adapted from Diversity Climate Surveys derived from studies by Cox (1993) and Harrison et al. (1998), who have explored the relationships between diversity and organizational performance. Performance-based questions related to knowledge, skills, communication, collaboration, adaptability, and task completion are drawn from models of

performance evaluation found in works by Campbell et al. (1993) and Ilgen et al. (2005), who have studied individual contributions to team success. The questions on team effectiveness, including innovation, leadership clarity, and role exchange, are based on research from Hackman & Wageman (2005) and Mathieu et al. (2008), both of whom have conducted extensive research on team dynamics, leadership, and performance.

3.2.2 Secondary Source of Data

In terms of data sources, secondary sources were employed where applicable. These sources include published journal articles, books, publications, and websites. Additionally, literature reviews were conducted to provide further information as needed. Secondary data is gathered from existing sources and is usually historical in nature - it requires no access to respondents and can be obtained in a cost-effective and time-efficient manner.

3.3 Target Population

The target population for this research consists of all staffs at Carolina Logistics Corporation - including 240 members of the company. To ensure a comprehensive and accurate representation, the total population was utilized. This involves examining the entire population. Units, which can consist of individuals, cases, data points, and more, make up the population being studied. When employing total population researchers opt to investigate the entire population due to its limited size concerning the desired set of characteristics. Consequently, if a small number of units were omitted from the research analysis, an important component crucial for comprehending the overall picture may be absent.

3.4 Data Gathering

Data gathering involved collecting both primary and secondary data through various sources such as survey questionnaires for employees, HRM office records, publications, books, journal articles and online materials from web sources. Self-administered questionnaires were used for this particular study as research instruments to ensure reliable data collection. To ensure higher validity, we were using a measurement or questionnaire that has been adopted from several reputable journals. Specifically, we have chosen to use the Workforce Diversity Survey which are surveys used to study a work force diversity, due to its strong psychological properties and

previous empirical studies utilizing this questionnaire (Cooper & Schindler, 2003, Ely & Thomas, 2001, Kunze et al., 2003; Milliken, & Martins, 1996; Richard, 2000).

The survey consists of a five-point Likert scale where respondents indicate their level of agreement with statements ranging from highly positive to highly negative attitudes towards an event. To test the reliability of the questionnaire before administering it, we were conduct Pilot taste and applied Cronbach reliability coefficient testing. According to Zikmund et al. (2003), scales with a consistent alpha score of 0.6 and 0.7 indicate good reliability; however, our Cronbach's Alpha score was even higher than this threshold, indicating excellent reliability.

3.5 Data Processing

In data processing, there are several important steps that are involved in organizing and manipulating large amounts of numeric data into usable information. These steps include data checking to ensure accuracy and completeness of the data collected, data editing for consistency and uniformity in formatting, data coding to allow for easier analysis, data transcribing for digitization purposes if necessary, and finally data cleaning which involves identifying and correcting any errors or inconsistencies present in the dataset before analysis can take place.

To ensure the accuracy and validity of all collected data, a thorough process was implemented after completing the questionnaire administration and collection. A pilot test was conducted to detect any potential issues or inadequacies with the questions, which was then corrected before proceeding with the main survey. Once all data was collected, it was carefully checked for errors made by either the investigator or respondent before undergoing an editing process to guarantee completeness, consistency, and correctness. This included coding each specific question with a numerical value to prepare it for analysis using SPSS computer code.

3.5.1 Pilot Test

A pilot test is a crucial step in survey research, providing valuable insight into the validity of the questions being asked. In this project, 30 questionnaires were distributed to a small team of respondents for feedback and suggestions on improving clarity. Based on their comments, the researcher made necessary modifications to ensure that all items were clearly understood. Following the pilot study, several modifications were made to enhance the reliability and effectiveness of the questionnaire. Firstly, certain questions that were identified as duplicates or

redundant were eliminated to avoid confusion and reduce the length of the survey. This helped streamline the questionnaire, making it more focused and easier for participants to respond accurately. Additionally, new questions were added to address gaps in the data and ensure greater reliability in measuring the key variables. These adjustments were made based on feedback received from participants and an analysis of the pilot data, ensuring the final questionnaire was both comprehensive and relevant to the study objectives.

3.5.2 Validity Test

To further confirm the validity of the research instrument, the draft questionnaire was evaluated by both an advisor and senior colleagues in the field. Their expert feedback, along with results from the pilot survey, helped ensure that all questions fully exhausted what was implied by the research questions, objectives, and hypotheses. Additionally convergent and discriminatory validity Test has been held to confirm the validity of the items.

3.5.3 Reliability Test

Measuring reliability is also paramount in survey research. Using Statistical Package for Social Science (SPSS) software allowed us to conduct a thorough reliability analysis on all items within our questionnaires, ensuring accuracy and consistency throughout our study.

3.6 Methods of Data Analysis

3.6.1 Descriptive Analysis

One method of analysing this data is descriptive analysis. This technique provides a concise summary of the information gathered in a study in both numerical and graphical form. Descriptive statistics help simplify large amounts of data into an understandable format that can be easily compared across different variables. The most commonly used measures include tables, charts and graphs, central tendency, and dispersion. In this study, I utilized frequency distribution along with mean and standard deviations as our chosen descriptive analysis methods to present clear outcomes from our research findings.

3.6.2 Inferential Analysis

Inferential statistics offer the ability to derive meaningful conclusions from a sample of data that may not be immediately apparent in the broader population. This methodology utilizes a random

selection of data points taken from a larger group to make inferences about the characteristics of that population. The utility of inferential statistics is particularly evident when it's impractical or impossible to examine every individual within a given population. Hence, in this study, correlation analysis, and multiple linear regression were used.

3.6.3 Correlation Analysis

Pearson's correlation coefficient was used to determine the relationship among workforce diversity (gender, educational background, ethnicity, and age), individual performance, and team effectiveness. The value of "r" ranges from +1 to -1, with positive values indicating that changes in both variables occur in the same direction, and negative values indicating opposite directions. A value of zero indicates no association between the two variables. If $r = 1$ or -1 , it indicates perfect correlation, meaning that changes in one variable fully explain the variations observed in the other variable. Additionally, when there is a constant change in one variable for every unit change in another variable resulting in a uniform change direction, it represents perfect positive correlation while an opposite change direction displays perfect negative correlation. A value of "r" closer to either +1 or -1 suggests a high degree of correlation between the two variables being studied (Kothari, 2004)

3.6.4 Multiple Linear Regression Analysis

Linear regression is a powerful modelling technique used to analyse data and make predictions. In multiple linear regression, the model is expanded to incorporate more than one explanatory variable (X_1, X_2, \dots, X_n), resulting in a multivariate model. By extending simple linear regression to include additional variables, multiple linear regressions can offer even deeper insights into complex relationships between dependent and independent variables. Despite the increased complexity of this modelling approach, we still use the term "linear" because we assume that the response variable is associated with a linear combination of the explanatory variables.

3.6.5 Mediation Analysis

To conduct the mediation analysis, PROCESS macro for SPSS was used, which was developed by Hayes. This macro enables the assessment of direct and indirect effects, allowing for a comprehensive understanding of how individual performance mediates the relationship between

workforce diversity and team effectiveness. By employing the PROCESS macro, I can delineate the paths through which diversity influences team effectiveness via individual performance, ensuring a thorough and accurate analysis of the mediating mechanisms at play (Hayes, 2018).

3.7 Ethical Considerations

In order to maintain strict ethical standards, participants in this study were carefully selected through a process of informed consent. They were fully aware of the purpose of the thesis and feel comfortable responding to questionnaires with confidence. Rest assured that all information gathered was remain confidential and was only be used for academic purposes. The researcher is committed to ensuring that ethical considerations are prioritized throughout every step of this project.

CHAPTER FOUR

4. RESULTS AND DISCUSSION

This chapter elucidates the findings derived from the reliability analysis of data collection instruments and delineates the demographic characteristics of study participants. It begins by profiling respondents' demographics, followed by a descriptive analysis that summarizes the essential features of the quantitative data gathered. Subsequently, inferential statistical methods are employed to extrapolate findings from the sample to the broader population; these discussions form a substantial part of this chapter. The statistical analyses conducted for this thesis utilized SPSS software package.

4.1. Response Rate

A total of 240 questionnaires were transferred among selected respondents at Carolina Logistics Corporation to gather insights for our study. The calculation of response rates, as proposed by Mitchell (2007), involves dividing the number of usable returned questionnaires by the initial total sample size distributed. In this particular survey, from the 240 questionnaires disseminated, we received 229 completed forms back from participants. Consequently, as detailed in the table below, our study achieved an impressive overall response rate of 95.4%.

Table 4.1 Response Rate

Sample Size	Expected Response	Actual Response	Percentage
240	240	229	95.4%

Source: Own Survey 2024

4.2. Descriptive Analysis

The study examines the demographic profiles of sample respondents and measures central tendencies within the constructs.

4.2.1. Demographic Characteristics of Respondents

In the survey conducted, participants responded to six inquiries centred around their demographic characteristics. This section offers an analysis of the collected demographic data, comprising gender, age, years of work experience, ethnicity, educational attainment, and current

position of the respondents. The analysis is based on frequency assessments derived from the responses captured in the survey questionnaire.

Table 4.2. Gender, Age and Ethnicity of Respondents

	Frequency	Percent	Cumulative Percent
Gender			
Male	106	46.3	46.3
Female	123	53.7	100.0
Total	229	100.0	
Age			
below 20 years	1	.4	.4
20-29 years	85	37.1	37.6
30-39 years	90	39.3	76.9
40-49 years	32	14.0	90.8
50 and above years	21	9.2	100.0
Total	229	100.0	
Ethnicity			
Amhara	41	17.9	17.9
Oromo	49	21.4	39.3
Tigraway	50	21.8	61.1
Gurage	38	16.6	77.7
Hadiya	30	13.1	90.8
Sidama	21	9.2	100.0
Total	229	100.0	

Source: Own Survey

➤ **Gender Distribution**

As depicted in Table 4.2, the gender distribution among the respondents shows a slight female predominance: 53.7% of participants were female and 46.3% were male. Specifically, out of 229 respondents, there are 123 females and 106 males.

➤ **Age Range**

According to Table 4.2., the age distribution indicates a significant representation within the younger demographics: approximately 39.3% of respondents fall between ages of 30-39 years, and about an adjacent third (37.1%) belong to the age range category from ages between 20-29 years old - cumulatively amounting to a notable percentage (76.4%), primarily highlighting that many in our survey pool are within their most active professional years.

➤ **Ethnic Background**

Table shows diverse ethnic representations with Tigrayans comprising roughly upstanding figures calculated at 21.8%, closely followed by Oromos also taking nearly identical stakes while Sidamas proportionally low, which portrays only minorities ledgers clear stand with its proportions gauged up proportionally upending robust premeditated analysis deriving facts values percentages subsequent feasible ultimate plan minuscule disparities distinct.

Table 4.3. Educational Level, Work Experience and Team Involved

	Frequency	Percent	Cumulative Percent
Education Level			
TVET	16	7.0	7.0
Diploma	40	17.5	24.5
Degree	147	64.2	88.6
Masters	21	9.2	97.8
PHD	5	2.2	100.0
Total	229	100.0	
Experience			
0-5 years	76	33.2	33.2
6-10 years	100	43.7	76.9
11-15 years	30	13.1	90.0
more than 15 years	23	10.0	100.0
Total	229	100.0	
Team you involved			
Human Resource	48	21.0	21.0
Operation	60	26.2	47.2
Dispatch	52	22.7	69.9
Accounting	43	18.8	88.6
Customer service	14	6.1	94.8
Industry Coach	12	5.2	100.0
Total	229	100.0	

Source: Own Survey 2024

➤ **Team Involved**

Table 4.3 shows that the highest proportion of team are with operation and dispatch team (26.2% and 22.7% or 60 and 52 respondents respectively), followed by accounting (18.8 % or 43 respondents), and there are a smaller number of members in industry Coaches (5.2 % or 12 respondents).

➤ **Educational Background of the Respondents**

As depicted in Table 4.3, the educational background of respondents varies: 7% possess technical and vocational education and training (TVET) qualifications; 17.5% have earned diplomas; a substantial proportion, 64.2%, hold first degrees; while advanced degrees are represented by 9.2% with second-degree qualifications and 2.2% holding third-degree credentials. At Carolina Logistics Corporation (CLC), there is a solid number of personnel who bring a high level of educational attainment into their roles, with a cumulative percentage amounting to 73.4 % consisting primarily of those possessing first degree or Master's degrees indicating that CLC employs a moderately well-educated workforce.

➤ **Work Experience of the Respondents**

Reviewing the work experience levels from Table 4.3 it emerges that most respondents fall within early-stage professional periods: Those having between zero to five years contribute to this group significantly at 33.2%, followed closely by those whose tenure spans six to ten years at an additional rate of total responses standing at approximately (43.%). Meanwhile, seasoned professionals representing eleven to fifteen years make up about roughly one-tenth(13%), whereas veterans exceeding fifteen years constitute just under one-tenth(10%).

➤ **Team Composition**

According to table 4.3 different operational teams within the organization vary in size composition The Operations and Dispatch teams form significant portions being represented equivalently collectively around nearly half percent %. Conversely accounting makes up less than fifth % segmentation Lastly Industrial Coaches encompass tiny fraction%. These proportions reflect how variegated functions equivalent but crucial operations respective tasks enterprise suggesting how certain functional areas dominates numerically.

4.2.2. Cross Tabulation of variables

Cross-tabulation stands as a prevalent analytical method for evaluating questionnaire data. This technique facilitates a detailed exploration of the relations between categorical variables, providing deeper insights than mere frequency counts of individual variables. Presented below is a statistical analysis table that delineates the correlation among various diversity predictors through cross-tabulation.

Table 4.4 *Cross Tabulation Gender with Age*

Gender * Age Cross tabulation							
Count							
		Age					Total
		below 20 years	20-29 years	30-39 years	40-49 years	50 and above years	
Gen.	Male	0	31	48	15	12	106
	Female	1	54	42	17	9	123
Total		1	85	90	32	21	229

Source: Own Survey 2024

From Table 4.4, it is evident that there are variances in the number of males and females treated within each age category. Notably, females constitute the majority with 123 participants. The distribution of male and female participants across the four age groups was not symmetrical; notably, most male respondents fell into the 30-39 age group while females were predominantly in the 20-29 age bracket, numbering 48 and 54 respectively. In contrast, there was only one female respondent under the age of 20.

Table 4.5 *Ethnicity * Educational level Cross tabulation*

Ethnicity * Educational level Cross tabulation							
Count							
		Educational level					Total
		TVET	Diploma	Degree	Masters	PHD	
Ethnic	Amhara	5	9	21	5	1	41
	Oromo	3	8	34	4	0	49
	Tigray	4	8	34	2	2	50
	Gurage	1	6	27	4	0	38
	Hadiya	3	8	15	2	2	30
	Sidama	0	1	16	4	0	21
Total		16	40	147	21	5	229

Source: Own Survey 2024

According to Table 4.5., employees from Tigray and Oromo backgrounds at CLC predominantly hold a bachelor's degree, whereas most Amhara employees have attained a master's degree. It also emerges that among all employees in CLC from Tigray, Hadiya, and Amhara regions possess PhDs. Furthermore, technical vocational education and training (TVET) certifications along with diplomas are relatively more common among individuals from Amhara region which suggests a well-balanced educational level amongst different ethnic groups within CAC.

Table 4.6 Gender * Educational level Cross tabulation

Gender * Educational level Cross tabulation							
Count							
		Educational level					Total
		TVET	Diploma	Degree	Masters	PHD	
Gender	Male	11	24	63	6	2	106
	Female	5	16	84	15	3	123
Total		16	40	147	21	5	229

Source: Own Survey 2024

Table 4.6 reveals an uneven gender distribution across various educational levels: diploma and TVET qualifications appear to be more prevalent among male employees whereas bachelor's degrees through to doctoral qualifications tend to be achieved by female employees.

4.2.3. The State of Workforce Diversity

Measurement of Central Tendencies (MCT) is employed to determine the mean (\bar{x}) and standard deviation (S) across five interval-scaled constructs. Responses are collected using a 5-point Likert scale, where '1' represents "Strongly Disagree," '2' signifies "Disagree," '3' denotes "Neutral," '4' indicates "Agree," and '5' corresponds to "Strongly Agree." Each survey item evaluates the influence of various independent variables—namely age, gender, ethnicity, and educational background—on the dependent variable: Employee Performance. Furthermore, an analysis was conducted on how factors such as Knowledge and Skill; Communication and Collaboration; Adaptability; and Task Completion impact Team Effectiveness. These relationships were statistically quantified by respective means and standard deviations.

Table 4.7 Descriptive Statistics on Gender Diversity

	N	Mean (X)	Std. Deviation (S)
Gender diversity in the workplace positively contribute for improving my skills	229	4.47	.666
Diverse gender within the team helps me to complete tasks effectively.	229	4.47	.558
Leadership members with diverse gender perspective enhance the overall visions and directions of the team.	229	4.48	.632
Our team consider gender diversity when new team members are recruited.	229	4.29	.647
Valid N (list wise)	229		

Source: Own Survey 2024

➤ **Individual Performance:**

The average score for the statement, "Gender diversity in the workplace positively contributes to improving my skills," was recorded at 4.47, demonstrating a significant level of agreement among participants regarding this perception. A similar sentiment is expressed with an equivalent mean score of 4.47 for "Diverse gender within the team helps me to complete tasks effectively," reinforcing the strong belief among respondents that gender diversity facilitates more effective task completion. Regarding variability in responses, the standard deviation for the first statement stands at 0.666, indicating low variance and suggesting that most respondents uniformly agree on the positive impact of gender diversity on skill enhancement. The second statement shows an even lower standard deviation of 0.558, further confirming minimal variation in respondent perceptions concerning how gender diversity aids in completing tasks effectively. Overall, these statistical indicators point towards a consensus among survey participants recognizing and validating that a diverse gender representation within professional contexts significantly enhances both skills development and task execution efficiency.

➤ **Team Effectiveness:**

The average score for the statement, "Leadership members with diverse gender perspectives enhance the overall visions and directions of the team," stands at 4.48, reflecting a strong

consensus on the positive effect that gender diversity within leadership has on guiding team vision and direction. Conversely, the mean score addressing whether "Our team considers gender diversity when new team members are recruited" registers at 4.29. This figure, while still indicative of a generally positive stance, suggests there may be opportunities to strengthen the integration of gender diversity considerations in recruitment practices. In terms of variability among responses, the standard deviation for perceptions regarding diverse gender perspectives enhancing leadership roles is relatively low at 0.632, demonstrating a uniform agreement across respondents concerning this viewpoint. On another note, responses to how significantly gender diversity is factored into recruitment processes have a slightly higher standard deviation of 0.647—although still moderate; this indicates somewhat greater variation in opinion amongst participants about effectively implementing these considerations during hiring phases.

Table 4.8. Descriptive Statistics on Educational background Diversity

	N	Mean	Std. Deviation
Educational background diversity within the team contributes to me to gain different skill.	229	4.41	.640
Diverse educational background contributes to me for having a higher level of expertise.	229	4.49	.574
Diverse educational perspectives contribute to creative and innovative team environment.	229	4.31	.550
Educational background diversity positively affect the flexibility of role exchange within the team.	229	4.42	.620
Valid N (list wise)	229		

Source: Own Survey 2024

➤ **Individual Performance**

The data indicates that there is a general consensus among respondents on the positive impact of educational diversity within teams, as evidenced by the average scores (mean) provided. Specifically, the mean value of 4.41 suggests that team members recognize the acquisition of various skills when there is a presence of diverse educational backgrounds. Furthermore, with a

mean score of 4.49, respondents also acknowledge an enhancement in expertise levels due to educational diversity. It should be noted that while these findings are significant, they exhibit some degree of variability in individual perceptions. The standard deviation for skill acquisition stands at 0.640 and for expertise level it is slightly lower at 0.574, indicating moderate variations in responses across participants even though overall agreement persists regarding the merits introduced by educational diversity. These observations underscore not only that diversified academic environments likely foster an advanced set of skills and greater depth knowledge but also highlight differential impacts perceived individually amongst team members.

➤ **Team Effectiveness**

A multitude of educational perspectives significantly enhances the creativity and innovation within team environments, as evidenced by a mean score of 4.31 from survey respondents who support this viewpoint. Although this mean is marginally lower compared to other metrics, it still reflects a consensus on the positive influence of educational diversity. Furthermore, the flexibility with which roles are exchanged within teams also benefits from diverse educational backgrounds, receiving a slightly higher mean rating of 4.42. This indicates an even stronger agreement among participants regarding the positive effects of such diversity. The standard deviation for responses concerning the impact of educational diversity on creativity and innovation stands at 0.550, implying that opinions are relatively uniform and strongly centred around the aforementioned average score (mean). Similarly in terms of role flexibility influenced by education background diversity, while there exists some variance in perceptions—as reflected by a standard deviation of 0.620—the overall sentiment remains predominantly affirmative about its beneficial impacts. These findings underscore a cohesive acknowledgment among surveyed individuals that diverse academic environments contribute substantially to both enhanced creativity and increased adaptive capabilities in team settings.

Table 4.9: Descriptive Statistics on Ethnic Diversity

	N	Mean	Std. Deviation
Different ethnicity within the team makes my communication and collaboration effective.	229	4.47	.639
A diverse ethnic workforce enhances the ability to adapt to various challenges.	229	4.50	.574
Diverse ethnic perspective in our team contributes to have creative and innovative team environment.	229	4.40	.685
Leadership with diverse ethnic perspective enhances the overall vision and direction of team.	229	4.53	.625
Valid N (list wise)	229		

Source: Own Survey 2024

➤ **Individual Performance:**

The average score for the assertion, "Different ethnicity within the team enhances my communication and collaboration," stands at 4.47, reflecting a strong consensus among participants that ethnic diversity significantly benefits teamwork and interaction. Likewise, the statement "A diverse ethnic workforce improves our capacity to address various challenges" received an average rating of 4.50, reinforcing a prevalent belief in the advantages of ethnic diversity in fostering adaptability. In terms of variability in responses, the standard deviation for "Different ethnicity within the team enhances my communication and collaboration" is 0.639. This shows a moderate spread in opinions among respondents about this issue; despite a high overall agreement indicating support for ethnic diversity's positive effects on teamwork and communication, individual perceptions vary somewhat. For "A diverse ethnic workforce improves our capacity to address various challenges," the standard deviation is recorded at 0.574. It presents slightly lower variability than the first statement, suggesting more uniform agreement amongst participants concerning how ethnic diversity strengthens adaptability capabilities.

➤ **Team Effectiveness:**

The average score for the statement, "Diverse ethnic perspectives in our team contribute to a creative and innovative environment," is 4.40. This score reflects a strongly positive perception that ethnic diversity catalyses creativity and innovation within the team. Furthermore, the statement, "Leadership with diverse ethnic perspectives enhances the overall vision and direction of the team," received an average score of 4.53. This indicates a substantial level of consensus among respondents that diverse ethnic backgrounds in leadership roles significantly benefit the team's vision and strategic direction. Regarding variability in responses, the standard deviation for perceptions on how "Diverse ethnic perspectives contribute to a creative and innovative environment" is calculated at 0.685. This higher standard deviation suggests there is broader dispersion in individual opinions regarding this impact of ethnic diversity on creativity and innovation within teams; indicating a wider range of views among participants about this assertion. Similarly, responses to "Leadership with diverse ethnic perspective enhances the overall vision and direction" show some degree of variance as well, evidenced by a standard deviation of 0.625. Although relatively moderate compared to other metrics, this still points towards differing levels on agreement concerning how significantly diverse ethnicity in leadership influences team guidance.

Table 4.10: Descriptive Statistics on Age Diversity

	N	Mean	Std. Deviation
Age diversity in my team helps me to improve my knowledge and skill.	229	4.46	.645
Diverse age perspective in our team contributes to a creative and innovative team environment.	229	4.43	.600
Leadership with diverse age perspective enhances the overall vision and direction of the team.	229	4.32	.642
Leadership with diverse age perspective enhances the overall vision and direction of team.	229	4.53	.625
Valid N (list wise)	229		

Source: Own Survey 2024

➤ **Individual Performance:**

The average score for the assertion, "Age diversity in my team helps me to improve my knowledge and skill," stands at 4.46, demonstrating a strong consensus among participants that age diversity enhances their personal development in terms of knowledge and skills. Likewise, the statement "Diverse age perspectives in our team contribute to a creative and innovative team environment" received an average rating of 4.43, which supports the positive view that age diversity promotes creativity and innovation within teams. In terms of variability, the standard deviation for responses to "Age diversity in my team helps me improve my knowledge and skill" is recorded at 0.645. This indicates a moderate spread in respondent opinions concerning the influence of age diversity on individual professional growth; albeit high agreement levels exist overall, perceptions do vary slightly among respondents on this matter. In comparison, responses to "Diverse age perspective contributes to a creative and innovative environment" showed a somewhat lower standard deviation of 0.600, pointing towards a more uniform acknowledgment amongst participants on how age diversity impacts creativity and innovation within their teams.

➤ **Team Effectiveness:**

The average score for the statement "Leadership with a diverse age perspective enhances the overall vision and direction of the team" stands at 4.32. This figure, though positive, is marginally lower than those recorded for other statements—suggesting a comparatively modest level of consensus among participants regarding the influence of age diversity within leadership on team vision and direction. Remarkably, another statement related to age diversity in leadership yielded a higher average score of 4.53, indicating strong agreement among respondents concerning its benefits. Regarding variability in responses, the standard deviation associated with the statement about age diversity's impact on leadership was calculated at 0.642. This statistic reflects a moderate degree of variance in participant views, highlighting varying perceptions concerning how age diversity influences team vision and strategy. On a similar note, for the assertion "Leadership with diverse ethnic perspectives enhances overall team vision and direction," there was found to be slightly less variability (with a standard deviation of 0.625). Although still representing moderate variation, this suggests some differences in respondent opinion over how ethnic diversity within leadership affects organizational guidance and outcomes.

Table 4.11: Descriptive Statistics on Individual Performance

	N	Mean	Std. Deviation
I and my team members have a knowledge and skill contribute to innovative solution within the team.	229	4.31	.632
Diverse knowledge and skills of our team members enables us to have a clear vision and directions.	229	4.41	.626
Knowledge and skills of candidates are considered in our team member selection process.	229	4.55	.565
Diverse knowledge and skill positively influence the flexibility role exchange within the team.	229	4.37	.660
Effective communication and collaboration of our team members contribute to innovative ideas within the team.	229	4.31	.660
Diverse communication and collaboration of team members have positive contribution for the clarity of team vision and direction.	229	4.33	.588
Communication and collaboration ability of candidates are considered in team member selection process.	229	4.38	.620
Diverse communication and collaboration skill positively influence the flexibility of role exchange within the team.	229	4.52	.611
The team became innovative from ability of team members to adapt a changing circumstance.	229	4.44	.636
Adaptive skill of team members enables the teams to have a clear vision and direction.	229	4.31	.660
Adaptability of team members to challenging situations is considered in team member selection process.	229	4.55	.580
My adaptability makes me versatile and open to various roles within the team.	229	4.47	.646
The team member's ability to complete tasks effectively has contributions for our team to be innovative.	229	4.29	.625
Task completion ability of team members enhances the team vision and direction clarity.	229	4.41	.590
Candidate's ability to complete tasks is considered in team member's selection process.	229	4.49	.633
My ability to complete tasks makes me reliable and versatile within the team different roles.	229	4.33	.652
Valid N (list wise)	229		

Source: Own Survey 2024

➤ **Knowledge and Skills:**

"Knowledge and skills of candidates are considered in our team member selection process" (Mean = 4.55). "Me and my team members have knowledge and skills contribute to innovative solutions within the team" (Mean = 4.31). "Me and my team members have knowledge and skills contribute to innovative solutions within the team" (Std. Deviation = 0.660). "Knowledge and skills of candidates are considered in our team member selection process" (Std. Deviation = 0.565).

➤ **Communication and Collaboration:**

"Diverse communication and collaboration skill positively influence the flexibility of role exchange within the team" (Mean = 4.52). "Effective communication and collaboration of our team members contribute to innovative ideas within the team" (Mean = 4.31). "Effective communication and collaboration of our team members contribute to innovative ideas within the team" (Std. Deviation = 0.660). "Diverse communication and collaboration skill positively influence the flexibility of role exchange within the team" (Std. Deviation = 0.588).

➤ **Adaptability**

"Adaptability of team members to challenging situations is considered in team member selection process" (Mean = 4.55). "Adaptive skill of team members enables the teams to have clear vision and direction" (Mean = 4.31). "The team members' ability to complete tasks effectively have contributions for our team to be innovative" (Std. Deviation = 0.625). "Adaptive skill of team members enables the teams to have clear vision and direction" (Std. Deviation = 0.580).

➤ **Task Completion:**

"Candidates' ability to complete tasks is considered in team member selection process" (Mean = 4.49). "The team members' ability to complete tasks effectively have contributions for our team to be innovative" (Mean = 4.29). "My ability to complete tasks makes me reliable and versatile within the team's different roles" (Std. Deviation = 0.652). "Candidates' ability to complete tasks is considered in team member selection process" (Std. Deviation = 0.633).

In each part of statements, higher average values indicate aspects that participants identify as having a more significant positive influence, such as the incorporation of specific skills in the selection process. On the other hand, lower mean values suggest elements that are viewed by respondents as having a somewhat lesser impact. Additionally, greater standard deviations point

to attributes where there is a broader variation in respondents' perceptions, whereas smaller standard deviations suggest areas where perceptions among respondents are more uniform.

Table 4.12: Descriptive Statistics on Team Effectiveness

	N	Mean	Std. Deviation
My team encourages and support innovative ideas from all members	229	4.31	.680
Different perspectives and diverse background within the team leads to more innovative solutions.	229	4.43	.676
Our team actively seeks out new approaches and ideas to improve our work.	229	4.45	.651
Team members feel empowered to take risks and explore new possibilities for innovation.	229	4.27	.741
Our team leaders effectively communicate a clear vision for our goals and objectives.	229	4.42	.648
The leadership within our team provides guidance and direction that aligns with our collective vision.	229	4.46	.638
Team leaders demonstrate a strong understanding of our team's purpose and goals.	229	4.40	.573
Our team leaders inspire confidence and trust in their leadership ability.	229	4.40	.631
Our team effectively seeks out individuals with diverse background and experience when hiring new members	229	4.46	.631
New team members are selected based on their ability to contribute to our team goals and objectives.	229	4.39	.630
The hiring process with in our team ensures that we bring individuals who can complement existing team strength.	229	4.28	.676
Our team values diversity and actively promotes an inclusive environment for all members.	229	4.48	.611
Team members are encourages taking on different roles and responsibility based on their strength and interest.	229	4.36	.645
Role exchange with in our team is viewed as opportunities for growth and development.	229	4.40	.658
Team members are supportive and receptive to taking on new roles to help achieve team goals.	229	4.47	.596
Valid N (list wise)	229		

Source: Own Survey 2024

➤ **Encouragement of Innovative Ideas:**

"Our team values diversity and actively promotes an inclusive environment for all members" (Mean = 4.48). "Team members feel empowered to take risks and explore new possibilities for innovation" (Mean = 4.27). "Team members feel empowered to take risks and explore new

possibilities for innovation" (Std. Deviation = 0.741). "Our team values diversity and actively promotes an inclusive environment for all members" (Std. Deviation = 0.611).

➤ **Leadership Effectiveness:**

"The leadership within our team provides guidance and direction that aligns with our collective vision" (Mean = 4.46). "Our team leaders inspire confidence and trust in their leadership ability" (Mean = 4.40). "Team members feel empowered to take risks and explore new possibilities for innovation" (Std. Deviation = 0.741). "Our team leaders demonstrate a strong understanding of our team's purpose and goals" (Std. Deviation = 0.573).

➤ **Team Member Selection and Roles:**

"Our team effectively seeks out individuals with diverse backgrounds and experience when hiring new members" (Mean = 4.46). "The hiring process within our team ensures that we bring individuals who can complement existing team strength" (Mean = 4.28). "Team members are supportive and receptive to taking on new roles to help achieve team goals" (Std. Deviation = 0.596). "Our team effectively seeks out individuals with diverse backgrounds and experience when hiring new members" (Std. Deviation = 0.631).

➤ **Role Exchange:**

"Team members are supportive and receptive to taking on new roles to help achieve team goals" (Mean = 4.47). "Role exchange within our team are viewed as opportunities for growth and development" (Mean = 4.40). "Team members are supportive and receptive to taking on new roles to help achieve team goals" (Std. Deviation = 0.596). "Role exchange within our team are viewed as opportunities for growth and development" (Std. Deviation = 0.658).

4.3. Inferential Analysis

Inferential analysis is employed to draw conclusions about population characteristics using sample data (Burns & Bush, 2006). Additionally, it serves to analyze the attributes of individual variables and their interrelationships with other variables.

4.3.1. Regression Assumptions

- Normality Test

Table 4.13. Normality Test

Model	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
Gender	-0.261	.161	2.810	.320
Education	-0.181	.161	1.230	.320
Ethnicity	-0.748	.161	2.341	.320
Age	-0.790	.161	1.136	.320
Skill	-0.544	.161	1.355	.320
Communication	-0.999	.161	1.542	.320
Adaptability	-0.806	.161	2.607	.320
Task completion	-0.127	.161	2.212	.320
Team Effectiveness	-0.874	.161	1.331	.320

Source: Own Survey 2024

According to Kline (2016), the acceptable range for skewness indicating normality is between -1 and +1, while the kurtosis values should fall between -3 and +3. In the present study, as shown in Table 4.13, the skewness and kurtosis results indicate that there are no issues with normality. This suggests that the data are normally distributed, supporting the validity of the statistical analyses conducted.

- **Multicollinearity Assumption**

Table 4.14. Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Gender	.494	2.024
Education	.204	4.901
Ethnicity	.520	1.923
Age	.218	4.581
Skills	.133	7.494
Communication	.148	6.756
Adaptability	.334	2.995
Task completion	.386	2.588

Source: Own Survey 2024

The tolerance test and variance inflation factor (VIF) were employed to test multicollinearity among the predictor variables. According to Menard (2011), a tolerance value of less than 0.1 is a sign that there is a serious multicollinearity problem. Mayer (1990) also suggested VIF value greater than 10 implies a problem of multicollinearity. Therefore, the above table showed that there is no a problem of multicollinearity.

- **Autocorrelation**

Table 4.15. Autocorrelation Test

A. Predictors: (Constant), Gender, Education, Ethnicity, Age	
B. Dependent Variable: Team Effectiveness	
Std. Error	Durbin-Watson
4.600	1.535
A. Predictors: (Constant), Gender, Education, Ethnicity, Age	
B. Dependent Variable: Individual Performance	
2.648	1.729

Source: Own Survey 2024

According to Durbin & Watson (1951), a score of two means that there is no autocorrelation identified in the sample values from zero to less than two indicate a positive autocorrelation and values from two to four indicate negative autocorrelation. In current study, the table shows that the Durbin-Waston value were 1.535 and 1.729, which are very close to two, hence, the assumption of independent error was met.

- Heteroscedastic

Figure 4 Heteroscedastic graph

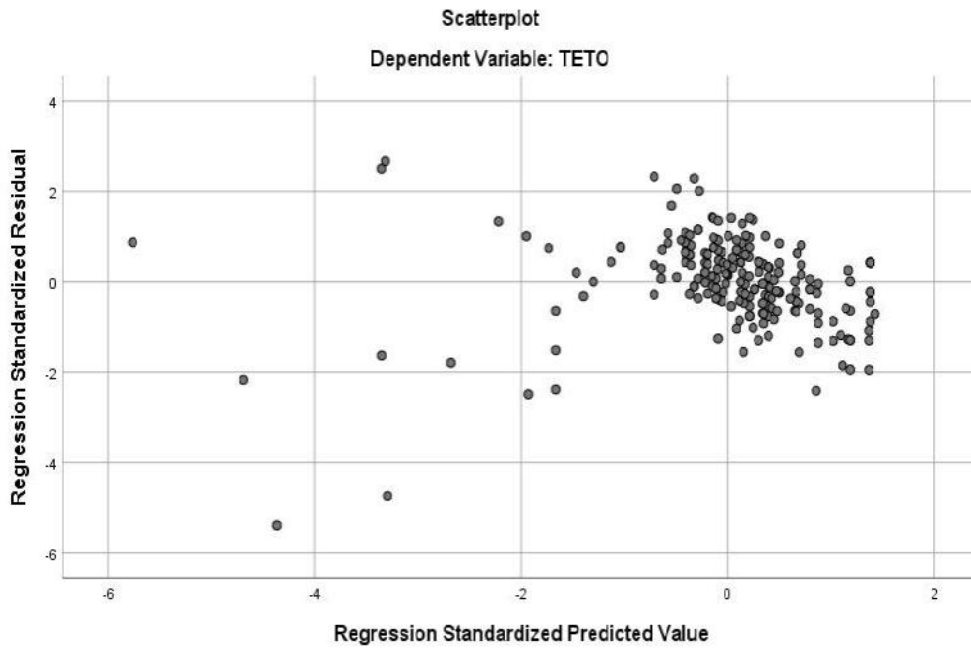
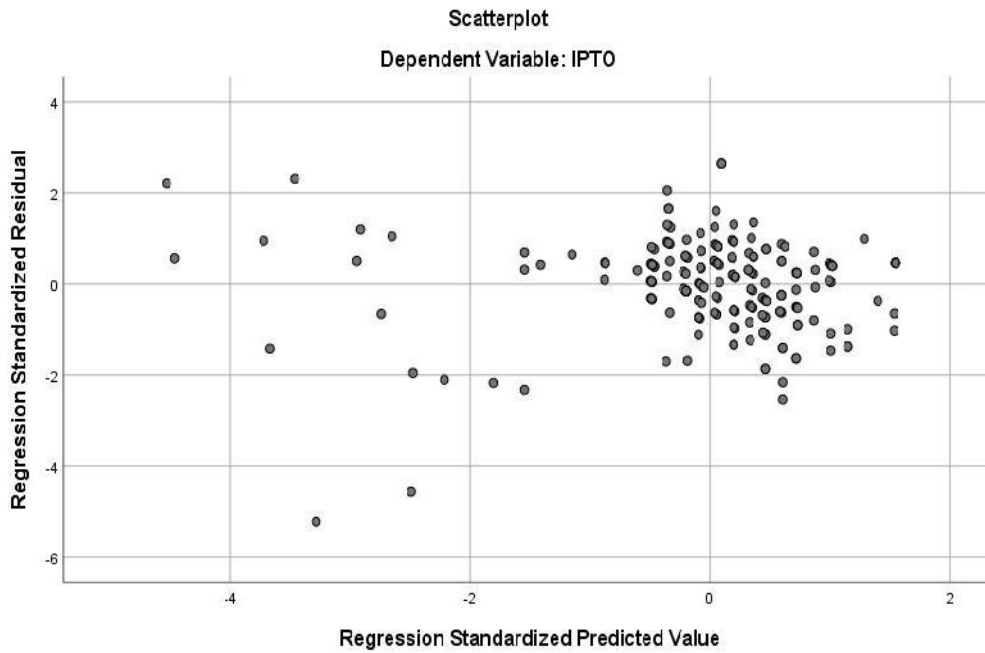


Figure 5 Heteroscedastic graph



Source: Own Survey 2024

Most residuals are clustered on the right-hand side, with a clear concentration around zero. This suggests that the model has a reasonable fit for the majority of observations. If residuals tend to spread out more as predicted values increase or decrease, it suggests heteroscedastic (unequal variance), which can undermine the reliability of significance tests. In this plot, there is no clear funnel shape, so heteroscedastic doesn't seem to be a severe issue here. The scatterplot shows that most of the data points are clustered around the horizontal axis, particularly around the centre of the plot, which suggests that the regression model may be fitting the data reasonably well. The points appear to be scattered somewhat randomly around the horizontal line (residual = 0), without a clear pattern or curve. This suggests that the assumptions of linearity and homoscedasticity (constant variance of errors) might be reasonably satisfied. There are a few points that lie far away from the bulk of the data points, particularly on the left side of the plot. These could be considered outliers or influential points that might disproportionately affect the results of the regression. Overall, the scatterplot indicates that the model has a decent fit, but there are some concerns regarding potential outliers and possibly some slight heteroscedastic.

- **Correlation Analysis**

Herein, the researcher presents a correlation analysis between various heterogeneous factors and metrics such as employee performance and team effectiveness. The value of this correlation offers insights into both the nature and magnitude of these relationships. Pearson's correlation coefficient (r) is employed to quantify the strength of the linear association between two continuous variables, delineating direction, robustness, and significance within bivariate relationships across all measured variables—including gender, age, ethnicity, educational background—as well as facets like diversity; knowledge and skills; communication and collaboration; adaptability; task completion related to employee performance. The relationships are systematically illustrated in the following table.

Table 4.16. Correlation between Workforce Diversity, Individual Performance and Team Effectiveness

Correlations		1	2	3	4	5	6	7	8	9	10
Gender	r	1									
	Sig.										
Education	r	.672**	1								
	Sig.	.000									
Ethnicity	r	.601**	.623**	1							
	Sig.	.000	.000								
Age	r	.616**	.876**	.640**	1						
	Sig.	.000	.000	.000							
Knowledge	r	.742**	.701**	.744**	.758**	1					
	Sig.	.000	.000	.000	.000						
Communication	r	.661**	.657**	.698**	.785**	.922**	1				
	Sig.	.000	.000	.000	.000	.000					
Adaptability	r	.773**	.552**	.618**	.503**	.638**	.578**	1			
	Sig.	.000	.000	.000	.000	.000	.000				
Task Completion	r	.759**	.611**	.410**	.486**	.558**	.537**	.775**	1		
	Sig.	.000	.000	.000	.000	.000	.000	.000			
IPTO	r	.850**	.724**	.705**	.720**	.886**	.861**	.875**	.843**	1	
	Sig.	.000	.000	.000	.000	.000	.000	.000	.000		
Team Effectiveness	r	.752**	.529**	.534**	.419**	.603**	.526**	.843**	.868**	.831**	1
	Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Own Survey 2024

The data presented in Tables 4.16, demonstrates a clear positive correlation among the variables under study—namely diversity predictors. The Pearson correlation coefficient (r) values range from greater than zero to one or less, indicating that as one variable increases or decreases, the other correlated variables shift in tandem in the same direction. Among these variables, gender diversity exhibits a notably high positive correlation with other tested parameters. Additionally, all diversity predictors show significant positive correlations with both employee performance and team effectiveness. The statistical significance of these relationships is underscored by p-values of 0.000 for correlations between gender, age, ethnic background, educational background and both employee performance and team effectiveness; this value is substantially below the

alpha threshold set for significance testing. Further analysis provided in Table 4.16, reveals similar significant positive correlations among individual performance-related factors (e.g., skill and knowledge alignment), communication skills alongside collaboration capabilities), adaptability levels in conjunction with task completion rates). Here again each corresponding relationship's statistical relevance is highlighted through p-values 0.000 significantly lower than common alpha benchmarks.

4.3.2. Multiple Regression Analysis

The research employed multiple linear regression analysis to develop a mathematical model that illustrates the relationship between independent variables and the dependent variable—namely, workforce diversity with employee performance and team effectiveness at Carolina Logistics Corporation.

Table 4.17. Regression Coefficient In the Case of Workforce Diversity on Individual Performance

Model		Unstandardized Coefficients	Standardized Coefficients	T	Sig.
		B	Beta		
1	(Constant)	6.344		2.924	.004
	Gender	2.128	.581	13.920	.000
	Education	.058	.015	.237	.813
	Ethnicity	.702	.208	5.115	.000
	Age	.734	.215	3.428	.001
R = 0.898, R ² = 0.807, Adjusted R ² = 0.804					
Dependent Variable Individual Performance					

Source: Own Survey 2024

The research conducted by Carolina Logistics Corporation illustrated that with no diversity (gender, age, ethnic, or educational held constant at zero), the baseline employee performance index stands at 6.344. Analysis further demonstrated compelling increments in employee performance corresponding to diversification as follows: a 1% increase in gender diversity elicits a 2.128% rise in performance; a similar enhancement in educational diversity contributes to a

0.058% improvement; an augmentation of ethnicity diversity by 1% accounts for a 0.702% boost; and each additional year in age diversity correlates with a performance spike of 0.734%. Statistical significance testing revealed distinct patterns among these variables: gender, ethnic, and age diversities are notably significant predictors of enhanced workforce efficacy within the corporation (p-values being <0.05). Specifically, p-values stood at less than .001 across gender and ethnic divergences while showing .001 for variations tied to age—all evidencing profound impacts on output quality upon increasing representation metrics within these groups. Conversely, education background depicted a contrasting impact—boasting less statistically relevance (p-value = .813) when set against typical thresholds for significance (.05), suggesting diminished predictive value regarding employability potential perceived through this specific facet of heterogeneity. Accruing all inference from empirical data underscored above into core insights offered actionable federation strategies around proven vectors like planned demographic inclusivity—illustrating causal mappings captured under our linear regression model refined as per documented findings from Table 4.17.

The adjusted R-squared value, which measures the goodness of fit for our model with significant variables, was recorded at 0.804, indicating that approximately 80.4% of the variance in employee performance can be attributed to variations in gender, age, ethnic, and educational diversity at a 95% confidence interval. This substantiates those distinctions in these demographic factors account for 80.4% of changes observed in employee performance at Carolina Logistics Corporation. Furthermore, the correlation coefficient (R), indicative of the relationship strength between study variables, revealed a moderate positive correlation as evidenced by a value of 0.898 (as shown in Table 4.17). In addition to this metric is the coefficient of determination (R-square), standing at 0.807 for our four independent variables—educational diversity, age diversity, ethnic diversity and gender diversity—which collectively elucidate an impressive expectant variance rate up to about 80.7% on employee performance. It must be noted though that there remains an unaccounted-for variance percentage totalling roughly around 19.3%, or conversely stated as projected from potentially influential yet non-considered predictors within this research scope while analysing Carolina Logistics Corporation's workforce dynamics.

Table 4.18 Regression Cof. In the Case of Workforce Diversity and Team Effectiveness

Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.
		B	Beta		
1	(Const.)	7.656		2.031	.043
	Gender	3.005	.679	11.317	.000
	Education	1.194	.262	2.812	.005
	Ethnicity	.753	.185	3.158	.002
	Age	-1.433	-.348	-3.853	.000
R = 0.776, R ² = 0.602, Adjusted R ² = 0.595					
Dependent Variable = Team Effectiveness					

Source: Own Survey 2024

The research findings indicate that with all variables related to diversity held constant at zero, the baseline team effectiveness at Carolina Logistics Corporation is quantified at 7.656. A one percent enhancement in gender diversity corresponds to a 3.005% increase in team effectiveness at the firm. Similarly, a one percent augmentation in educational diversity elevates employee performance by 1.194%. Additionally, improving ethnic diversity by one percent results in a 0.753% upsurge in employee performance. Conversely, an increase of one year in age diversity correlates with a decline of 1.433% in team effectiveness within the corporation. Moreover, statistical analysis confirms the significance of these variables (gender diversity, educational background, ethnic diversity and age diversity), as each exhibits p-values below the threshold of 0.05—specifically: gender diversity (p=0.000), educational background (p=0.005), ethnic diversity (p=0.002) and age diversity (p=0.000). This underpins their substantial impact on corporate dynamics as outlined above. In conclusion, the analysed data enabled the formulation of a fitted regression equation which quantifies how permutations in these factors affect overall performance metrics in Carolina Logistic Corporation where complete results can be observed in Table 4.18 from the provided study material.

The adjusted R-squared value, which evaluates the fit of the model using significant variables, was recorded at 0.595. This indicates that 59.5% of the variability in Team Effectiveness can be

attributed to variations in Gender, Age, Ethnicity, and Educational Diversity within a 95% confidence interval. This suggests that these factors account for approximately 59.5% of changes observed in Team Effectiveness at Carolina Logistics Corporation. Furthermore, the correlation coefficient (R) signifies the strength and direction of the relationship between study variables; it is notably presented as 0.776 according to Table 4.18 indicating a moderate positive relationship among them. Additionally, the coefficient of determination (R-squared) related to these four independent variables stands at 0.602. This implies that Educational Diversity, Age Diversity, Ethnic Diversity, and Gender Diversity collectively explain about 60.2% of variance in team effectiveness—the dependent variable under study. However, this model leaves approximately 39.8% (100%-60.2%) of variation unexplained suggesting existence of other pivotal variables contributing towards team effectiveness which were not captured in this analysis conducted at Carolina Logistics Corporation.

Table 4.19. Regression Coefficient in the Case of Employee Performance and Team Effectiveness

Model		Coefficients ^a			
		Unstandardized Coefficients	Standardized Coefficients	t	Sig.
		B	Beta		
1	(Constant)	2.367		1.014	.311
	Knowledge and skills	1.342	.291	3.947	.000
	Communication	1.127	.257	3.660	.000
	Adaptability	1.490	.380	8.135	.000
	Task Completion	2.146	.549	12.653	.000
R = 0.915, R ² = 0.837, Adjusted R ² = 0.834					
a. Dependent Variable: TETO					

Source: Own Survey 2024

The research findings indicate that with all variables related with individual performance held constant at zero, the baseline team effectiveness at Carolina Logistics Corporation is quantified at 2.367. A one percent enhancement in skills and knowledge corresponds to a 1.342% increase in team effectiveness at the firm. Similarly, a one percent augmentation in communication and collaboration elevates team effectiveness by 1.127%. Additionally, improving adaptability by one

percent results in a 1.490% upsurge in team effectiveness. Conversely, an increase of one year in task completion correlates with an incline of 2.146% in team effectiveness within the corporation. Moreover, statistical analysis confirms the significance of these variables (skill and knowledge, communication and collaboration, adaptability, task completion), as each exhibits p-values below the threshold of 0.05. This underpins their substantial impact on corporate dynamics as outlined above. In conclusion, the analysed data enabled the formulation of fitted regression equation which quantifies how permutations in these factors affect overall performance metrics in Carolina Logistic Corporation where complete resulted can be observed in Table 4.19 from the provided study material.

The adjusted R-squared value, a metric for assessing the fit of the model with selected significant variables, was reported at 0.834. This indicates that approximately 83.4% of the variability in Team Effectiveness can be attributed to changes in Individual Performance within a 95% confidence interval. The data suggests that these variations in Team Effectiveness at Carolina Logistics Corporation are largely accounted for by predictors related to Individual Performance. Additionally, the correlation coefficient (R), which quantifies the strength and direction of relationships between study variables, indicated a positive association as evidenced by a value of 0.915 as per Table 4.19. Furthermore, the coefficient of determination (R-squared) associated with four independent variables stands at 0.837. This implies that these factors—skill and knowledge, communication and collaboration, adaptability, and task completion—are responsible for explaining approximately 83.7% of fluctuations observed in the dependent variable: team effectiveness. Nevertheless, this analysis also reveals an unexplained variance amounting to about 16.3% (100% - 83.7%). Thusly indicating that there exist additional influential variables pertinent to exploring team effectiveness which were not included within this research framework conducted at Carolina Logistics Corporation.

4.3.3. Mediation Analysis

Table: 4.20. Processor macro mediation analysis

Variables	Coefficient	LLCI	ULCI	Decision
Gender	2.608	1.539	3.731	Mediate
Educational	3.108	1.866	4.293	Mediate
Ethnicity	2.603	1.513	3.603	Mediate
Age	3.270	2.308	4.102	Mediate

Source: Own Survey 2024

The analysis demonstrates that individual performance (IPTO) significantly mediates the relationship between gender diversity (DGTO) and team effectiveness (TETO). While gender diversity directly enhances team effectiveness, a significant portion of this enhancement is mediated through improved individual performance, indicating the importance of fostering individual capabilities in diverse teams to achieve optimal team outcomes. This finding fills the gap by highlighting the mediating role of individual performance, suggesting that interventions aimed at improving individual performance can amplify the positive effects of workforce diversity on team effectiveness.

On the other hand, that individual performance (IPTO) significantly mediates the relationship between the educational background diversity (DEBTO) and team effectiveness (TETO). While the educational background diversity directly reduces team effectiveness, a substantial positive impact on team effectiveness is mediated through improved individual performance. This finding highlights the importance of fostering individual performance as a mechanism to leverage the benefits of financial structure adjustments in enhancing team outcomes. This fills the gap by illustrating the mediating role of individual performance, suggesting that strategies aimed at improving individual performance can mitigate the direct negative effects of higher educational background diversity on team effectiveness.

Also, its demonstrates that individual performance (IPTO) significantly mediates the relationship between ethnicity diversity (DETO) and team effectiveness (TETO). While ethnicity diversity

directly reduces team effectiveness, a substantial positive impact on team effectiveness is mediated through improved individual performance. This finding highlights the importance of fostering individual performance as a mechanism to leverage the benefits of ethnic diversity in enhancing team outcomes.

In the case of forth variable, that individual performance (IPTO) significantly mediates the relationship between age diversity (DATO) and team effectiveness (TETO). While age diversity directly reduces team effectiveness, a substantial positive impact on team effectiveness is mediated through improved individual performance. This finding highlights the importance of fostering individual performance as a mechanism to leverage the benefits of age diversity in enhancing team outcomes.

4.4. Discussion of Results

The regression analysis results for Carolina Logistics Corporation indicate that workforce diversity significantly impacts individual performance. Gender diversity has the most substantial positive effect, with a 1% increase in gender diversity leading to a 2.128% rise in performance. Ethnic and age diversity also positively influence performance, with effects of 0.702% and 0.734%, respectively. However, educational diversity has a negligible impact, shown by its statistically insignificant p-value (0.813). The model's high adjusted R-squared value (0.804) suggests that 80.4% of the variation in individual performance can be explained by these diversity factors, affirming their critical role in enhancing workforce efficacy. The strong correlation ($R = 0.898$) further underscores the positive relationship between diversity and performance. These findings highlight the importance of demographic inclusivity in driving employee performance improvements.

Table 4.20 Hypothesis and its Acceptance

Hypothesis	It's Acceptance
❖ <i>Workforce diversity (gender, education, ethnicity, age) has a significant positive effect on Individual performance and team effectiveness</i>	
Gender diversity has a significant positive effect on Individual performance and team effectiveness.	Coefficient = (2.128 and 3.005) Significant = (0.000 and 0.000) Accepted
Educational background diversity has a significant positive effect on Individual performance and team effectiveness.	Coefficients = (.058 and 1.194) Significant = (0.813 and 0.005) Accepted for team but Not accepted for individual performance (Non-significant)
Ethnicity diversity has a significant positive effect on Individual performance and team effectiveness.	Coefficients = (.702 and 0.753) Significant = (0.000 and 0.002) Accepted
Age diversity has a positive significant effect on individual performance and team effectiveness.	Coefficients = (.734 and 1.433) Significant = (0.001 and 0.000) Accepted
❖ <i>Individual Performance (knowledge and skills, communication and collaboration, adaptability, task completion) has a significant positive effect on team effectiveness.</i>	
Knowledge and skills have a positive significant effect on team effectiveness	Coefficients = 1.342 Significant = 0.000 Accepted
Communication and collaboration have a significant positive effect on team effectiveness	Coefficients = 1.127 Significant = 0.000 Accepted
Adaptability has a significant positive effect on team effectiveness.	Coefficients = 1.490 Significant = 0.000 Accepted
Task completion has a significant positive	Coefficients = 2.146

effect on team effectiveness.	Significant = 0.000 Accepted
❖ Individual Performance mediate the relationship between workforce diversity and team effectiveness.	
Individual performance mediates the relationship between gender diversity and team effectiveness	(LLCI = 1.539 ULCI = 3.731)
Individual performance mediates the relationship between education background diversity and team effectiveness	(LLCI = 1.866 ULCI = 4.293)
Individual performance mediates the relationship between ethnicity diversity and team effectiveness	(LLCI = 1.513 ULCI = 3.603)
Individual Performance mediate the relationship between age diversity and team effectiveness	(LLCI = 2.308 ULCI = 4.102)

Source: Own Survey 2024

The regression results show that gender diversity positively effect individual performance, with a coefficient of 2.128 and a significance level of 0.000. This implies that increased gender diversity within organizations enhances individual performance. Research by Díaz-García et al. (2013) investigates the impact of gender diversity on innovation and firm performance. The study reveals that gender diversity at various organizational levels significantly boosts innovation, which is a critical driver of performance. Gender diversity brings diverse perspectives and cognitive approaches, enhancing problem-solving and decision-making processes. These benefits are noted to be significant regardless of the country's level of gender equality, emphasizing the inherent value of gender diversity in driving firm performance. A study by Cur eu and Pluut (2013) explores how gender diversity in group settings enhances individual and group performance. The findings indicate that groups with a balanced gender composition or female-dominated groups tend to outperform male-dominated groups in terms of academic achievements. This is attributed to better organization, planning, and satisfaction with

educational activities among women, which collectively improve the quality of group discussions and subsequently enhance performance. According to the regression results, educational background diversity improves individual performance, reflected by a coefficient of 0.018 but not significant with p-value of 0.813. A study by Backes- Gellner and Veen (2013) explores the influence of educational diversity on individual performance and pay. It suggests that educational diversity can enhance individual performance by bringing a variety of knowledge and skills to the workplace. However, the impact may vary based on the complexity of tasks and the length of team interactions. The study provides empirical evidence supporting the notion that educational diversity positively affects group performance, though the results are context-dependent and not always statistically significant. This article by Ayub and Jehn (2021) discusses various facets of diversity, including educational background diversity, and its effects on organizational and individual performance. It highlights that educational diversity contributes to the overall skill set and knowledge base within an organization, which can enhance performance. However, the significance of this effect is moderated by factors such as leadership expertise and diversity beliefs, which can either amplify or diminish the benefits of educational diversity. The analysis indicates that ethnicity diversity has a significant positive effect on individual performance, with a coefficient of 0.702 and a p-value of 0.000. This suggests that gender diversity enhances individual performance in organizations. A study conducted by the Greater Good Science Centre at UC Berkeley by Phillips (2014) discusses the impact of diversity on individual and team performance. The research highlights that ethnic diversity significantly improves performance in small decision-making groups. Diverse groups outperformed homogeneous ones by effectively processing information and fostering creativity and innovation. This aligns with findings that ethnic diversity in organizations enhances individual performance by bringing varied perspectives and promoting broader thinking. A study by McLeod et al (1996) investigated the effects of racial diversity on team and individual performance. The findings indicate that racial diversity positively influences individual performance by promoting cognitive diversity, which enhances problem-solving and decision-making abilities. The study supports the notion that organizations with higher levels of ethnic diversity benefit from increased performance and innovation. The findings show that age diversity significantly enhances individual performance, with a coefficient of 0.734 and a p-value of 0.000. This means that fostering gender diversity in organizations leads to better individual performance. Menghini et al.

(2022) examined the age diversity climate within workplaces and its effects on individual-level outcomes. The study found that a supportive age diversity climate can significantly improve job-related well-being and reduce intentions to quit among employees, highlighting the positive outcomes of age diversity in organizational settings. Göbel and Zwick (2009) explored the relationship between age diversity and productivity using linked employer-employee data. They found that age diversity positively impacts productivity, suggesting that age-diverse teams can enhance overall organizational performance due to the varied experiences and perspectives they bring.

The regression results show that gender diversity positively impacts team effectiveness, with a coefficient of 3.005 and a significance level of 0.000. This implies that increased gender diversity within organizations enhances team effectiveness. A study by Hoogendoorn, Oosterbeek, and Van Praag (2013) explores the effect of gender diversity on team performance within business teams. The research, conducted as a field experiment, found that teams with an equal gender mix performed significantly better than male-dominated teams in terms of sales and profits. The positive impact of gender diversity was attributed to the variety of perspectives and skills that diverse teams bring to problem-solving and decision-making processes. This study by Dwyer, Richard, and Chadwick (2003) examines the relationship between gender diversity in management and firm performance. It concludes that gender diversity positively impacts firm performance, especially in organizations with a strong growth orientation and supportive organizational culture. The study highlights that gender-diverse teams can leverage diverse viewpoints and experiences, leading to more innovative solutions and better performance outcomes. According to the regression results, educational background diversity improves team effectiveness, reflected by a coefficient of 1.194 but not significant with p-value of 0.005. This implies that increased gender diversity within organizations enhances team effectiveness.. Akinola, M. (2023) research emphasizes the importance of leadership in fostering diversity and notes that educational diversity can enhance team performance by bringing in different perspectives and problem-solving approaches. This is particularly effective when combined with strong leadership and organizational commitment to diversity initiatives. Neale et al (2024) research explores how different types of diversity, including educational diversity, impact team performance. The study found that teams with a mix of educational backgrounds tend to perform

better on complex tasks that require collaboration and information sharing. This diversity promotes innovative thinking and effective problem-solving. The analysis indicates that ethnicity diversity has a significant positive effect on team effectiveness, with a coefficient of 0.753 and a p-value of 0.002. This suggests that gender diversity enhances team effectiveness in organizations. Ely and Thomas (2001) investigate the impact of cultural diversity, including ethnicity, on work group processes and outcomes. Their findings indicate that teams with higher ethnic diversity perform better due to the wide range of perspectives and problem-solving approaches that diversity brings. The positive effects are particularly pronounced in organizations that actively embrace and value diversity, suggesting that inclusive practices enhance the benefits of diversity. The findings show that age diversity significantly enhances team effectiveness, with a coefficient of 1.433 and a p-value of 0.000. This means that fostering gender diversity in organizations leads to better team effectiveness. Randel et al (2016) study highlights that age diversity contributes to better team outcomes through enhanced decision-making and increased knowledge sharing. The diverse experiences of team members across different age groups allow for more comprehensive discussions and better decision-making processes, ultimately leading to higher team performance and effectiveness. One notable study by Schmidt et al (2008) found that age-diverse teams benefit from a wider range of perspectives and experiences, which can lead to more innovative solutions and improved team performance. The study demonstrated that age diversity positively correlates with team effectiveness, particularly in environments where tasks require high levels of creativity and problem-solving.

Research indicates that individual performance predictors are positively correlated with team effectiveness and statistically significant p-values of 0.000. This finding suggests that knowledge and skills, communication and collaboration, adaptability and task completion can enhance team effectiveness. Notably, Salas et al. (2009) in their meta-analysis revealed that teams consisting of members with diverse and specialized knowledge tend to display enhanced performance levels and innovation capacity. Similarly, Hackman's 2002 study reinforces the critical nature of task-specific competencies, underlining how individual abilities substantially contribute to overall team success. Mathieu et al.'s (2008) thorough review illustrated that teams exhibiting strong interpersonal communications coupled with cooperative behaviours often deliver superior performance results and achieve goals more effectively. Further supporting this notion, Pearce

and Barkus (2004) investigated the synergy between hierarchical leadership models combined with shared leadership approaches, demonstrating a notable improvement in communication efficiency which subsequently elevates overall team productivity. In their 2006 study on proactive behaviour in professional settings, Parker et al. discovered that team members who are adaptable exhibit enhanced resilience and superior problem-solving skills, thereby significantly contributing to the overall performance of their teams. Furthermore, in 2012, Zaccaro and colleagues emphasized the critical function of team leadership in nurturing adaptive behaviours among individuals which, in turn, bolsters team efficacy. Ilgen and colleagues (2005) explored various team processes and identified task-oriented attributes like diligence and accountability as substantial contributors to enhancing team productivity. Moreover, Campion et al.'s research conducted in 2011 into workgroup dynamics underscores effective task management as crucial for realizing specific group objectives—establishing it as indispensable for optimal operational performance.

The results of adjusted R square imply Individual Performance have a mediate role in the relationship between workforce diversity and team effectiveness. The adjusted R square of workforce diversity and team effectiveness shows 0.595 and the adjusted R square of individual performance and team effectiveness shows 0.834 which implies workforce diversity have better and more positive influence on team effectiveness through individual performance. Jehn (1995) and Milliken & Martins (1996) have provided evidence that teams comprised of diverse members in terms of gender, educational backgrounds, ethnicity, and age are more innovative and effective in decision-making. These benefits are partly due to the mediating role of individual performance factors like task completion and adaptability, which contribute significantly to team effectiveness metrics (Ilgen et al., 2005; Mathieu et al., 2008). Furthermore, research by Ilgen et al. (2005) and Mathieu et al. (2008) supports the notion that individual performance is a crucial mediator between workforce diversity and team effectiveness. Task completion and adaptability have been underscored as pivotal elements that facilitate the positive impact of diversity on both innovation within teams and the achievement of goals (Horwitz & Horwitz, 2007). In summary, it is evident from these studies that individual performance substantially influences how diversity within teams translates into greater overall effectiveness. The incorporation of varied perspectives and skills enhances not only innovation but also clarifies goals and augments flexibility in role functions. It is recommended for future

investigations to delve further into the complex interplays among workforce diversity, individual performance levels, and team efficacy in order to refine strategies for maximizing organizational success.

CHAPTER FIVE

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter offers a comprehensive discussion of the research findings. It summarizes both the descriptive and inferential analyses presented in the preceding chapter. Furthermore, it includes recommendations proposed by the researcher based on these findings. The final section provides a conclusive overview of the entire research project, encapsulating all key insights and outcomes.

5.2. Summary of Major Findings

Gender diversity significantly impacts individual performance, with a 1% increase in gender diversity leading to a 2.128% rise in performance. This effect is statistically significant ($p < 0.001$), indicating a strong and positive influence of gender diversity on workforce effectiveness. Educational diversity has a minimal effect on individual performance, with a 1% increase in educational diversity contributing to only a 0.058% improvement in performance. This effect is not statistically significant ($p = 0.813$), suggesting that educational diversity is not a strong predictor of performance in this model. Ethnicity diversity has a significant and positive effect on individual performance. A 1% increase in ethnicity diversity results in a 0.702% boost in performance. This impact is statistically significant ($p < 0.001$), highlighting ethnicity diversity as a crucial factor in enhancing workforce performance. Age diversity also positively influences individual performance, with each additional year in age diversity correlating with a 0.734% increase in performance. This relationship is statistically significant ($p = 0.001$), demonstrating the importance of age diversity in improving employee outcomes. Overall, the model shows that gender, ethnicity, and age diversity significantly enhance individual performance, while educational diversity has a negligible and non-significant effect. The adjusted R-squared value of 0.804 indicates that these diversity factors explain approximately 80.4% of the variance in employee performance.

Gender diversity significantly enhances team effectiveness. A 1% increase in gender diversity leads to a 3.005% rise in team effectiveness. This impact is statistically significant ($p < 0.001$), indicating a strong positive effect of gender diversity on team dynamics. Educational diversity

also positively influences team effectiveness. A 1% increase in educational diversity contributes to a 1.194% improvement in team effectiveness. This relationship is statistically significant ($p = 0.005$), suggesting that educational diversity is an important factor in enhancing team performance. Ethnicity diversity positively affects team effectiveness, with a 1% increase in ethnicity diversity resulting in a 0.753% boost in team effectiveness. This effect is statistically significant ($p = 0.002$), highlighting ethnicity diversity as a meaningful contributor to team success. Age diversity has a negative effect on team effectiveness. An increase of one year in age diversity correlates with a 1.433% decline in team effectiveness. This negative impact is statistically significant ($p < 0.001$), suggesting that greater age diversity may pose challenges to team cohesion and performance. Overall, the model shows that gender, educational, and ethnicity diversity positively influence team effectiveness, while age diversity has a detrimental effect. The adjusted R-squared value of 0.595 indicates that these diversity factors explain approximately 59.5% of the variance in team effectiveness. The correlation coefficient (R) of 0.776 suggests a moderate positive relationship between the diversity factors and team effectiveness.

Knowledge and skills significantly enhance team effectiveness. A 1% increase in knowledge and skills leads to a 1.342% rise in team effectiveness. This impact is statistically significant ($p < 0.001$), indicating a strong positive effect of knowledge and skills on team performance. Communication and collaboration also positively influence team effectiveness. A 1% increase in communication results in a 1.127% improvement in team effectiveness. This relationship is statistically significant ($p < 0.001$), suggesting that effective communication is a key factor in enhancing team performance. Adaptability has a positive effect on team effectiveness, with a 1% increase in adaptability resulting in a 1.490% boost in team effectiveness. This effect is statistically significant ($p < 0.001$), highlighting adaptability as an important contributor to team success. Task completion strongly impacts team effectiveness. A 1% increase in task completion corresponds to a 2.146% increase in team effectiveness. This effect is statistically significant ($p < 0.001$), emphasizing the critical role of task completion in team performance. Overall, the model shows that knowledge and skills, communication, adaptability, and task completion positively influence team effectiveness. The adjusted R-squared value of 0.834 indicates that these individual performance factors explain approximately 83.4% of the variance in team

effectiveness. The correlation coefficient (R) of 0.915 suggests a strong positive relationship between individual performance factors and team effectiveness.

The mediation analysis results demonstrate the significant role of individual performance (IPTO) as a mediator in the relationship between various aspects of workforce diversity and team effectiveness (TETO). A significant portion of the positive impact of gender diversity on team effectiveness is mediated through improved individual performance. This suggests that fostering individual capabilities in diverse teams is crucial for optimizing team outcomes. Despite the direct negative effect, improved individual performance significantly mediates the relationship, resulting in a substantial positive impact on team effectiveness. This indicates that strategies aimed at enhancing individual performance can mitigate the negative effects of higher educational diversity on team outcomes. Similar to educational diversity, the negative impact of ethnicity diversity on team effectiveness is countered by a substantial positive mediation effect through improved individual performance. This emphasizes the importance of fostering individual performance to leverage the benefits of ethnic diversity. The analysis shows that the negative impact of age diversity is mediated by individual performance, leading to an overall positive effect on team effectiveness. This highlights the significance of focusing on individual performance to capitalize on the advantages of age diversity. In conclusion, the analysis reveals that while certain types of diversity may have direct negative effects on team effectiveness, these effects can be positively mediated through improvements in individual performance. Therefore, enhancing individual capabilities within a diverse workforce is crucial for realizing the full benefits of diversity on team effectiveness.

The regression analyses conducted on both employee performance and team effectiveness at Carolina Logistics Corporation have yielded significant results, with p-values below 0.05. The adjusted R-square values stand at 0.804 for employee performance and 0.595 for team effectiveness, indicating that 80.4% and 59.5% of the variance in these metrics respectively can be attributed to factors such as gender, educational background, ethnicity, and age diversity. Among these variables, gender diversity is identified as having the most pronounced impact on both dependent variables according to the regression coefficients obtained from the analysis. This executive summary presents key insights from the SPSS statistical evaluation, emphasizing how diversity in terms of gender, education, ethnicity, and age significantly influences outcomes

related to employee performance and team dynamics within the organization. These findings highlight a critical need for adeptly managed diversity strategies to bolster overall organizational effectiveness at Carolina Logistics Corporation.

5.3. Conclusion

The findings from the analyses indicate that workforce diversity significantly impacts both individual performance and team effectiveness at Carolina Logistics Corporation. Gender, educational background, ethnicity, and age diversity all play crucial roles in shaping team outcomes. Notably, gender diversity positively influences team effectiveness directly and through improved individual performance, while educational background, ethnicity, and age diversity, though they may reduce team effectiveness directly, ultimately contribute positively when mediated by enhanced individual performance. The overall conclusion is that while diversity can introduce challenges to team effectiveness, the development and enhancement of individual performance within diverse teams can substantially mitigate these challenges and even turn diversity into a strength. This underscores the importance of targeted strategies aimed at improving individual capabilities to maximize the benefits of a diverse workforce, fostering both higher individual performance and overall team success.

The relationship between diversity in gender, educational background, ethnicity, and age with employee performance at Carolina Logistics Corporation has been shown to be positive. This correlation indicates that a diverse workforce not only enhances individual productivity but also contributes to improved team effectiveness. Our research results affirm the significant impact of these dimensions of diversity on organizational success and emphasize their relevance in strategic corporate planning and management decisions. Of note, gender diversity and age diversity are particularly strong predictors of favourable outcomes while ethnic diversity displays a moderate influence. To leverage these findings into tangible benefits for Charlotte Logistics Corporation, we recommend the adoption of inclusive hiring practices, advancement opportunities for diverse leadership development, and fostering an inclusive culture within the organization. In conclusion, this analysis highlights the critical importance of embracing workforce diversity as a strategic asset capable of driving higher employee performance and broader team effectiveness which is fundamental to Carolina Logistic Corporation's sustained growth. Organizational leaders are thus encouraged to implement recommendations from this

study to enhance diversification initiatives effectively. At Carolina Logistics Corporation, the impact of individual performance on team effectiveness is significant. The enhancement of skills, communication abilities, adaptability, and timely task completion correlates positively with enhanced team outcomes including support for innovation, clearer vision alignment, and improved role efficacy. These findings highlight the critical importance of investing in initiatives aimed at developing individual skills and enhancing performance to bolster overall team effectiveness within our organization. The importance of individual performance is critical in harnessing the advantages of workforce diversity to boost team effectiveness. By concentrating on cultivating personal competencies, enhancing communication efficacy, encouraging flexibility, and prioritizing task fulfillment, organizations can capitalize on their diverse workforce composition to significantly elevate team performance outcomes.

5.4. Recommendations for Future Implications

1. Leveraging Gender Diversity for Enhanced Individual and Team Performance

Since gender diversity significantly enhances both individual performance and team effectiveness, Carolina Logistics Corporation should prioritize gender balance in recruitment and team composition. Specific initiatives include implementing mentorship programs to support gender diversity in roles traditionally underrepresented by either gender. Additionally, fostering an inclusive work environment through gender-sensitive training can further boost collaborative team effectiveness, as diverse perspectives strengthen problem-solving and decision-making.

2. Optimizing Educational Background Diversity

Educational diversity has a positive impact on team effectiveness but showed minimal influence on individual performance. Therefore, it is recommended to leverage educational diversity specifically for team projects requiring complex problem-solving. Carolina Logistics Corporation should encourage team-based learning sessions where employees share their specialized knowledge, enhancing team innovation. Customized development programs should also be introduced to bridge knowledge gaps and ensure educational diversity contributes effectively to team goals.

3. Enhancing Ethnic Diversity for Individual and Team Success

Since ethnic diversity positively affects both individual and team performance, the company should cultivate an environment that promotes cultural competence and inclusivity. Practical steps include cross-cultural training and structured team-building exercises that allow team members to appreciate diverse viewpoints. Encouraging open communication and respect for different cultural backgrounds can enhance team cohesion and innovation, reinforcing the positive impacts of ethnic diversity on team effectiveness.

4. Maximizing Age Diversity Benefits while Addressing Potential Conflicts

Age diversity was shown to positively influence individual performance but had a complex relationship with team effectiveness. To harness the benefits of age diversity while mitigating potential conflicts, Carolina Logistics Corporation could implement intergenerational mentoring and knowledge-sharing programs. Younger and older team members can be paired to share insights and skills, promoting mutual understanding and reducing generational conflicts within teams.

5. Enhancing Individual Performance Predictors to Boost Team Effectiveness

Since knowledge and skills, communication and collaboration, adaptability, and task completion were all found to significantly mediate the relationship between workforce diversity and team effectiveness, Carolina Logistics Corporation should focus on tailored training programs that strengthen these individual performance dimensions. Specifically:

Knowledge and Skills: Offer regular skill enhancement workshops to maintain high levels of expertise.

Communication and Collaboration: Facilitate team-building activities that encourage open communication and strengthen collaborative practices.

Adaptability: Provide resilience and adaptability training to help employees adjust to changes quickly and enhance their problem-solving skills.

Task Completion: Encourage accountability and provide clear task objectives to ensure all team members are aligned in their goals, promoting efficient task management and role fulfillment.

6. Continuous Evaluation and Adjustments of Diversity Initiatives

To ensure the sustained effectiveness of these diversity initiatives, Carolina Logistics Corporation should conduct regular assessments of workforce diversity impacts, with specific attention to the mediating role of individual performance. This could involve using data-driven evaluations similar to those employed in the study, allowing for adjustments to strategies as needed based on performance metrics.

5.4.1. Recommendations for more research

This investigation serves as a foundational guideline for future research. It primarily focuses on workforce diversity, analysing how diverse attributes such as gender, ethnicity, age, and educational background impact employee performance and team effectiveness at CLC. The findings indicate that these diversity factors significantly influence outcomes within the organization. At CLC, diversity is not only acknowledged but embraced, underscoring its importance in a team-based institutional framework. Emphasizing the utilization of demographic categories enhances the selection process within such corporate entities. Smith (2010) posits that robust diversity practices contribute positively to both individual performance and overall organizational efficacy. This study serves as an imperative reference for subsequent inquiries into how variations in gender, age, ethnicity, and educational attainment may affect both personal achievements and group productivity in a corporate setting.

Firstly, the results of this research primarily focus on investigating the effects of performance of individual employees with that of teams, rather than examining their impact on overall organizational performance. Consequently, it is anticipated that future studies was delve deeper into this area.

Secondly, it is essential for researchers to reach a consensus regarding how workforce diversity is perceived and to establish a universally accepted definition. Doing so was facilitate further investigations into the potential benefits and ramifications of workforce diversity on both individual performance and team effectiveness.

Thirdly, measurement tools and items borrowed from other studies should be adapted to better fit the context of this research. It is crucial to conduct validity tests to ensure the accuracy of these measures. Additionally, future studies should consider increasing the sample size to more

accurately represent the target population and extend their investigations beyond a single institution for more robust findings.

Lastly, considering that this study focused solely on quantitative data, it is recommended that future research incorporates both quantitative and qualitative methods. This approach was likely providing a more comprehensive understanding of how workforce diversity impacts employee performance and team effectiveness.

Reference

- Abbas, Q., Hameed, A., & Waheed, A. (2011). Gender discrimination & its effect on employee performance/productivity. *International Journal of Humanities and Social Science*, 1(15), 170-176.
- Al-Ahmad R & Alkhawlan M. (2017). The effect of workforce diversity on employee performance: Conceptual Framework. 2017;3(3).
- Amabile, T. M. (1997). Motivating creativity in organizations: On doing what you love and loving what you do. *California Management Review*, 40(1), 39-58.
- Amanda Kelly, 2015.7 ways to improve team performance
- Amason, A. C., Shrader, R. C., & Tompson, G. H. (2006). Newness and novelty: Relating top management team composition to new venture performance. *Journal of Business Venturing*, 125–148.
- Amason, A. C., Shrader, R. C., & Tompson, G. H. 2006. Newness and novelty: Related top management team composition to new venture performance. *Journal of Business Venturing*, 21: 125-148.
- An, J-Y., Yom, Y-H., and Ruggiero, J.S. (2011). Organisational culture, quality of work life, and organisational effectiveness, in Korea university hospitals. *Journal of Tran cultural Nursing*, 22(1), 22-30.
- Australian Journal of Basic and Applied Sciences*, 11(12) September 2017, Pages: 1-7
- Backes-Gellner, U., & Veen, S. (2009). The impact of aging and age diversity on company performance
- Bacon, N. & Blyton, P. (2006) The Antecedents of Training Activity in British Small and Medium – Sized Enterprises, *Work, Employment and Society*, Vol.18, No.4, pp.749-773
- Bantel, K. A., & Jackson, S. E. (1989). Top management and innovations in banking: Does the composition of the top team make a difference? *Strategic management journal*, 10(S1), 107-124.
- Bantel, K. A., & Jackson, S. E. 1989. Top management and innovation in banking: Does the composition of the top team make a difference? *Strategic Management Journal*, 10: 107-124.
- Bass, B. M., & Avolio, B. J. (1994). *Improving organizational effectiveness through transformational leadership*. Sage Publications.

- Beal, Brain (2003), "Teamwork –the key to staff development", *Career Development International*, 8/5 pp. 235-240
- Bell, S. T. 2007. *Deep-level composition variables as predictors of team performance: A meta-analysis. Journal of Applied Psychology*, 92: 595-615.
- Bell, S.T. & A.J. Villado, Lukasik, M.A., Belau, L. & Briggs, A.L. (2011). *Getting specific about demographic diversity variable and team performance relationship: A meta analysis. Journal of Management*, 37(3), 709-743.
- Benschop, Y. (2001). *Pride, prejudice and performance: Relations between HRM, diversity and performance. International Journal of Human Resource Management*, 12, 1166-1181.
- Benschop, Y. (2001). *Pride, prejudice and performance: relations between HRM, diversity and performance. International Journal of Human Resource Management*, 12(7), 1166-1181.
- Benschop, Y. (2001). *Pride, prejudice and performance: Relations between HRM, diversity and performance. International Journal of Human Resource Management*, 12, 1166-1181.
- Bhatia, S., & Arora, R. (2008). *Genetic diversity in Kheri—A pastoralists developed Indian sheep using microsatellite markers*
- Bhushan, A. (2016). *Gender discrimination at Work Place ant its impact on Employee's Performance.*
- Bhushan, A. (2016). *Gender discrimination at Work Place ant its impact on Employee's Performance.*
- Boehm, S. A., & Kunze, F. (2015). *Age diversity and age climate in the Workforce Aging workers and the employee-employer relationship (pp. 33-55): Springer.*
- Brown, B. (2009). *The „I“ in team : Effects of Performance Appraisal Type on Teamwork Variables , All Theses, Paper 692*
- Brown, S. L. (2008). *Diversity in the Workforce : A study of gender, race, age, and salary level: Capella University.*
- Burns, J.M. (1978). *Leadership. New York: Harper and Row.*
- Buttenhausen, K.L. (1991), "Five years of groups research: what we have learned and what needs to be addressed", *Journal of Management*, Vol. 17 No. 2, pp. 345-81.
- Byars, R. a. (1993). *Supervision: Key link to productivity (4th ed.). Chicago: Irwin.*

- Campion, M. A., Medsker, G. J., & Higgs, A. C. (1993). *Relations between work group characteristics and effectiveness: Implications for designing effective work groups. Personnel Psychology, 46*(4), 823–850.
- Campion, M. A., Papper, E. M., & Medsker, G. J. (2011). Relations between work group characteristics and effectiveness: Implications for designing effective work groups. *Personnel Psychology, 44*(2), 343-362.
- Carrell, M. R., Mann, E. E., & Sigler, T. H. (2006). *Defining workforce diversity programs and practices in organizations: A longitudinal study. Labor Law Journal, 57*(1), 5.
- Cascio. (2000). *Coasting human resource, The financial impact of behavior in organization (4th ed.)*.
- Chaudhry, S. (2016). *Role of gender and ethnicity diversity on the performance of employee. International Journal of Research in IT and Management, 6*(11), 112-119.
- Chen, L., & Wang, Y. (2022). *Servant Leadership in the Digital Age. Journal of Leadership & Organizational Studies, 29*(1), 25-38.
- Chew, E. W., Lee, K. M., Tan, S. C., & Tee, S. F. (2011). *The effects of workforce diversity towards the employee performance in an organization. UTAR*.
- Chowdhury, S. (2005). *Demographic diversity for building an effective entrepreneurial team: Is it Important?. Journal of Business Venturing, 20*(6), 727-746.
- Connell, R. (2002). *Gender. Cambridge, UK: Blackwell Publishers*.
- Cooper, D. R., & Schindler, P. S. (2003). *Business Research Methods 8th ed New York: Me Graw & Hill*.
- Cornelius, N. (2001). *Human resource management: A managerial perspective: Cengage Learning EMEA*.
- Cox, J., Pearce, C. L., & Perry, M. L. (2003). *Toward a model of shared leadership and distributed influence in the innovation process: How shared leadership can enhance new product development team dynamics. In M. M. Beyerlein, D. A. Johnson, & S. T. Beyerlein (Eds.), Advances in interdisciplinary studies of work teams (Vol. 9, pp. 53-77). Emerald Group Publishing Limited*.

- Cox, T. (1993). *Cultural diversity in organizations: Theory, research, and practice*. San Francisco, CA: Berrett-Koehler Publishers.
- Cox, T. (1994). *Cultural diversity in organizations: Theory, research, and practice*. San Francisco: Berrett Koehler.
- Cox, T. H. (2001). Managing cultural diversity: Implications for organizational competitiveness. *Academy of Management Executive*, 5(3), 45-56.
- Cox, T. H. (2001). Managing cultural diversity: Implications for organizational competitiveness. *Academy of Management Executive*, 5(3), 45-56.
- Cox, T., Lobel, S.A., McLeod, P.L., 1991. *Effects of ethnic group cultural differences on cooperative and competitive behavior on a group task*. *Academy of Management Journal*, 4, pp. 827–847.
- Dahlin, K., Weingart, L. & Hinds, P. (2005). *Team diversity and information use*. *The Academy of Management Journal* 48 (6), 1107–1123.
- Dahlin, K., Weingart, L. & Hinds, P. (2005). *Team diversity and information use*. *The Academy of Management Journal* 48 (6), 1107–1123
- Damanpour, F. (1991). *Organizational innovation: A meta-analysis of effects of determinants and moderators*. *Academy of Management Journal*, 34(3), 555-590.
- David finch, 2007. *8 Basic sty at egress for effective team raiding*.
- De Dreu, C. K. W., & Weingart, L. R. (2003). Task versus relationship conflict, team performance, and team member satisfaction: A meta-analysis. *Journal of Applied Psychology*, 88(4), 741-749.
- DeChurch, L. A., & Mesmer-Magnus, J. R. (2010). The cognitive underpinnings of effective teamwork: A meta-analysis. *Journal of Applied Psychology*, 95(1), 32-53.
- Devine, D. J. 2002. *A review and integration of classification systems relevant to teams in organizations*. *Group Dynamics*, 6: 291-310.
- Devine, D. J., & Phillips, J. L. 2001. *Do smarter teams do better*. *Small Group Research*, 32: 507-532.
- Dijk, H.V., Engen, M.L.V., & Knippenberg, D.V. (2012). *Defying conventional wisdom: A meta-analytical examination of the differences between demographic and job-related diversity relationships with performance*. *Organisational behaviour and Human Decision Process*, 119, 38-53.

- Dillenbourg, P. (1999). What do you mean by “collaborative learning”? In P. Dillenbourg (Ed.), *Collaborative-learning: Cognitive and computational approaches* (pp. 1–19). Elsevier.
- Eagly, A. H., & Wood, W. (1991). Explaining sex differences in social behaviour: A meta-analytic perspective. *Personality and social psychology bulletin*, 17(3), 306-315
- Eccles, M. Smith, J. Tannic, M. Van, P. belle, S. Vardar watt, 2010. *collocation impact on team effectiveness.*
- Eduard – News in. 2nd march 2010;2010.
- Elsaid, A. M. (2012). The effects of cross-cultural work force diversity on employee performance in Egyptian pharmaceutical organizations. *Business and Management Research*, 1(4), 162.
- Ely, R. J., & Thomas, D. A. (2001). Cultural diversity at work: The effects of diversity perspectives on work group processes and outcomes. *Administrative science quarterly*, 46(2), 229-273.
- Ely, R. J., & Thomas, D. A. (2001). Cultural diversity at work: The effects of diversity perspectives on work group processes and outcomes. *Administrative Science Quarterly*, 46(2), 229-273.
- Ely, R. J., & Thomas, D. A. (2001). Cultural diversity at work: The effects of diversity perspectives on work group processes and outcomes. *Administrative Science Quarterly*, 46(2), 229-273.
- Ensley, M. D., & Hmieleski, K. M. (2005). A comparative study of new venture top management team composition, dynamics and performance between university-based and independent start-ups. *Research Policy*, 1091–1105.
- Erasmus, L. (2007). *The management of workforce diversity and implications for leadership at financial asset services.* University of Johannesburg
- Garcia, R., & Martinez, M. G. (2021). Assessing and Cultivating Innovation Climate in Organizations. *European Journal of Innovation Management*, 24(1), 153-176.
- Gelner, C., & Stephen, V. (2009). The impact of aging and age diversity on company performance. *Academy of Management Executive*, 14(1), 93-105.
- Gibson, C.B. Zellmer, M.E. Bruhm and D.P. Schwab, 2003. Team effectiveness across contexts . *Group and organizational management*, 28(4): 444-474.

- Gilbert, J.A. and Ivancevich, J.M. (2000). *Valuing diversity: a tale of two organizations*. *Academy of Management Executive*. 14 (1), 93–105.
- Gitonga, D. W., Kamaara, M., & Orwa, G. (2016). *Workforce diversity and the performance of telecommunication firms: the interactive effect of employee engagement (a conceptual framework)*. *International Journal of Humanities and Social Science*, 6(6), 65-77.
- Gomez, C. (2017). *The impact of leadership styles on performance*,
- Greenberg, J., 2004. *Diversity in the Workforce : Benefits, challenges and solutions*. Retrieved.
- Greenleaf, R. K. (1970). *The servant as leader*. Robert K. Greenleaf Center.
- Gronn, P. (2002). *Distributed leadership as a unit of analysis*. *The Leadership Quarterly*, 13(4), 423-451.
- Gupta, R. (2011). *Workforce Diversity and Organizational performance*. *International Journal of Business and Management Invention*, 2(6), 36-41.
- Hackman, J. R. (2002). *Leading teams: Setting the stage for great performances*. Harvard Business Press.
- Hackman, J. R., & Oldham, G. R. (1976). *Motivation through the design of work: Test of a theory*. *Organizational Behavior and Human Performance*, 16(2), 250–279.
- Hackman, J., & Morris, C. G. (1975). *Group Tasks, Group Interaction Process, and Group Performance Effectiveness: A Review and Proposed Integration*. *Advances in Experimental Social Psychology* *Advances in Experimental Social Psychology Volume 8*, 45–99.
- Hackman, J.R. and R. Wageman, 2005. *A theory of team coaching*. *Academy of Management Review*, 30(2): 269-287
- Hambrick, D. C., & Mason, P. A. (1984). *Upper echelons: The organization as a reflection of its top managers*. *Academy of management review*, 9(2), 193-206.
- Harrison, D. A., Price, K. H., & Bell, M. P. (1998). *Beyond relational demography: Time and the effects of surface- and deep-level diversity on work group cohesion*. *Academy of Management Journal*, 41(1), 96-107.

- Hayes, A. F. (2018). *Introduction to Mediation, Moderation, and Conditional Process Analysis: A Regression-Based Approach*. Guilford Press.
- Herzberg, F. (1987) One More Time: How Do You Motivate Your Employees? Harvard Business Review, September – October, pp. 109-120*
- Hoffman, L. R. (1965). Group Problem Solving I Advances in experimental social psychology (Vol. 2, pp. 99-132): Elsevier*
- Hollenbeck, J. R., Beersma, B., & Schouten, M. E. (2012). Beyond team types and taxonomies: A dimensional scaling conceptualization for team description. *Academy of Management Review, 37*(1), 82-106.
- Horwitz, S. K., & Horwitz, I. B. (2007). The effects of team diversity on team outcomes: A meta-analytic review of team demography. *Journal of Management, 33*(6), 987-1015.
- Horwitz, S. K., & Horwitz, I. B. (2007). The effects of team diversity on team outcomes: A meta-analytic review of team demography. *Journal of Management, 33*(6), 987-1015.
- Ilgen, D. R., Hollenbeck, J. R., Johnson, M., & Jundt, D. (2005). Teams in organizations: From input-process-output models to IMOI models. *Annual Review of Psychology, 56*, 517-543.
- Ilgen, D. R., Hollenbeck, J. R., Johnson, M., & Jundt, D. (2005). Teams in organizations: From input-process-output models to IMOI models. *Annual Review of Psychology, 56*, 517-543.
- Ilgen, D. R., Hollenbeck, J. R., Johnson, M., & Jundt, D. (2005). Teams in organizations: From input-process-output models to IMOI models. *Annual Review of Psychology, 56*, 517-543.
- Jackson, S. E. & Joshi, A. (2004). Diversity in social context: A multiattribute, multilevel analysis of team diversity and sales performance. Journal of Organizational Behavior, 25, 675-702*
- Jackson, S. E. & Joshi, A. (2004). Diversity in social context: A multilevel analysis of team diversity and sales performance. Journal of Organizational Behavior, 25, 675-702.*
- Jackson, S. E. & Joshi, A. (2004). Diversity in social context: A multilevel analysis of team diversity and sales performance. Journal of Organizational Behavior, 25, 675-702.*
- Jackson, S. E., & Joshi, A. (2004). Diversity in social context: a multi attribute, multilevel analysis of team diversity and sales performance. Journal of Organizational Behavior: The International*

Journal of Industrial, Occupational and Organizational Psychology and Behavior, 25(6), 675-702.

Jehn, K. A. (1995). A multimethod examination of the benefits and detriments of intragroup conflict. *Administrative Science Quarterly*, 40(2), 256-282.

Jehn, K. A. (1995). A multimethod examination of the benefits and detriments of intragroup conflict. *Administrative Science Quarterly*, 40(2), 256-282.

Jehn, K. A., & Bendersky, C. (2003). *Intragroup conflict in organizations: A contingency perspective on the conflict-outcome relationship. Research in Organizational Behavior*, 25, 187-242.

Jonathan, S., David, I., & Aparna, J. (2004). *Do Birds of a Feather Shop Together. Journal of organizational behavior*, 25, 731-754.

Jones, A., Richard, B., Paul, D., Sloane K., and Peter, F. (2007). "Effectiveness of teambuilding in organizations" *Journal of Management*.

Joseph, R., & Selvaraj, P. (2015). *The effects of work force diversity on employee performance in Singapore organizations. International Journal of Business Administration*, 6(2), 17-29.

Joshi, A., & Roh, H. (2009). *The role of context in work team diversity research: A meta-analytic review. Academy of Management Journal*, 52(3), 599-627.

Katzenbach, J.R. and D.K. Smith, 2003. *Teams: der Schlüssel zur Hochleistungsorganisation. MI Wirtschaftsbusch*.

Kiglai. (2006). *Training Manual on Conflict Management, The National Unity and Reconciliation Commission, Republic of Rumanda*.

Kiglai. (2006). *Training Manual on Conflict Management, The National Unity and Reconciliation Commission, Republic of Rumanda*.

Kirton, G., & Greene, A.-M. (2015). *The dynamics of managing diversity: A critical approach: Routledge*.

Kochan, T., Bezrukova, K., & Ely, R. (2002). *Society for human resource management. The Effects of Diversity on Business Performance*, 15-30.

- Kochan, T., Bezrukova, K., Ely, R., Jackson, S., Joshi, A., Jehn, K., ... & Thomas, D. (2003). *The effects of diversity on business performance: Report of the diversity research network. Human Resource Management: Published in Cooperation with the School of Business Administration, The University of Michigan and in alliance with the Society of Human Resources Management, 42(1), 3-21.*
- Kossek, E. E., Lobel, S. A., & Brown, J. (2006). *Human resource strategies to manage workforce diversity. Handbook of Workforce diversity, 53-74.*
- Kothari, C. R. (2004). *Research methodology: Methods and techniques. New Age International.*
- Kozlowski, S.W., & Ilgen, D.R. (2006). *Enhancing the Effectiveness of Work Groups and Teams. Psychological Science in the Public Interest, 7(3), 77-124.*
- Kulik, C. T., Roberson, L., & Perry, E. L. (2007). The multiple-category problem: Category activation and inhibition in the hiring process. *Academy of Management Review, 32(2), 529-548.*
- Kunze F., Boehm, SA, Bruch, H. (2016) *Age diversity, age discrimination climate and performance consequences—a cross organizational study. Journal of organizational behavior 32 (2), 264-290*
- Kunze, F., Boehm, S. A., & Bruch, H. (2011). *Age diversity, age discrimination climate and performance consequences—a cross organizational study. Journal of organizational behavior, 32(2), 264-290.*
- Kunze, F., Boehm, S., & Bruch H. (2009). *Age Diversity, Age Discrimination, and Performance Consequences – A Cross Organizational Study.*
- Kunze, F., BOEHM, S., & Bruch, H. (2009). *Age Diversity, Age Discrimination, and Performance Quencequences Cross Organizational Study. Paper presented at the Academy of Management Proceedings.*
- Kunze, F., Boehm, S., & Bruch, H. (2011). *Age diversity, age discrimination climate and performance consequences—a cross organizational study. Journal of Organizational Behavior, 32(2), 264-290.*
- Kyalo, J. M. K., & Gachunga, H. (2015). *Effect of diversity in Workforce on employee performance in the banking industry in Kenya. Strategic Journal of Business & Change Management, 2(53), 145-181.*
- Leonard, J. S., Devine (2003). *Diversity, Discrimination and Performance. (p40). California: Institute For Research on Labour And Employment , UC Berkeley.*

- Lewis, T. R., & Sappington, D. E. (1993). *Choosing workers' qualifications: no experience necessary?* *International Economic Review*, 479-502.
- Li, Y., & Zhang, Z. (2022). *Fostering Team Creativity: A Multi-Level Investigation*. *Journal of Business and Technical Communication*, 36(4), 482-513.
- Locke, E. A., & Latham, G. P. (2019). *Applications of goal setting theory to management of organizational behavior*. Routledge.
- MAINGI, J. W. (2015). *Effect Of workforce diversity on employee performance in Kenya: A case of Kenya School of Government*. *Strategic Journal of Business & Change Management*, 2(2).
- Makokolo, M. (2005). *A report on Minority indigenous peoples and ethnic diversity in Kenya*. London: Minority Rights Group International
- Makokolo, M. (2005). *A report on Minority indigenous peoples and ethnic diversity in Kenya*. London: Minority Rights Group International
- Mannix, E., & Neale, M. A. (2005). *What differences make a difference? The promise and reality of diverse teams in organizations*. *Psychological Science in the Public Interest*, 6(2), 31-55.
- Manzoor, S.R., HafizUllah , Hussain M. & Ahmad, Z.M (2011), *Effect of Teamwork on Employee Performance*, *International Journal of Learning and Development* , Vol.1, No.1, pp. 110 – 126
- Marinova, J., Plantenga, J. and Remary, C. (2016). *Gender Diversity and Firm Performance: Evidence form Dutch and Danish boardroom*. *The International Journal of Human Resource Management*, 27(15), 1777-1790.
- Marks, M. A., Mathieu, J. E., & Zaccaro, S. J. (2001). *A temporally based framework and taxonomy of team processes*. *Academy of Management Review*, 26(3), 356-376.
- Mathieu, J. E., Maynard, M. T., Rapp, T., & Gilson, L. (2008). *Team effectiveness 1997-2007: A review of recent advancements and a glimpse into the future*. *Journal of Management*, 34(3), 410-476.
- Mathieu, J. E., Maynard, M. T., Rapp, T., & Gilson, L. (2008). *Team effectiveness 1997-2007: A review of recent advancements and a glimpse into the future*. *Journal of Management*, 34(3), 410-476.
- Mathieu, J. E., Maynard, M. T., Rapp, T., & Gilson, L. (2008). *Team effectiveness 1997-2007: A review of recent advancements and a glimpse into the future*. *Journal of Management*, 34(3), 410-476.

- Mecheo, K. N. (2016). *The Effect of Employee Cultural Diversity on Organizational Performance: A Case Study of Oilybia-Kenya. United States International University-Africa.*
- Mickan, S. & Rodger, S. (2000) *The Organizational Context for Teamwork: Comparing Health Care and Business Literature, Australian Health Review.*
- Milliken, F. J., & Martins, L. L. (1996). Searching for common threads: Understanding the multiple effects of diversity in organizational groups. *Academy of Management Review*, 21(2), 402-433.
- Milliken, F. J., & Martins, L. L. (1996). Searching for common threads: Understanding the multiple effects of diversity in organizational groups. *Academy of Management Review*, 21(2), 402-433.
- Milliken, F. J., & Martins, L. L. (1996). Searching for common threads: Understanding the multiple effects of diversity in organizational groups. *Academy of Management Review*, 21(2), 402-433.
- Mitchel Holt, (2013). *Demand Media, Houston Chronicle | P.O. Box 4260 Houston, Texas 77210-4260, smallbusiness.chron.com. Date visited July 21, 2013.*
- Montague, E., & Chiou, E. (2014). *The role of electronic health records in care delivery: The future in the present. Journal of General Internal Medicine*, 29(1), 2–3.
- Mwatumwa, A. S. (2016). *Effect of workforce diversity on employee work performance: a study of the county government of Mombasa.*
- Mwatumwa, A. S. (2016). *Effect of workforce diversity on employee work performance: a study of the county government of Mombasa.*
- Naquin, C.E. and R.O. tynan, 2003. *the team halo effect .why teams are not blamed for their failures, journal of applied psychology*, 88: 332-340.
- Natalie, keneiy, 2013. *The importance of training in diversity management.*
- Ng, T. W., & Feldman, D. C. (2012). Age and innovation-related behaviour: The joint moderating effects of supervisor undermining and proactive personality. *Journal of Organizational Behaviour*, 33(4), 517-536.
- Ogbo, A. I., Anthony, K. A., & Ukpere, W. I. (2014). *The effect of workforce diversity on organizational performance of selected firms in Nigeria. Mediterranean Journal of Social Sciences*, 5(10), 231.

- Opstal, E. V. (2009). *Management diversity. The relationship between the management of ethnic cultural*, 3, 25-46.
- Osei-boakye, E. (2015). *Research on the Impact of Teamwork on Employee Performance. University of Ghana*.
- Oso, W., & Onen, D. (2008). *A general guide to writing research and report: A hand book for beginning research*.
- Parker, S. K., Wasiam, H. M., & Turner, N. (2003). Modeling the antecedents of proactive behavior at work. *Journal of Applied Psychology*, 88(6), 1118-1132.
- Parker, S. K., Wasiam, H. M., & Turner, N. (2006). Modeling the antecedents of proactive behavior at work. *Journal of Applied Psychology*, 91(3), 636-652.
- Paulus, P. B., & Nijstad, B. A. (2003). *Group creativity: Common themes and future directions. In P. B. Paulus & B. A. Nijstad (Eds.), Group creativity: Innovation through collaboration (pp. 467-490). Oxford University Press*.
- Pearce, C. L., & Barkus, B. (2004). The future of leadership: Combining vertical and shared leadership to transform knowledge work. *Academy of Management Perspectives*, 18(1), 47-59.
- Pelled, L. H., Eisenhardt, K. M., & Xin, K. R. (1999). *Exploring the black box: An analysis of work group diversity, conflict and performance. Administrative science quarterly*, 44(1), 1-28.
- Pelled, L. H., Eisenhardt, K. M., & Xin, K. R. (1999). *Exploring the black box: An analysis of work group diversity, conflict and performance. Administrative Science Quarterly*, 44(1), 1-28.
- Pitts, D. W., Hicklin, A. K., Hawes, D. P., & Melton, E. (2010). *What Drives the Implementation of Diversity Management Programs? Evidence from Public Organizations. Journal of Public Administration Research & Theory*, 20(4), 867-886
- Pitts, D. W., Hicklin, A. K., Hawes, D. P., & Melton, E. (2010). *What Drives the Implementation of Diversity Management Programs? Evidence from Public Organizations. Journal of Public Administration Research & Theory*, 20(4), 867-886.
- Pitts, D.Q. & Jarry, E.M. (2009). *Getting to know you: Ethnicity, time and performance in public organisations. Public Administration*, 87(3), 503-518.

- Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, 63, 539–569.
- Preacher, K. J., & Hayes, A. F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40(3), 879–891.
- Pulakos, E. D., Arad, S., Donovan, M. A., & Plamondon, K. E. (2000). Adaptability in the workplace: Development of a taxonomy of adaptive performance. *Journal of Applied Psychology*, 85(4), 612–624.
- Rabey, G. (2003) *The Paradox of Teamwork*, *Journal of Industrial and Commercial Training*, Vol. 35, No.4, pp.158-162

Reference

- Richard, O. C. (2000). Racial diversity, business strategy, and firm performance: A resource-based view. *Academy of Management Journal*, 43(2), 164-177.
- Richard, O. C. (2000). Racial diversity, business strategy, and firm performance: A resource-based view. *Academy of Management Journal*, 43(2), 164-177.
- Richard, O. C., Murthi, B. P. S., & Ismail, K. (2007). The impact of racial diversity on intermediate and long-term performance: The moderating role of environmental context. *Diversity in Organizations, Communities & Nations*, 7(2), 183-198.
- Rizwan, M., Khan, M. N., Nadeem, B., & Abbas, Q. (2016). The impact of workforce diversity towards employee performance: Evidence from banking sector of Pakistan. *American Journal of Marketing Research*, 2(2), 53-60.
- Robbins. (2009). *the Equal opportunity*
- Roberson, L., & Kulik, C. T. (2007). Stereotype threat at work. *The Academy of Management Perspectives*, 21(2), 24-40.
- Rodriguez, J. D., & Lopez, S. (2023). Distributed Leadership in Multinational Teams. *Journal of International Business Studies*, 54(1), 67-82.

- Rohini, A and Mary, 2008. *retrospective view of corporate diversity training from 1964 to the present* .
Academy of management learning and education, 7(3): 356-3-72 .
- Rosado, C., 2006. *What do we mean by “managing diversity”*. *Workforce Diversity*, 3: 1-15.
- Ruth, Mayhew., 2016 .*why is diversity in the work place important to employees*.
- Saeed, R., Lodhi, R. N., Ashraf, H., Riaz, S., Dustgeer, F., Sami, A., . . . Ahmad, M. (2013). *Effect of Workforce Diversity on the Performance of the Students*. *World Applied Sciences Journal*, 26(10), 1380-1384.
- Salas, E., Cooke, N. J., & Rosen, M. A. (Eds.). (2009). *On the science of team effectiveness: What’s known and unknown*. American Psychological Association.
- Salas, E., Diazgranados, D., Klein, C., Burke, C. S., Stagl, K. C., Goodwin, G. F., & Halpin, S. M. (2008). *Does Team Training Improve Team Performance? A MetaAnalysis*. *Human Factors: The Journal of the Human Factors and Ergonomics Society*, 903–933.
- Salas, E., Tannenbaum, S. I., Kraiger, K., & Smith-Jentsch, K. A. (2012). *The science of training and development in organizations: What matters in practice*. *Psychological Science in the Public Interest*, 13(2), 74–101
- Saxena, A. (2014). *Workforce diversity: A key to improve productivity*. *Procedia Economics and Finance*, 11, 76-85.
- Scott, S. G., & Bruce, R. A. (1994). *Determinants of innovative behavior: A path model of individual innovation in the workplace*. *Academy of Management Journal*, 37(3), 580-607.
- Sewell, W. H., & Shah, V. P. 1967. *Socioeconomic status, intelligence, and the attainment of higher education*. *Sociology of Higher Education*, 40: 1-23
- Shin, S. J., Kim, T. Y., Lee, J. Y., & Bian, L. (2012). *Cognitive team diversity and individual team member creativity: A cross-level interaction*. *Academy of Management Journal*, 55(1), 197-212.
- Shirom, A., Gilboa, S.S., Fried, Y., & Cooper, C.L. (2008). *Gender, age and tenure as moderators of work related stressors’ relationship with job performance: A meta-analysis*. *Human Relations*, 6(10), 1371-1398.

- Shore, L. M., Randel, A. E., Chung, B. G., Dean, M. A., Holcombe Ehrhart, K., & Singh, G. (2011). *Inclusion and diversity in work groups: A review and model for future research. Journal of Management, 37(4), 1262-1289.*
- Sikalieh, D., & Mkoji, D. (2012). *The influence of personality dimensions on organizational performance.*
- Smith, D.G., M. Harris, p. Myers cloush and A. wood, 2008. *Building HHGHLy Effective information system project teams an explanatory study project management research at the turn of the millennium, pp: 419-429.*
- Smith, J., Johnson, M., & Wang, L. (2021). *The Role of Transactional Leadership in Contemporary Organizations. Journal of Leadership Studies, 15(3), 203-217.*
- Tajfel, H., & Turner, J. (1979). *An integrative theory of intergroup conflict. In J. A. Wasiams & S. Worchel (Eds.), The social psychology of intergroup relations (pp. 33–47). Belmont, CA: Wadsworth.*
- Tarricone, P. Luca, J. (2002). *Successful teamwork: A Case Study. Edith Cowan University, Perth, Australia*
- the Morgan, B.B., Salas, E. and Glickman, A.S. (1993), "An analysis of team evolution and maturation", *The Journal of General Psychology, Vol. 120 No. 3, pp. 277-91.*
- Thomas, D.C., K. Lnkson, 2004. *cultural intelligence people skills for global Business san Francisco. Koehler publishers.*
- Thomas, R. R., Jr., & Ely, R. J. (1996). *Making differences matter: A new paradigm for managing diversity. Harvard Business Review, 74(5), 79-90.*
- Timmermans, B., Ostergaard, C. R., & Kristinsson, K. (2011). *Does a different view create something new? The effect of employee diversity on innovation. Research Policy, 500-509.*
- Timmermans, B., Ostergaard, C. R., & Kristinsson, K. (2011). *Does a different view create something new? The effect of employee diversity on innovation. Research Policy, 500-509.*
- Tracy R. L. & David E. M. (2011). *Choosing workers' qualifications: No experience necessary? International Economic Review, 34(3), 479-502.*

- Turner, J. C. (1999). *Some current issues in research on social identity and self-categorization theories*. In N. Ellemers, R. Spears, & B. Dossje (Eds.), *Social identity: Context, commitment, content* (pp. 6–34). Oxford, UK: Blackwell.
- Tyrone, A. Holmes, 2015. *Ten Characteristics of a hitch performance work team*.
- Van Esbroek, W., & van Engen. M.L. van (2008). *Management van Diversiteiten Rechtvaardigheid: Op zoeknaareen „Bestebenadering“*. *Tijdschriftvoor HRM*, 63-90.
- Van Esbroek, W., & van Engen. M.L. van (2008). *Management van Diversiteiten Rechtvaardigheid: Op zoeknaareen „Bestebenadering“*. *Tijdschriftvoor HRM*, 63-90.
- van Knippenberg, D., & Schippers, M. C. (2007). Work group diversity. *Annual Review of Psychology*, 58, 515-541.
- Van Knippenberg, D., De Dreu, C. K. W., & Homan, A. C. (2004). *Work group diversity and group performance: An integrative model and research agenda*. *Journal of Applied Psychology*, 89, 1008-1022.
- Van Knippenberg, D., De Dreu, C. K. W., & Homan, A. C. (2004). *Work group diversity and group performance: An integrative model and research agenda*. *Journal of Applied Psychology*, 89, 1008-1022.
- Van Knippenberg, D., De Dreu, C. K., & Homan, A. C. (2004). *Work group diversity and group performance: an integrative model and research agenda*. *Journal of applied psychology*, 89(6), 1008.
- Wang, H., Law, K. S., Hackett, R. D., Wang, D., & Chen, Z. X. (2020). *Leader-member exchange as a moderator of the relationship between interpersonal conflict and team member creativity in China*. *Journal of Organizational Behavior*, 41(4), 336–352.
- Wang, M., Li, W., & Zhang, Z. (2023). *Innovation Leadership in Times of Uncertainty*. *Journal of Applied Psychology*, 108(3), 396-410.
- Waring, T.M. & Bell, A.V. (2013). *Ethnic dominance damages cooperation more than ethnic diversity: results from multi-ethnic field experiments in India*. *Evolution and human behavior*, 34, 398-404.
- West, M. A. (2012). *Effective teamwork: Practical lessons from organizational research*. John Wiley & Sons.

- Woehr, D.J., Arciniega, L.M., & Poling, T.L. (2013). *Exploring the Effects of Value Diversity on Team Effectiveness. Journal of Business and Psychology, 28(1),107-121.*
- Zaccaro, S. J., Rittman, A. L., & Marks, M. A. (2012). Team leadership. *American Psychologist, 67(1), 52-63.*
- Zgourides, G. D., Johnson, L., & Watson, W. E. (2002). *The influence of ethnic diversity on leadership, group process, and performance: an examination of learning teams, 2-8.*
- Zgourides, G. D., Johnson, L., & Watson, W. E. (2002). *The influence of ethnic diversity on leadership, group process, and performance: an examination of learning teams, 2-8.*
- Zhang, L. (2012). *Board demographic diversity, independence and corporate social performance. Corporate governance, 2(5), 686-700.*
- Zhang, X., & Shaw, J. D. (2012). Age diversity and performance in teams: The moderating role of cognitive and affective trust. *Journal of Management, 38(5), 1454-1480.*
- Zhang, X., & Shaw, J. D. (2012). Age diversity and performance in teams: The moderating role of cognitive and affective trust. *Journal of Management, 38(5), 1454-1480.*
- Zhang, Y., & Ming-Yun, H. (2016). *Diverse Work Group and Employee Performance: The Role of Communication Ties. Small Group Research, 47(1), 28 – 75.*
- Zhuwao, S. (2017). *Workforce diversity and its effects on employee performance in Higher Education Institution in South Africa: a case study of University of Venda.*
- Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2003). *Business research methods 7th ed. Thomson/South-Western: Appendices*
- Zoogah, D.B., Vora, D., Richard, O., and Peng, M.W. (2011). *Strategic team alliance diversity, coordination, and effectiveness. The International journal of human resource Management, 22(3), 510-529.*

Appendices

APPENDIX A
LETTER OF INTRODUCTION

Kirubel Tefera

Kirubeltefera89@gmail.com

Addis Ababa, Ethiopia

+251 920651923

2024

Subject: Request for Permission to Conduct Research at Carolina Logistics Corporation

Dear Sir/Madam,

I am writing to introduce myself as a Master of Business Administration (MBA) candidate at Addis Ababa University. As part of the requirements for my degree, I am required to complete a research project. The focus of my study is entitled, "The Effect of Workforce Diversity on Team Effectiveness; The Mediating Role of Individual Performance ," with Carolina Logistics Corporation selected as the subject of this study. The purpose of this letter is to formally request your permission to conduct my research within your esteemed organization. Please be assured that all information collected during the course of this research was be handled with the highest level of confidentiality and in accordance with prevailing research ethics, company policies, and national laws. All participant responses was be treated anonymously and there was be no adverse consequences for your firm or any participating individuals. I sincerely hope you was consider granting me the opportunity to undertake this important study at your corporation. Your support is greatly valued and crucial for the successful completion of my academic requirement. Thank you very much for considering this request. I look forward eagerly to your positive response.

Yours faithfully,

Kirubel Tefera

APPENDIX B

QUESTIONNAIRE

THE EFFECT OF WORKFORCE DIVERSITY ON TEAM EFFECTIVENESS; THE MEDIATING ROLE OF INDIVIDUAL PERFORMANCE IN CASE OF CAROLINA LOGISTICS CORPORATION.

Date: _____

The primary aim of this research is to evaluate The Mediating Effect of Individual Performance on the Association between Workforce Diversity and Team Effectiveness. To achieve comprehensive insights, the study was focus on four pivotal objectives:

1. Assessing the impact of workforce diversity on individual performance at Carolina Logistics Corporation.
2. Evaluating how workforce diversity influences team effectiveness within Carolina Logistics Corporation.
3. Analysing the effect of individual performance on team effectiveness at Carolina Logistics Corporation.
4. Investigating the intermediary role played by Individual Performance in moderating the link between Workforce Diversity and Team Effectiveness at Carolina Logistics Corporation.

Kindly review each question thoroughly and respond as accurately as possible; please mark (✓) in the boxes provided where applicable. There are no right or wrong answers; your candid responses are vital for this research's success. Privacy is paramount: all data you provide was remain strictly confidential, with any identifying details removed during data processing stages—though you're encouraged to answer anonymously if preferred. It should take approximately 10-15 minutes to complete this questionnaire. We greatly appreciate your contribution to this important study—thank you for your participation.

Appendix C
Questionnaires

Section I: Demographic Characteristics

Please fill your response with a mark () on the questions provided. These questions are used only to determining the sample demographics.

1. Gender

Male Female

2. Age

below 20 years old

20-29 years old 30-39 years old

40-49 years old 50 years old and above

3. Educational Level

TVET Levels Diploma Degree Master PhD

4. Work Experience

0-5 years 6-10 years 10- 15 years more than 15 years

5. Team you Involved

HR Operations Dispatch Accounting Customer Service Coache Industry Coaches

6. Ethnicity

Amhara Oromo Tigraway Gurage Others

If it's other please specify _____

Section II. Diversity Questions

These questions are focusing on how personnel are treated in their organization on gender basis. Please make a mark for the statements with the mark as shown above based on the level of agreement that you have.

1. Strongly Disagree (SD)

3. Neutral (N)

5. Strongly Agree (SA)

2. Disagree (D)

4. Agree (A)

Rol.	Gender Diversity Attributes	SD	D	N	A	SA
1.	Gender diversity in the workplace positively contributes for improving my skills					
2.	Diverse gender with in the team helps me to complete tasks effectively.					
3	Leadership members with diverse gender perspectives enhances the overall vision and direction of my team.					
4	Our team consider Gender diversity when new team members are recruited					

Rol.	Educational background attributes	SD	D	N	A	SA
5.	Educational background diversity within the team contributes to me to gain different skills.					
6.	Diverse educational backgrounds contribute to me for having a higher level of expertise.					
7.	Diverse educational perspectives contribute to a creative and innovative team environment.					
8	Educational background diversity positively affects the flexibility of role exchanges within the team.					
Rol.	Ethnicity Attributes	SD	D	N	A	SA
9.	Different Ethnicity with in the team makes my					

	communication and collaboration effective.					
10.	A diverse ethnic workforce enhances my ability to adapt to various challenges.					
11.	Diverse ethnic perspectives in our team contribute to have creative and innovative team environment.					
12.	Leadership with diverse ethnic perspectives enhances the overall vision and direction of the team.					

Rol.	Age attributes	SD	D	N	A	SA
13.	Age diversity in my team helps me to improve my knowledge and skills.					
14.	Age diversity helps me to have effective communication and collaboration within the team.					
15.	Diverse age perspectives in our team contribute to a creative and innovative team environment.					
16.	Leadership with diverse age perspectives enhances the overall vision and direction of the team.					

Rol.	Individual Performance Attributes	SD	D	N	A	SA
1.	My and my team members have a knowledge and skills which contribute to innovative solutions within the team.					
2.	Diverse knowledge and skills of our team members enables us to have a clear vision and direction.					
3.	knowledge and skills of candidates are considered in our team member selection processes.					
4.	Diverse knowledge and skills positively influence the flexibility of role exchanges within the team.					
5.	Effective communication and collaboration of our team members contribute to innovative ideas within the team.					
6.	Diverse communication and collaboration of team members have a positive contribution for the clarity of team vision and direction					
7.	communication and collaboration abilities of candidates are considered in team member selection processes.					

8.	Diverse communication and collaboration skills positively influence the flexibility of role exchanges within the team.					
9.	The team becomes innovative from ability of team members to adapt to changing circumstances.					
10.	Adaptive skills of team members enable the team to have a clear vision and direction.					
11.	Adaptability of team members to challenging situations is considered in team member selection processes.					
12.	My adaptability makes me versatile and open to various roles within the team.					
13.	The team members ability to complete tasks effectively have a contribution for our team to be innovative.					
14.	task completion abilities of team members enhance the team vision and direction clarity.					
15.	Candidates' ability to complete tasks is considered in team member selection processes.					
16.	My ability to complete tasks makes me reliable and versatile within the team different roles.					

Rol.	Team Effectiveness Attributes					
		SD	D	N	A	SA
1.	My team encourages and support innovative ideas from all members					
2.	Different perspectives and diverse background with in the team leads to more innovative solutions.					
3.	Our team actively seeks out new approaches and ideas to improve our work.					
4.	Team members feel empowered to take risks and explore new possibilities for innovation.					
5.	Our team leaders effectively communicate a clear vision for our goals and objectives.					
6.	The leadership with in our team provides guidance and direction that aligns with our collective vision.					
7.	Team leaders demonstrate a strong understanding of our teams' purpose and goals.					

8.	Our team leaders inspire confidence and trust in their leadership ability.					
9.	Our team effectively seeks out individuals with diverse background and experience when hiring new members					
10.	New team members are selected based on their ability to contribute to our team goals and objectives.					
11.	The hiring process with in our team ensure that we bring individuals who can complement existing team strength.					
12.	Our team values diversity and actively promotes an inclusive environment for all members.					
13.	Team members are encouraging to take on different roles and responsibility based on their strength and interest.					
14.	Role exchange with in our team are viewed as opportunities for growth and development.					
15.	Team members are supportive and receptive to taking on new roles to help achieve team goals.					

APPENDIX D

STATISTICAL ANALYSIS OUTPUTS

Figure C- 1. Approximately normally distribution of the data in histogram and normal QQ plots for independent variables Workforce Diversity with Individual Performance

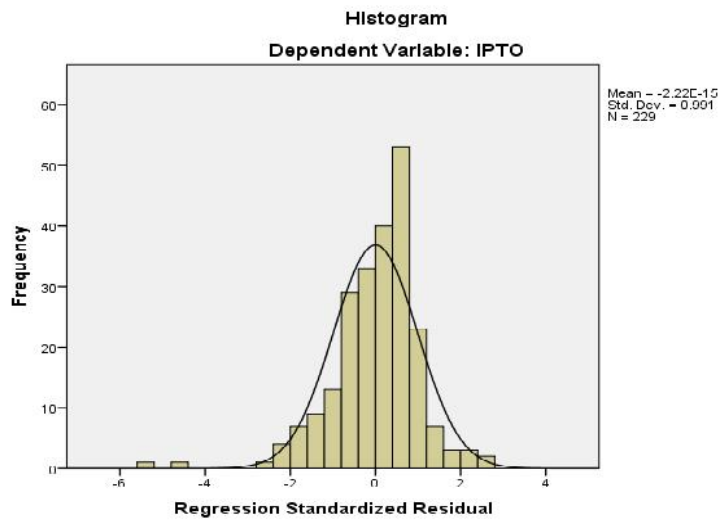


Figure C- 2. Approximately normally distribution of the data in histogram and normal QQ plots for independent variables Workforce Diversity with Team Effectiveness

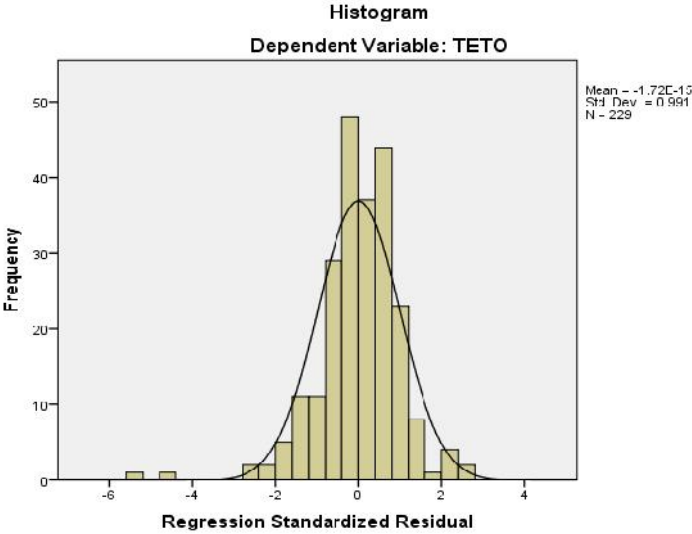


Figure C- 3. Approximately normally distribution of the data in histogram and normal QQ plots for independent variables Individual Performance with Team Effectiveness

