



**THE EFFECT OF WORKFORCE DIVERSITY ON
ORGANIZATIONAL PERFORMANCE (THE CASE OF DASHEN
BANK S.C)**

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DECLARATIONS

I, Yordanos Zeleke , declare that this Final Project is prepared in partial satisfaction of the requirements for the Master of Arts in Business Leadership on a study on "The Effect of Workforce Diversity on Organization Performance (The Case of Dashen Bank S.C)." This project is my work and has not been submitted for a degree at any university. All sources of information utilized in the project have been properly credited. With the help of my advisor's advice and direction, I was able to complete it on my own.

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LETTER OF CERTIFICATION

This is to confirm that Yordanos Zeleke completed her Final Project work under my direction and supervision on the topic "The Effect of Workforce Diversity on Organization Performance (The Case of Dashen Bank S.C)." As a result, I can guarantee you that her work is relevant and of sufficient quality to be considered for the Master of Arts in Business Leadership award.

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APPROVALS

The undersigned certify that they have read the Final Project submitted by Yordanos Zeleke , entitled "The Effect of Workforce Diversity on Organization Performance (The Case of Dashen Bank S.C.)" and hereby recommend to Addis Ababa University to accept it in partial fulfillment of the requirements for the award of the Masters in Business Leadership degree.

Approved by Board of Examiners

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LIST OF ABBREVIATIONS

1. SPSS-Statistical Package for the Social Sciences
2. ANOVA- Analysis of variance
3. SIT- The Social Identity Theory
4. RBV- The Resource based View
5. KPI- Key Performance Indicators
6. VIF- Variance Inflation Factor

Abstract

This study examines how Dashen Bank S.C., one of Ethiopia's top financial institutions, performs organizationally in relation to workforce diversity. The goals of the study include analyzing how age, socioeconomic, and gender diversity affect organizational performance. A quantitative research methodology was used to gather data by surveying employees from several departments. The study will be implementing an explanatory and causal research design. A sample of 80 respondents were taken from 750 employees from different departments using stratified random sampling technique. And a Likert scale questionnaire was used to collect the data from the sample. The results show that age diversity within the organization has an advantageous effect on creativity and problem-solving skills. It has been discovered that socioeconomic diversity improves financial performance and decision-making. Teamwork and employee satisfaction both significantly correlated with gender diversity. These results imply that valuing workforce diversity enhances organizational performance in terms of creativity, judgment, financial results, employee satisfaction, and teamwork. Implementing diversity training programs, encouraging an inclusive work environment, and utilizing the many viewpoints and experiences of employees are among the recommendations. Future studies can look at specific strategies to improve diversity management in the banking sector as well as the long-term effects of workforce diversity.

Keywords: *Diversity, Workforce Diversity, Gender Diversity, Age Diversity, Socioeconomic Diversity, Organizational Performance*

CHAPTER 1

INTRODUCTION

1. Introduction

This chapter discusses the study's background, problem statement, research objective, and research questions. It also includes a justification for the investigation, as well as the scope and limitations of the study.

1.1 Background of the Study

In the harsh business climate of today, businesses are constantly trying to find ways to achieve an edge over their competitors. In order to do this, they have to promote workforce diversity. Workforce diversity is the term used to describe the variations in racial, gender, age, religion, culture, and educational backgrounds that occur among employees in an organization. Diversity can improve organizational performance, despite the fact that some people may see it as a challenge. This is due to the fact that a diverse workforce contributes a range of viewpoints, experiences, and talents, which can create more innovation, creativity, and problem-solving skills. (HBR, 2020)

Business managers and academic professionals are becoming increasingly interested in the role workforce diversity has on organizational performance.

Several studies have demonstrated that businesses that value diversity are also more likely to succeed financially and competitively. For instance, a McKinsey & Company study discovered that businesses with more broad executive teams had a 33% higher chance of outperforming their competitors in terms of profitability (McKinsey & Company, 2018). A different Harvard Business Review study discovered that diversified teams were better at resolving difficult issues and coming to wiser conclusions. (HBR, 2020)

But achieving diversity in the workforce is not always simple. Senior executives need to make a commitment to building an inclusive culture and actively seek out and maintain workers of a wide range of backgrounds. Because as per Kalev et. al (2006), when senior executives are involved in the diversity efforts in the organization, they are more likely to hire a diverse workforce.

Today, diversity management must be a part of every company's key strategy if they want to keep their competitive edge and perform better. It is especially important for companies that

wish to establish themselves for development and achieve a competitive advantage, according to Deloitte (2014). (Deloitte,2014)

Workforce diversity" refers to the variety of characteristics among employees inside a company, including racial, ethnic, gender, age, educational, cultural, and professional distinctions. The concepts of inclusion and diversity have gained relevance as companies become more aware of the potential advantages associated with employing a broad workforce, such as increased innovation, creativity, and flexibility (Kulik et al., 2019). A more multicultural staff may bring a larger range of viewpoints and ideas, which may result in more creative and innovative problem-solving.

When examining the relationships between workforce diversity and organizational performance, there is still significant debate/argument in the literature. According to certain research, diversity can improve performance by opening access to a larger talent, idea, and perspective pool.

Yet, some studies contend that diversity may also have disadvantageous effects, including conflicts, misunderstandings, and declined productivity. This is due to the possibility that individuals from various origins may have various values, opinions, and communication styles, which can increase disputes and misunderstandings.

This research will explore the effect of workforce diversity in organizational performance, its benefits, and challenges. Through analysis, it will become apparent why workforce diversity such as gender, age and socioeconomic diversity can also be used as a strategic necessity for organizations seeking to achieve sustainable success in today's globalized business environment.

1.1.1 Background of the company

In September 1995, eleven owners and experienced bankers established Dashen Bank with a capital of Birr 14.9 million. The National Bank of Ethiopia granted Dashen a license, and on January 1st, 1996, it launched its operations with eleven full-fledged branches. (Dashen bank,2022)

The highest mountain in Ethiopia, Mount Dashen, inspired the name of Dashen Bank, which aims to offer exceptional banking services. In the nation's banking sector, Dashen has the best reputation because to its persistent upholding of values and leadership.

Regarding diversity, Dashen Bank emphasizes the significance of diversity and inclusion in its operations and organization values. The bank is also committed to providing fair and equal opportunities for employment regardless of age, gender, and background. Moreover, it recognizes that a diverse workforce can lead to wider perspective on ideas and enhances innovation and better decision making in the company. (Dashen bank,2022)

1.2 Statement of the Problem

The problem this study wants to address is the lack of a transparent understanding of the role workforce diversity has on organizational performance and the relationship between workforce diversity and organizational performance. Despite the growing interest in diversity management, there is still a lack of agreement on the role of workforce diversity on organizational performance. Further research is required to comprehend the precise mechanisms by which workforce diversity influences organizational performance, as organizations keep having trouble with the execution of their diversity and inclusion efforts (Richard et al., 2009). The literature offers conflicting evidence, and there is a need for more research to clarify the relationship between these two variables.

There is still a lack of empirical evidence regarding its role on organizational performance, regardless of the growing recognition of the benefits of workforce diversity (Kulik et al., 2019). Some studies have found a beneficial relationship between diversity and performance, while others have found a challenging relationship or no relationship at all. Furthermore, there is a lack of awareness of the moderating factors that may affect the relationship between diversity and performance. Additionally, there are a number of challenges that organizations must overcome in order to achieve workforce diversity, including unconscious biases, lack of diversity in the talent pipeline, and difficulty retaining diverse employees. This study will try

to see the relationship between these variables in the case of the financial sector specifically the banking sector. The lack of diversity in the financial sector has often been condemned. This can be is due to a number of factors, including:

Unintentional bias which is an unintentional form of bias known as unconscious bias is one that is based on preconceptions or preconceived ideas. Unconscious bias can affect hiring decisions in the banking sector to prefer applicants who fit a particular profile, including those who have a particular level of education or who look or behave in a specific manner (HBR, 2020).

Lack of representation: In history, white men have held the majority of positions in the financial profession. Individuals from minority populations may find it challenging to consider themselves as competitive candidates for banking professions due to this lack of representation. (CNBC, 2020)

Hiring through shared systems: Many banks tend to select employees from the same number of applicants, which contributes to the industry's lack of diversity. This might be the case because they feel more at ease with prospects they recognize or because they think candidates from specific schools or backgrounds have a better chance of succeeding. (Fernandez-Mateo & Zenger, 2019).

Inflexible work policies: Some banks have demanding work policies that might make it difficult for those who are caring for others or have disabilities to succeed at work. (Williams, Berdahl, & Vandello, 2016)

Around the banking sector, a lack of diversity can have harmful impacts, such as a decline in innovation, a decline in customer satisfaction, and a decline in employee engagement. Therefore, this study aims to investigate the role of workforce diversity on organizational performance in the case of the banking sectors, specifically Dashen Bank.

1.3 Research Question

The research questions of this study are:

1. What effect does Age Diversity have on the performance of the organization?
- 2 What effect does Gender Diversity have on the performance of the organization?
3. What effect does Socioeconomic Diversity have on the performance of the organization?

1.4 Research Objectives

1.4.1 General Objective

The general objective of this study is to investigate the effect of workforce diversity on organizational performance in the case of Dashen Bank.

1.4.2 Specific Objectives

1. To examine the effect age diversity of the company's workforce has on its performance,
2. To examine the effect socioeconomic diversity of the company's workforce has on its performance,
3. To examine the effect of gender diversity of the company's workforce impacts its performance.

1.5 Significance of the Study

This study is significant for several reasons. First, it contributes to the literature on workforce diversity and organizational performance by providing empirical evidence on the relationship between workforce diversity and organizational performance. Another significance is that the study identifies the positive and negative of managing diversity in organizations and provides awareness into how organizations can use diversity for improved performance. The study also explores the moderating factors that affect the relationship between diversity and performance, providing an in-depth understanding of this relationship. Lastly, the study provides recommendations for organizations seeking to improve their performance through diversity programs.

1.6 Scope of the Study

This study focuses on the role workforce diversity has on organizational performance in Dashen Bank. The study also involves a survey of employees in this organization to collect data on workforce diversity and organizational performance. The study considers workforce diversity in terms of gender, age, socioeconomic factors like, level of education, occupational status, and other factors. Lastly the study considers organizational performance in terms of financial performance, innovation, employee satisfaction, and customer satisfaction.

1.7 Limitations of the Study

The study may face several limitations, including:

- **Sample size:** The sample size may not be representative of the entire population, which can lead to potential biases.
- **Generalizability:** The findings of the study may not be generalizable to other countries or regions, as cultural and institutional differences may affect the relationship between diversity and performance.

1.8 Organization of the Study

This study is organized into five chapters as follows:

Chapter One: Introduction

This chapter provides an overview of the study, including the background, statement of the problem, research questions, objectives, significance, scope, and limitations.

Chapter Two: Literature Review

This chapter reviews the literature on workforce diversity and organizational performance. The chapter will provide a theoretical framework for the study, review of empirical studies the key concepts, theories, and findings in the literature.

Chapter Three: Research Methodology

This chapter describes the research methodology, including the research design, sample selection, data collection, and data analysis.

Chapter Four: Findings and Analysis

This chapter presents the findings and analysis of the study.

Chapter Five: Conclusion and Recommendations

This chapter provides a summary of the study, including the research questions, objectives, findings, and conclusions. The chapter will also provide recommendations for organizations seeking to improve their performance through diversity and suggestions for future research.

1.9 Definition of Key Terms

Workforce diversity: refers to the presence of employees from different backgrounds, including but not limited to race, ethnicity, gender, age, religion, and sexual orientation, within an organization (Cox & Blake, 1991).

Organizational performance: refers to the degree to which an organization achieves its goals and objectives, as well as its ability to adapt to changing external conditions (Richard et al., 2009).

CHAPTER 2

REVIEW OF RELATED LITERATURE

2. Introduction

Businesses throughout the world have realized the importance of employee diversity in promoting competition and delivering greater performance outcomes. The diversity between employees in terms of their demographic, functional, and cultural qualities, as well as how these differences affect how successfully and efficiently an organization does its duties, is known as diversity in the workforce (Dobbin & Kalev, 2016). To better understand the relationship between workforce diversity and organizational performance, much research has been undertaken that look at both the theoretical and empirical components of the relationship. This review of related literature tries to summarize important findings from empirical and theoretical studies on the importance of workforce diversity on organizational performance, with a focus on age, gender, and socioeconomic diversity.

2.1 Diversity and Organizational Performance

Several studies have looked at the relationship between organizational performance and workforce diversity. According to Cox and Blake's (1991) research, variety encourages creativity and innovation, which can lead to better problem-solving and decision-making. In 2003 Jackson et al. conducted yet another analysis and found that having a diverse staff may increase an organization's adaptability and flexibility. (Jackson et al.,2003)

Also, the research conducted by Richard et al. in 2004 revealed that diverse teams are better able to understand and meet the needs of a broad client base, leading to enhanced customer service and satisfaction (Richard et al., 2004).

Using a meta-analysis, Pelled et al. (1999) found that diversity can improve organizational performance by encouraging increased information sharing and a wider variety of viewpoints. When examining the complexities of working with a diverse staff, Shockley Zalabak and other authors together found the potential problems that come from different working methods of the diverse staff. They suggested that to successfully optimize these diverse workforces, an organization must address these problems. (Shockley Zalabak et. al, 2000)

2.2.1 Age Diversity in the Workforce

Due to changing demographics and employment trends, age diversity in the workplace has become more important. According to much research, an organization's workplace age

diversity has been found to have both beneficial and negative effects on organizational performance. On the plus side, age diversity can improve critical thinking, creativity, and hierarchical development abilities. Age-diverse teams are more likely to find innovative solutions to complicated challenges because different age groups bring a variety of viewpoints and experiences to the table, according to Kooij et al study from 2017. (Kooij et al, 2017)

Several research looked at how age diversity affected an organization's performance. Age diversity and financial performance have a positive link, according to a 2003 study by Lerner. (Lerner,2003) The authors made the case that having a diverse workforce, especially in terms of age, can boost innovation, problem-solving, and creativity, all of which can ultimately result in better financial success. (Lerner,2003)

Innovation is another way that age diversity can affect organization's performance. According to research by Kooij et al. (2010), age diversity in teams was positively correlated with innovation. Age-diverse teams, according to the authors, can combine various forms of knowledge and talents to provide original ideas and solutions. Age diversity was found to be positively correlated with creativity in service firms, in a different study by Bal et al. (2011). According to the authors, the significance of innovation and problem-solving in the service sector may be the cause of this effect. (Bal et.al, 2011)

Age diversity can also affect organizations performance through employee retention, which is why it is important to consider. Age diversity was found to be positively associated to team employee retention in a study conducted by Posthuma and Campion in 2009. The writers believe that age diverse teams could offer chances for development, which can boost job satisfaction and lower turnover.(Posthuma and Campion,2009)

The satisfaction of customers is also important to consider when studying how age diversity can affect organizations performance. Age diversity was found to be positively correlated with customer satisfaction in service sector by Shin and Zhou's 2003 study. According to the authors, age-diverse teams are better able to comprehend the demands and preferences of various client segments, which can increase customer satisfaction. (Shin and Zhou, 2003)

Even though most of the studies done on this topic suggest that age diversity has a positive role on organizational performance, it may also have a negative role on an organization's performance.

In their research on workplace diversity, Kossek and Zonia (2000) identified communication obstacles as a major obstacle to successfully managing age diversity. According to the study,

younger workers favored technology-mediated communication while older workers chose face-to-face conversation.

The research by Shockley-Zalabak et al. (2000) also examined the difficulties of working in teams and discovered that age diversity can result in disagreements because of variations in working methods and problem-solving strategies. And because of their high experience and higher involvement in the company, senior workers may be more opposed to change, according to a study by Riggs and Knight that looked at the difficulties of organizational change. (Riggs and Knight ,1994) This shows that age diversity may cause communication barriers, conflicts and there may also be resistance to change which lowers employee engagement and job satisfaction.

Based on a study by van der Heijden et al. (2018), age-inclusive HR policies, like flexible work schedules and age group training courses, can improve organizational performance by establishing a more friendly and encouraging workplace for workers of all ages.

A study by Lu et al. (2016) further highlighted the significance of leadership support for age diversity as well as the significance of training and education programs to overcome age stereotypes and foster generational connection and cooperation.

2.2.2 Gender Diversity in the Workforce

Numerous authors have investigated the effect of gender diversity on job satisfaction. According to a 2007 study by Burke and Mattis, both men and women's job satisfaction were positively correlated with gender diversity. The authors contend that increased emotional support as a result of gender diversity can raise job satisfaction. (Burke and Mattis,2007)

And according to a 2003 research by Gakovic and Tetrick, female employees' job satisfaction was positively correlated with gender diversity. The authors contend that gender diversity can boost women's representation in the workforce, improving women's job satisfaction and decreasing turnover. (Gakovic and Tetrick,2003)

It has also been discovered that gender diversity has a favorable effect on organizational financial performance. According to a research by Herring (2009), gender diversity in Fortune 500 companies was strongly correlated with financial performance. The author claims that gender-diverse teams may introduce a variety of viewpoints and concepts to the table, promoting improved innovation and decision-making. Credit Suisse Research Institute (2012) discovered a significant correlation between gender diversity and stock price performance in multinational corporations. The writers believe that gender-diverse

committees can enhance corporate governance and risk management, both of which can boost financial performance of an organization.

Innovation and creativity may also be affected by gender diversity. According to a 2010 study by Jehn and Bezrukova, gender diversity was significantly linked or related with team innovation. According to the authors, gender-diverse organizations can bring a variety of viewpoints and problem-solving techniques, which can result in more original solutions. (Jehn and Bezrukova, 2010)

Furthermore, gender diversity was found to be positively associated to employee retention in a study by O'Neil et al. (O'Neil et al, 2008) The authors have noted that gender-diverse workplaces can offer chances for growth and learning, which can boost job satisfaction and lower turnover. Similarly, a study by Dovidio et al. (2010) discovered a favorable relationship between gender diversity and job searchers' intentions to recruit. According to the authors, employers with a gender-diverse workforce may be seen by job searchers as more welcoming and desirable workplaces.

Also, according to a study by Smith et al. (2006), gender diversity can improve organizational effectiveness by fostering social integration and lowering employee conflict. It has been discovered that having women in leadership roles improves organizational performance, leading to higher financial returns, better decision-making, and more robust ethical and social responsibility standards (Catalyst, 2019).

As age diversity, gender diversity can also have a negative role in an organization's performance if it is inadequately managed for example, according to the role congruity theory of prejudice, which was presented in a study by Eagly and Karau in 2002, women leaders are frequently seen negatively because they do not conform to the conventional gender stereotypes associated with leadership. According to this study, gender diversity may result in preconceived notions and biases towards female leaders, which may have an impact on their productivity and chances for professional growth. (Eagly and Karau ,2002)

In their 2010 study, Bendl and Schmidt moreover made the case that advancing gender equality isn't just important for social justice but also for business because it can enhance organizational performance. According to the study, gender diversity may also result in prejudice, which could have a harmful effect on organizational performance. (Bendl and Schmidt,2010)

Maximizing the advantages of diversity while reducing any potential negative effects requires effective management of gender diversity. According to research by Cox and Blake (1991), gender diversity can be effectively managed by fostering an environment at work that

celebrates diversity, offers fair opportunity for growth, and encourages open communication and teamwork among employees.

2.2.3 Socioeconomic diversity in the Workforce

Another focus area for this research, socioeconomic diversity, has been examined in a number of research on its role on an organization's performance. According to a study by Cox et al. (2014), businesses with greater socio-economic diversity performed better financially than those with less socio-economic diversity. The authors contend that a broader variety of views and concepts provided by socioeconomic diversity can result in improved decision-making.

A different study by Richard et al. (2017) discovered that businesses with greater socioeconomic diversity had more innovative thinking and creativity, which can result in better financial performance. According to the authors, socioeconomic diversity can foster a variety of perspectives and creative thinking, which can improve innovation and problem-solving.

Diversity in socioeconomic status can also affect both the attraction and retention of talent. According to a 2015 McKinsey & Company study, businesses with greater degrees of racial and ethnic diversity seem to be more certain to draw in and keep top talent. According to the authors, a diverse workforce might foster a more appealing and welcoming work atmosphere, which can help with the attraction and retention of skilled and experienced workers. (McKinsey & Company,2015)

If socioeconomic diversity is not properly handled, it can also have an adverse/negative impact on organizational performance. Employees from various socioeconomic backgrounds may encounter difficulties integrating into society and may experience isolation from the workplace culture, based on research by Ely and Thomas (2001).

As the others this diversity also has some negative impact on an organization's performance as stated in some researches. For instance, conflict resolution was cited by Tayeb (2003) as a major obstacle to managing socioeconomic diversity at work. According to the report, businesses need to create conflict resolution plans that reflect the many viewpoints and backgrounds of their workforce. (Tayeb,2003)

And according to a study by Kramar and Syed (2006), socioeconomic diversity might make it difficult to find and keep workers from different socioeconomic backgrounds because some of them might not have the knowledge, or competencies required to succeed in the workplace.

However, according to study by Kalev et al. (2006), firms can oversee socioeconomic diversity effectively by promoting an open culture that embraces diversity and promotes transparent communication and teamwork within employees.

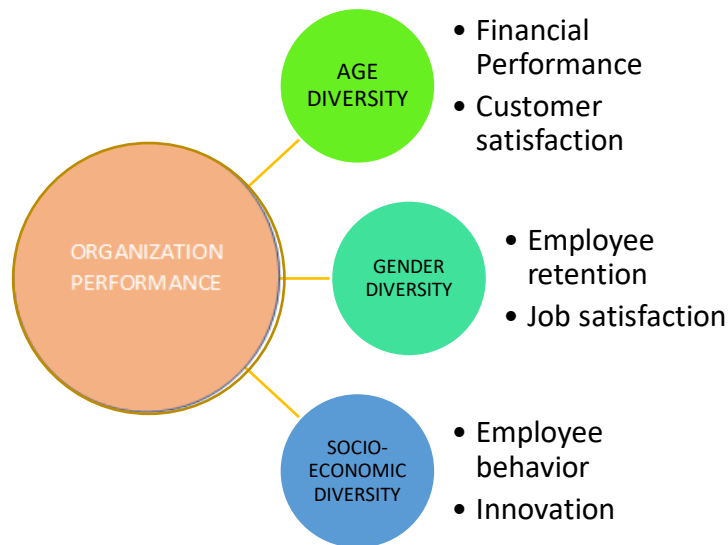


Figure 1: Role of workforce diversity on Organizational performance

2.3 Workforce Diversity in Banks

Some studies that have looked at the relation between organizational performance and workforce diversity in the banking sector as a whole.

For example, Odoemelam et al 2019.'s research reveals that diversity methodologies have a good influence on the success of Nigerian banks. The report stresses the need for banks to promote an accepting workplace culture and embrace diversity by hiring personnel from a wide variety of backgrounds. (Odoemelam et., al 2019)

Rahman et al. (2020) conducted a different investigation on the effect of diversity on the financial success of Pakistani banks. The study's findings indicated that diversity had a significant impact on banks' financial performance, indicating that a varied workforce may promote higher problem-solving and decision-making skills.

Also, a study by Akram and Raza (2018) looked at how the performance of Pakistani banks was affected by the diversity of their employees. According to the paper, a diverse workforce improves organizational performance by promoting innovation, minimizing staff turnover, and increasing staff engagement.

From all these studies, it can be concluded that workforce diversity may enhance organizational performance in the banking sector. Yet, the degree to which diversity is properly managed and incorporated into the organization's culture and processes may determine the impact's intensity. In order to benefit from a varied workforce, it is essential for

banks like Dashen Bank to embrace diversity and put effective diversity management strategies into place.

2.3.1 Diversity in Banks of Ethiopia

Women have largely lower and assist positions in the banking industry in Ethiopia, according to the report, "it is rare to find a female manager in Ethiopian banking organizations" (Tekalign & Ayalew, 2017).

In addition, according to a National Bank of Ethiopia report, women make up only 30% of bank employees in Ethiopia and are significantly underrepresented in top management roles. (National Bank of Ethiopia, 2017).

Despite these obstacles, steps are being taken to broaden the representation of women in Ethiopia's financial industry. The National Bank of Ethiopia has enacted legislation that dictate banks have diversity policies, including programs to encourage gender diversity. A few banks have also started initiatives to hire and advance female staff members, including possibilities for training and mentoring. (Tekalign & Ayalew, 2017).

Little to no studies can be found on the effect age and socioeconomic diversity has on the banking sector in Ethiopia, however there are generalized studies on the workforce as a whole.

Age discrimination is present in Ethiopia's labor market as a whole, with older workers encountering obstacles to employment and professional advancement. Older workers have lower employment rates than young employees, and those who do have jobs face obstacles to professional advancement, according to a World Bank study (World Bank, 2019).

Ethiopia has a relatively young population, with more than 60% of the population being under the age of 25 according to a survey by the International Labor Organization (ILO). As shown in the study, while this creates a potential for economic growth, it also raises difficulties for the work force, including the need to provide young people with enough employment options (ILO, 2019).

Most Ethiopian workers are working in the unauthorized sector, where pay is cheap and there is slight financial security. According to research by the African Development Bank, "the majority of the labor force in the country is employed in agriculture, and the urban workforce is concentrated in low-productivity informal jobs, with high rates of underemployment and low salaries" (African Development Bank, 2020).

As other Ethiopian banks, Dashen Bank has worked to encourage inclusion and diversity among its employees. Dashen Bank has developed a variety of initiatives aimed at encouraging diversity and inclusion (Dashen Bank. 2022). These projects include:

- Recruitment: Dashen Bank has a strategy of hiring people with a variety of backgrounds, including those with disabilities and people from various racial and ethnic groups. Also, the bank has created a gender-sensitive hiring procedure to support equal opportunity for men and women.
- Training and development: Dashen Bank offers its staff members training and development opportunities, including initiatives to support inclusion and diversity. The bank has also set up an internal diversity group with the objective of encouraging inclusion and diversity throughout the business.
- Workplace regulations: Dashen Bank has put in place a variety of regulations that support diversity and inclusion, such as those that prohibit harassment, discrimination, and unequal compensation for equal work.
- Engagement with the community: Dashen Bank has collaborated with groups that support the rights of the disabled and women's empowerment in order to advance diversity and inclusion in the community.

2.4 Theoretical Frameworks

Depending on the research's subject matter and environment, many theoretical frameworks have been developed to explain how workforce diversity affects organizational performance. This literature tried to cover The Social Identity Theory (SIT), The Resource based View, and The Contingency Theory.

2.4.1 The Social Identity Theory (SIT)

The Social Identity Theory (SIT), which highlights the significance of employees' social identities and how they affect their behavior in the workplace, is one theoretical framework that is often used.

The social identity theory, which Tajfel and Turner first proposed in 1979, claims that people's sense of self is derived from the social communities they are a part of. This theory contends that people require a good social identity, which they might get through belonging to a distinct social group. This social group identification can cause in-group bias and out-group favoring, which can affect how people interact with one other at work. (Tajfel, H., & Turner, J. C. ,1979)

According to SIT, people categorize themselves and others into social groups based on characteristics like race, gender, age, and socioeconomic class. Individual and collective identity are built on these social groups, which determine how people behave and perceive others. Intergroup tensions, bias, and discrimination are exacerbated by these social identities, which have a negative impact on workplace performance. (Tajfel, H., & Turner, J. C. ,1986)

As per this theory, when it comes to workplace diversity, people are more likely to identify with their own social group, which can result in prejudice and discrimination against people who are seen as being different. Cooperation, communication, and total performance at work may suffer as a result. Social identity theory does, moreover, also propose that it is attainable to establish a feeling of common identity among different people, which might enhance efficiency and teamwork. (Hogg, M. A., & Terry, D. J. ,2000)

The most prominent of the "Big Four" accounting firms, Deloitte, is an illustration of a business that uses social identity theory to encourage inclusion and diversity. Employee resource groups (ERGs) focused on several diversity dimensions, such as color, ethnicity, and gender, are one of the measures Deloitte has put in place to encourage diversity and inclusion. (Deloitte, 2021)

All employees at Deloitte receive training on unconscious bias, and the company has put diversity and inclusion KPIs in place to track progress and guarantee responsibility. Deloitte is able to foster a culture that values various viewpoints and experiences while also fostering a feeling of identity and connection for all employees by employing Social Identity Theory as a foundation for their inclusive and diversity-focused activities which in turn helps the company be successful. (Deloitte, 2021)

2.4.2 The Resource Based View (RBV)

According to the resource-based view of the company (RBV), firms can gain a lasting competitive advantage by having special and priceless resources that are challenging to duplicate or replace (Barney, 1991). Physical, financial, human, and intangible resources including company culture and reputation are examples of these resources.

The RBV claims that a varied workforce can be a beneficial resource for enterprises in the context of workforce diversity. This is so that the business may benefit from the different points of view, experiences, and abilities that a diverse staff can provide, which can promote innovation, creativity, and problem-solving skills. As a result, businesses that prioritize employee diversity are probably going to have an advantage over their less varied rivals. (Barney, J. B., & Wright, M. ,1998).

Airbnb is one demonstration of a firm that has used a diverse workforce to its advantage. The firm launched a number of initiatives to promote diversity and inclusion after realizing the need to address racial prejudice in its platform. This includes setting up a special team to handle the issue of discrimination, enlarging the definition of a "protected class," and starting a number of advertising efforts targeted at underrepresented groups. These initiatives have aided Airbnb in creating a platform that is more inclusive and varied, which has improved customer retention and brand reputation. (Bloomberg, 2016)

2.4.3 Contingency Theory

According to contingency theory, management methods should be adjusted to suit the unique requirements of an organization in a specific instance as opposed to taking a generalized approach. Hence, the alignment of the organizational setting and the diversity management practices employed is essential for the accomplishment of diversity initiatives in businesses (Donaldson, L., 2001)

A multicultural staff, for instance, may be valuable to a company operating in a highly driven and competitive environment because it might provide new perspectives and methods of problem-solving. A diverse staff, however, can encounter more opposition and not be as productive in a more old - fashioned and conservative setting. Hence, when implementing diversity programs, firms should carefully evaluate the distinctive qualities of their surroundings and workforce. (Cox, T. et.al, 1991)

2.5 Review of Empirical Studies

Many empirical studies evaluating the effects of workforce diversity on organizational performance have been conducted. Through an analysis of pertinent papers, this review of empirical studies seeks to investigate the association between organizational performance and workforce diversity.

Diversity in the workforce can enhance organizational performance, according to a number of studies. According to a study by Cox and Blake from 1991, businesses with diverse workforces experienced higher investment returns and sales. (Cox and Blake, 1991) Herring (2009) found in another study that companies with a diverse staff performed better financially, as indicated by investment return and asset turnover.

Also, it has been observed that workforce diversity encourages innovation and creativity inside firms. Based on a study by Richard et al. (2004), diverse workgroups are more likely than similar workgroups to use innovative problem-solving techniques. In a similar vein, Jehn

and Bezrukova's (2010) research discovered that mixed groups were more inclined to participate in innovative problem solving than groups of similar.

Workforce diversity has been demonstrated to have a beneficial influence on staff beliefs and actions in along with economic efficiency and creativity. According to a 1991 study by O'Reilly et al., employees became more inclined to feel a connection to their employer if they thought that the organization's values and views matched their own. (O'Reilly et al,1991)

Nevertheless, there isn't always a link between workforce diversity and company effectiveness. According to a study by Jackson et al. from 2003, team members' communication and cooperation may fall short because of diversity. If workers believe they can't perform well in a mixed setting, diversity can also result in a rise in dissatisfaction and tardiness. (Jackson et al.,2003)

One important conclusion of these studies is the complexity and interdependence of the link between workforce diversity and organizational performance. The linkage between workforce diversity and organizational performance can be impacted by a variety of factors, including the diversity administration, the nature of diversification, and the distinct setting in which the company operates.

2.6 Conceptual Framework

- Independent Variable: Diversity of the Workforce

Workforce diversity, which refers to the variety of variances that exist among employees in a business, such as variations in race, ethnicity, gender, age, culture, and educational background, constitutes the independent variable in this study. (Jackson et, al ,2003)

- Performance of the organization is a dependent variable.

Organizational performance, which includes multiple success indicators like financial performance, innovation, employee satisfaction, and retention, is the dependent variable in this study. (Voskuijl et. al ,2019)

Variable	Variable in the study	Indicators
Independent Variable	Workforce Diversity	Gender, Ethnicity, Age, Education, Experience, etc.
Dependent Variable	Organizational Performance	Financial Performance, Innovation, Employee Attitudes and Behaviors

Table 1: The variables of the study

CHAPTER 3

RESEARCH METHODOLOGIES

3. Introduction

In order to gather, evaluate, and analyze the data in order to respond to research questions or make predictions, researchers apply certain methods or procedures known as research methodologies (Creswell, 2014). Based on the type of the research objective, the sample, and the study design, these procedures may be qualitative, quantitative, or mixed methods.

Another definition of research methodology is the methodical procedures and methods that researchers employ to look into a certain occurrence, issue, or problem. (Neuman, 2014). The type of data that must be collected and the type of research issue are taken into consideration while choosing these approaches. Surveys, interviews, experiments, case studies, and focus groups are typical research approaches.

3.1 Research design

The overall strategy or framework of the proposed study that offers the road map for the data collecting and analysis" is known as the research design (Creswell, 2014)

Thornhill and Saudnders (2000) claim that the problem that a study will attempt to solve should be taken into consideration while choosing the research design. The research problem thus dictates the study design that will be used to operationalize or examine the problem. If there weren't any link between the research problem being investigated and the research approach used, the study would yield worthless results.

This study uses an explanatory research design for a study on the role of workforce diversity on organizational performance. These research designs try to explain the relationship between the variables and if one causes an effect on the other respectively. In this situation, an explanatory research design is implemented to explain the effect of worker diversity has on organizational performance.

In order to gather data, Questionnaires(surveys) were used. Surveys are useful in order to assess an organization's level of diversity, including the number of staff from various racial and ethnic groups, as well as genders and ages. Customer satisfaction, personnel turnover rates, and financial performance indicators can all be used to evaluate an organization's performance.

The research timeline appropriate for this study is a cross-sectional study because a cross-sectional study consists of gathering information from a sample of individuals at one specific period. And also, a population's frequency or distribution of a specific characteristic or condition at a particular time can be examined using this sort of study.

3.2 Research approach

The research approach that will be used in this study is quantitative research approach since it will be examining the link between the variables, workforce diversity and organizational performance. This is due to the fact that quantitative research methods are created to evaluate and quantify factors using numerical data, making them appropriate for assessing organizational performance and workforce diversity.

3.3 Description of study variables

Organizational performance and workforce diversity are the two key variables in this study. Workforce diversity in terms of age, gender, race, ethnicity, religion, and other traits are referred to as workplace diversity. A questionnaire created to measure the extent of diversity within the company, including demographic details, is employed in this study to assess workforce diversity.

The capability of an organization to accomplish its desired outcomes and goals is referred to as organizational performance. A combination of financial and non-financial metrics, including financial performance, employee engagement and innovation, will be used to assess organizational performance in this study. The questionnaire will be created to measure the performance of the organization across these variables.

3.4 Description of study area and target population

The geographic area where the studies will take place is referred to as the study area. The study area in this instance is a particular company where the research wants to look at the connection between workforce diversity and organizational performance, which is Dashen Bank.

The group of people who share the traits that the research is interested in is referred to as the target population. The target audience in this instance can be staff members or managers employed by Dashen Bank. The factors for choosing the target demographic can include job title, education level, and length of employment. So that the target population of this study is the employees of Dashen Bank at employees and management staff at the Head office. The employees are from Low level (Front Office), Mid-level (Back office), Top level management. (Managers).

3.5 Sampling technique/methods and sample size

The sampling technique to be used in this study is stratified random sampling. This is because stratified random sampling is helpful when the population can be divided into subgroups with related characteristics, such as employee level in the company size. When deciding the sample size of this study, we must look at the number of employees at Dashen Bank. According to their 2022 annual report, Dashen Bank had a total of 12,406 workers across all their branches in Ethiopia as of June 30, 2022. And it also has 582 branches and 405 ATMs spread all over Ethiopia. The number of staff in the Head Office branch of Dashen Bank is 750 across different departments. This research will use Carvalho's 1984 Sampling size determination method to determine the sample size of this study.

Carvalho's Sampling Size Determination

Population	Small	Medium	Large
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1,200	32	80	125
1,201-3,200	50	125	200
3,201-10,000	80	200	315
10,001-35,000	125	315	500

Table 2: Carvalho's Sampling Size Determination

Using the above table, because the target population of the study is 750, which is in the area between 501-1,200 the sample size selected for this study will be 80 employees.

3.6 Data collection

The method through which the researcher gathers information is known as data collection. Examples of this methodology include questionnaires, interview schedules, in-person, or telephone interviews, as well as participation and observation (Thornhill & Saunders, 2000).

3.6.1 Primary Source

To gather information on worker diversity and organizational success, a questionnaire was given out. A sample of staff members from different organizational levels and departments will get the questionnaire. The survey's questionnaire was created to assess the organization's

level of workforce diversity as well as how it affects its performance. This questionnaire will give us quantitative type of data. And for this study, the researcher used structured questionnaires that included a variety of Likert scale questions to gather data from the respondents.

3.6.2 Secondary source

This study has cited several books, published and unpublished documents, journals, articles, and research papers to gather secondary data about the role of workforce diversity on organizations' performance. This study also used these sources to learn more about the theoretical framework of the study.

3.7 Data analysis

The sort of data analysis used is descriptive, and it will be done in a way that addresses the problems found in the study. Data analysis will be done using SPSS, a comprehensive statistical program that is a sophisticated tool for utilizing and analyzing questionnaire results. To ensure that the surveys are of the necessary quality, each one will be assessed, and data editing will be done.

The study will also analyze through correlation and regression method to analyze the relationship between all the diversities to be studied in this study (age, gender, socioeconomic diversity) and organization performance. The significant importance from each independent variable to the prediction of the dependent variable is frequently assessed in research. (Tabachnick, B. G., & Fidell, L. S ,2007).

Correlation analysis is a statistical technique used to measure the strength and direction of the relationship between two or more variables (Hair et al., 2009). It quantifies the degree to which variables are linearly related and provides insights into patterns or dependencies in the data. The correlation coefficient, denoted by "r," ranges from -1 to 1, with a positive correlation indicating a direct relationship and a negative correlation indicating an inverse relationship (Field et al., 2012).

Another analysis used in this study is Regression analysis, which aims to model the relationship between a dependent variable and one or more independent variables (Gujarati & Porter, 2009). It allows researchers to estimate the coefficients of the independent variables and make predictions or explain the variation in the dependent variable. Regression analysis helps researchers understand how changes in the independent variables impact the dependent variable and identify the strength and significance of these relationships (Tabachnick & Fidell, 2007).

The study's aims and challenges are taken into account, and a conclusion and recommendation are created based on the evidence that was gathered during the analysis phase.

3.8 Reliability and Validity

3.8.1 Reliability

Variables	Cronbach's Alpha
Gender Diversity	0.729
Age Diversity	0.730
Socioeconomic Diversity	0.768
Organizational Performance	0.764

Table 3: Reliability value table

The sample questionnaire was distributed to 30 respondents and as shown in the table above a Cronbach alpha of more than 0.6 was found for each variable, which signifies the consistency and reliability of the questionnaire. Therefore, the questionnaire was distributed to 80 targeted respondents.

3.8.2 Validity

The study's content validity refers to how closely it measures the intended outcomes. In other words, it is concerned with the measurement's accuracy. Prior to the questionnaire's final submission, the researcher had tested a sample questionnaire. Additionally, the instrument is valid because the questionnaire was based on a number of research papers.

3.9 Ethical Consideration

Participants will be completely informed of the study's objectives, the steps required, and their rights. Everyone should have the chance to inquire and give agreement for the study with full knowledge. Employees' private data and answers will remain private. And also, study participants will be reassured that their involvement won't have a negative effect on their employment or other elements of their lives.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATIONS

For every question on the questionnaire, the study results are shown in this chapter. The use of descriptive statistics includes the use of frequency tables generated from SPSS. This chapter also displays the results of several inferential statistics conducted on the data like regression, and correlation. Understanding the strength of the association between two variables was done using Spearman's Rho, because the variables of interest are ordinal and have a monotonic relationship.

4.1 Demographic Information of the respondents

In the questionnaire survey, each respondent was asked five questions regarding their demographic profile, including gender, age, education level, working experience (in years), and position level in the organization. This part provides an analysis of the demographic characteristics of the respondents based on frequency analysis.

Demographic Profile		Frequency
Gender	Male	35
	Female	45
Age	21-24	12
	25-34	31
	35-44	20
	45-54	9
	55-64	5
	65 or older	3
Education	College diploma	1
	Bachelor's Degree	48
	Master's Degree	25
	Postgraduate Degree	6
Job title	Junior	16
	Mid-level	41
	Senior	23
Length of Employment	Less than a year	15

	1-3 years	20
	4-6 years	28
	7 -10 years	12
	More than 10 years	5

Table 4: Demographic profile of respondents

According to the demographic table above, 35 of the respondents are male, 43.8%, and 45 of the respondents are female, which is 56.3%. This demonstrates that the responders were evenly split between the two genders, concluding that the survey was not biased against either of the genders.

The table's Age column, which is the second section, reveals that 12 of the respondents were between the ages of 21 and 24, while 20 of the respondents were between the ages of 35 and 44 and 31 of the respondents were between the ages of 25 and 34. The remaining age ranges, 45–54, 45–64, and 65 and over, each made up 17 of the total sample. This implies that the majority of responders are between the ages of 25 and 34, indicating that the majority of employees are young.

The education part follows the age section and reveals that 48 respondents have bachelor's degrees, 25 have master's degrees, 6 have postgraduate degrees, and 1 has a college diploma. This leads us to the conclusion that the majority of responders have a good education.

The job title position is the next section, and there, 41 of the respondents are mostly mid-level workers. The remaining respondents, 23 and 16, are senior and junior level workers, respectively. This implies that most respondents have an effect on the bank's daily operations, which in turn affects the bank's overall performance.

The length of employment is the last column in the demographic table above, and it shows that the majority of 28 respondents have worked for the company for 4-6 years, while 20 have only been there for 1-3 years. 15 employees have worked for the company for less than a year, 12 employees have worked there for 7 - 10 years, and 5 employees have worked there for over 10 years. The majority of respondents have worked for the organization from 4-6 years, which suggests that they are knowledgeable about the organization and have many years of experience & skill.

4.2 Descriptive Analysis

4.2.1 The Role of Gender Diversity on Organizational Performance

The questionnaires relating to the role of gender diversity on organizational performance, with an emphasis on staff retention as well as job satisfaction, are the main subject of this section. The mean and standard deviation are the two metrics that were used to present all of the data that was gathered and analyzed.

Statistics

	Mean	SD	Min	Max
Gender diversity is important in improving organizational performance.	4.09	.970	1	5
I have observed challenges or barriers associated with gender diversity within my organization.	3.36	.971	1	5
Gender diversity contributes significantly to innovation and creativity within my organization	3.63	1.129	1	5
My organization has specific initiatives or programs in place to promote gender diversity.	3.70	1.072	1	5
Gender diversity contributes significantly to better decision making within this organization.	3.95	.913	1	5
My organization promotes an inclusive work environment that values gender diversity.	3.56	.855	1	5
My organization has conducted training or workshops to raise awareness and promote gender diversity among employees.	3.58	.938	1	5
Gender diversity within the organization contributes to higher job satisfaction among employees.	3.50	.928	1	5
The organization provides equal opportunities for career growth and advancement regardless of gender.	3.54	.795	1	5
Gender diversity within teams enhances collaboration and team performance.	4.30	.818	1	5

The table above shows that gender diversity has a mean score of 4.09 and a standard deviation of 0.970, which indicates that respondents agreed on the significance of gender diversity in general. The statement about difficulties to gender diversity inside the organization shows a mean score of 3.36, suggesting that some obstacles have been seen by respondents, but not to a great extent. The standard deviation of 0.971 indicates that respondents' perceptions varied.

The mean score for the statement about how gender diversity fosters innovation and creativity is 3.63, while the average score for the statement regarding initiatives is 3.70. This indicates that respondents find the statement to be somehow accurate from their point of view. Both of these statements have a standard deviation that suggests that there is some variation in respondents' perceptions.

The mean score of 3.95 shows that respondents largely agree that gender diversity results in improved decision making within the organization and a low standard deviation of 0.913. A mean score of 3.56, which indicates a moderate level of diversity in opinions, is attributed to the statement on organization's promotion of an inclusive workplace that embraces gender diversity. The standard deviation also points to some variation in the opinions of the respondents.

Higher job satisfaction, fair chances for professional improvement, and training/workshops on gender diversity all have mean ratings that indicate an average level of presence or agreement, with standard deviations showing some level of variability.

The statement suggesting gender diversity in teams improves collaboration and team performance has a reasonably high mean score of 4.30, showing a strong belief in its beneficial effects in an organization's performance.

According to the data in the table shown above, we can see that respondents appear to understand the value of gender diversity and its potential advantages for organizational success. However when it comes to training and workshops, as well as job satisfaction, it gets a moderately low average score. The effect diversity training and inclusiveness have on an organization's performance was looked studied by o by Kulik and Roberson (2008) and Kalev, Dobbin, and Kelly (2006). They then came to the conclusion that they significantly affect the performance of organizations. Therefore, Dashen Bank should conduct additional training and workshops on the significance of gender diversity in organizational performance. Similar to this, a study by Bapuji et al. (2013) that was done in the United States discovered a positive relationship between gender diversity and job satisfaction, suggesting that when an

organization is more diversified gender wise , it is said to have a higher job satisfaction which can subsequently lead to a greater level of organizational performance.

4.2.2 The Role of Age Diversity on Organizational Performance

This section will review the data from questionnaires about the role of age diversity on organizational performance, with an emphasis on financial performance and customer satisfaction. The mean and standard deviation for each result is displayed below.

Statistics				
	Mean	SD	Min.	Max.
Age diversity is important for improving organizational performance.	3.84	.987	1	5
Age diversity contributes significantly to innovation and creativity within my organization.	3.74	.868	1	5
Age diversity contributes significantly to better decision making within my organization.	3.98	.914	1	5
Age diversity within the organization positively roles the financial performance of the company.	3.79	.837	1	5
Having a diverse age range of employees leads to a better understanding of customer needs.	4.30	.848	1	5
The organization values and promotes age diversity in its policies and practices.	4.21	.882	1	5
Age diversity within the organization contribute to higher customer satisfaction levels.	3.81	.828	1	5
Employees from diverse age backgrounds are more likely to provide innovative solutions to meet customer needs.	3.99	1.013	1	5
The organization effectively utilizes the diverse skill sets and experiences of employees from different age groups to improve financial performance.	3.84	.834	1	5

In the table above age diversity is considered important for improving organizational performance, as indicated by a mean score of 3.84 and a standard deviation of 0.987. This suggests that respondents agree on the importance of age diversity in improving the

organization's performance. The statement regarding age diversity's contribution to innovation and creativity has a mean score of 3.74, indicating that respondents perceive it to have a moderate impact. The standard deviation of 0.868 suggests some variability in respondents' experiences regarding creativity and innovation.

Respondents agree that age diversity contributes to better decision making within the organization and the statement on age diversity's positive role in financial performance as indicated by a mean score of 3.98 and 3.79 respectively. And the standard deviation for both indicates some variability in respondents' perceptions.

Having a diverse age range of employees is believed to lead to a better understanding of customer needs, as indicated by a relatively high mean score of 4.30 and a low standard deviation of 0.848. And another high mean value is for the statement that the organization's values and promotion of age diversity in its policies and practices have a mean score of 4.21, indicating a high level of emphasis on age diversity.

The mean scores for the statements on age diversity's contribution to higher customer satisfaction, employees providing innovative solutions, and utilizing diverse skill sets and experiences all suggest a moderate level of presence or agreement, with standard deviations indicating some variability.

Overall, the results suggest that respondents generally acknowledge the importance of age diversity and recognize its potential benefits for organizational performance. However, there is a relatively lower mean for the questions linking age diversity to creativity, innovation and financial performance. A study by Knippenberg, De Dreu, and Homan (2004) examined the effects age diversity has on innovation and financial performance and found that age diversity has a positive effect on innovation which in turn makes for a positive financial performance. This suggests that Dashen bank should have a more age diverse teams to enhance more creative and innovative ideas that lead to a better financial performance.

4.2.3 The Role of Socioeconomic Diversity on Organizational Performance

The values on the questionnaire statements about the role of socioeconomic diversity on organizational performance, with an emphasis on employee behavior and innovation, will be the main focus of this part. The mean and standard deviation for every gathered response are also displayed.

Statistics

	Mean	SD	Min.	Max.
Socioeconomic diversity is important for improving organizational performance.	4.03	.993	1	5
Specific departments within my organization have benefited from socioeconomic diversity.	3.40	.894	1	5
Socioeconomic diversity contributes significantly to better decision making within this organization.	3.21	.882	1	5
Socioeconomic diversity within this organization positively influences employee behavior and collaboration.	2.81	.658	1	4
Employees from different socioeconomic backgrounds bring different perspectives that enhance creativity and innovation within the organization.	4.06	.905	1	5
Socioeconomic diversity leads to a wider range of ideas and solutions during problem-solving processes within the organization.	4.06	.905	1	5
Employees from diverse socioeconomic backgrounds are more likely to challenge the normal routines and propose new approaches or strategies.	4.56	.653	1	5
Socioeconomic diversity improves the organization's ability to adapt and respond to changing market or customer demands.	4.18	.742	2	5
This organization values socioeconomic diversity in its policies and practices.	4.03	.763	1	5
Socioeconomic diversity within this organization contribute to higher levels of employee engagement and motivation.	3.75	.755	2	5
Socioeconomic diversity positively influences the organization's ability to attract and retain top talented employees.	3.05	.913	1	5

In this third table it is shown that socioeconomic diversity is demonstrated to be crucial for enhancing organizational performance, with a mean score of 4.03 and a standard deviation of

0.993. According to this, it means that respondents agreed that socioeconomic diversity is important.

A moderate level of agreement is shown by the mean scores of 3.40 and 3.21 for the statements about the advantages of socioeconomic diversity for particular departments and the importance of socioeconomic diversity to better the decision making in an organization, respectively. There may be some variation in respondents' perceptions, as indicated by the standard deviations of 0.894 and 0.882.

In a similar way, the mean scores for the statements on the role of socioeconomic diversity on worker motivation, engagement, and the ability to attract and retain talent range from 3.05 to 3.75, also indicating a modest level of agreement. The standard deviations for these statements imply that the perceptions of the respondents are variable.

The mean scores for the statements relating to how socioeconomic diversity promotes creativity, problem-solving, suggesting new techniques or strategies, and responding to market needs are all relatively high, ranging from 4.06 to 4.56. The standard deviations here also show some variation in the respondents' opinions. The organization's beliefs and support for socioeconomic diversity in its policies and practices also have a high level of agreement, as seen by the statements mean score of 4.03.

A mean score of 2.81 however indicates a somewhat lesser agreement for the claim that socioeconomic diversity positively influences employee behavior and teamwork. Less variation in respondents' perceptions is indicated by the low standard deviation of 0.658. According to a study by van Dick, Grojean, Christ, and Wieseke (2006), greater socioeconomic diversity has a positive influence on employee behavior, encouraging them to be more cooperative and collaborative, which generally improves the performance of the organization. This suggests the bank needs a staff that is more varied in terms of socioeconomic background.

4.2.4 Measures of Organizational Performance

Statistics

	Mean	SD	Min	Max
I believe the organization effectively communicates its goals and objectives to all employees.	3.71	.860	1	5
I have confidence in the organization's leadership and their ability to make sound decisions.	3.91	.783	1	5
I am satisfied with the level of teamwork and collaboration within the organization.	3.71	.845	1	5
I feel that the organization provides ample opportunities for professional growth and development.	3.53	.779	1	5
I believe the organization values and prioritizes the well-being and satisfaction of its employees.	3.76	.889	1	5
I am confident that the organization has a strong and positive reputation in the industry or community.	3.60	.821	1	5
I believe the organization effectively adapts to changes in the business environment and embraces innovation.	3.76	.783	1	5
I am satisfied with the level of transparency and fairness in the organization's decision-making processes.	3.94	.891	1	5
I feel that the organization fosters a culture of continuous improvement and innovation.	4.50	.842	1	5

The responses in the table with the highest mean scores represent an overall favorable opinion among employees showing that they are in agreement. The range of means that are from 3.53 to 4.50, indicates that employees have a moderately positive to very positive opinion on the organization's characteristics. There may be some variation in how employees view these organizational characteristics, as indicated by the standard deviations, which range from 0.779 to 0.891.

With a mean of 4.50, the statement "I feel that the organization fosters a culture of continuous improvement and innovation" has the highest mean score. This demonstrates that employees strongly agree that the organization emphasizes innovation and ongoing improvement.

In contrast, the statement "I believe the organization provides ample opportunities for professional growth and development" has the lowest relative mean score, with a mean of 3.53. Although this mean score is still above the midpoint, it shows that employees may have a slightly less favorable/positive opinion of the that the organization provides chances for growth and development.

All in all, the results presented in the table show that employees generally have favorable impressions of organizational factors like corporate communication, leadership, teamwork, transparency, and flexibility.

4.3 Dependent and Independent Variables Correlation Analysis

Correlation analyses were conducted to determine the relationship between each variable (Age diversity, gender diversity, and socioeconomic diversity) and organizational performance.

4.3.1 Correlation of Gender Diversity with Organization’s Performance

			Organizational Performance	Gender Diversity
Spearman's rho	Organizational Performance	Correlation Coefficient	1.000	.247*
		Sig. (2-tailed)	.	.027
		N	80	80
	Gender Diversity	Correlation Coefficient	.247*	1.000
		Sig. (2-tailed)	.027	.
		N	80	80

*. Correlation is significant at the 0.05 level (2-tailed).

Here the study investigated the correlation between gender diversity and organizational performance. The obtained Spearman's rho correlation value was moderately positive, $r=.247$, $p.027$. This correlation value shows that as gender diversity increases, the performance of organizations rises as well.

4.3.2 Correlation of Age Diversity with Organization’s Performance

Correlations

			Organizational Performance	Age Diversity
Spearman's rho	Organizational Performance	Correlation Coefficient	1.000	.306**
		Sig. (2-tailed)	.	.006
		N	80	80
	Age Diversity	Correlation Coefficient	.306**	1.000
		Sig. (2-tailed)	.006	.
		N	80	80

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

Spearman's rho correlation value of $r = .306$, $p = .006$, was discovered and found to be moderately positive when the relationship between age diversity and organizational performance was analyzed. Increasing age diversity will boost organizational performance, as seen by this value, which suggests a favorable or positive association between age diversity and organizational performance.

4.3.3 Correlation of Socioeconomic Diversity with Organization’s Performance

Correlations

			Organizational Performance	Socioeconomic Diversity
Spearman's rho	Organizational Performance	Correlation Coefficient	1.000	.448**
		Sig. (2-tailed)	.	<.001
		N	80	80
	Socioeconomic Diversity	Correlation Coefficient	.448**	1.000
		Sig. (2-tailed)	<.001	.
		N	80	80

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

This part of the study investigated how socioeconomic diversity and organizational performance are related.

The above statistics shows that the Spearman's rho correlation value was positive at $r = .448$, $p = .001$. According to the positive correlation value, the company's increased or high socioeconomic diversity appears to improve organizational performance.

4.4 Test for Assumptions of Regression Model

Regression analysis was applied to investigate the role of diversity on the organization's performance.

Age, gender, and socioeconomic status were applied as independent variables, and organizational performance was used as the dependent variable. The following are the analysis's results.

4.4.1 Normality test

A normality test is used to evaluate whether a dataset has a normal distribution. It assists in determining likely deviations from normalcy, such as skewness or kurtosis, and determining how far the data deviates from the norm. Normality testing is essential in statistical analysis since many parametric tests rely on the assumption that the data is normally distributed. By doing a Normality test to see whether their data conforms to the assumptions of these tests, researchers can choose the optimal statistical procedures for their data. Additionally, normality testing enables researchers to judge the validity of statistical models and choose how to process and interpret information from the data (D'Agostino, 1986). The probability plot test and histogram, which are illustrated in the picture as seen in Appendix 2, will be used in this study. The figure demonstrates the data is normally distributed.

4.4.2 Multicollinearity Test

A multicollinearity test determines whether and how much multicollinearity is present in the predictor variables of a regression model. When there is multicollinearity, which is characterized by a strong correlation or dependency between two or more predictor variables, regression analysis can face issues. By detecting multicollinearity, researchers can take the necessary steps to address multicollinearity problems, such as deleting redundant variables, converting variables, or taking into account alternate modeling methods. This enables users to decide on the inclusion or removal of variables in the regression model with knowledge. (Belsley, D. et. al, 2005)

Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Gender Diversity	.888	1.126
	Age Diversity	.642	1.558
	Socioeconomic Diversity	.635	1.574

a. Dependent Variable: Organizational Performance

In the provided model, the tolerance values for the predictor variables (Gender, Age, and Socioeconomic Diversity) in the presented model are all above 0.5, indicating that there is no serious multicollinearity issue. Similar to this, the predictor variables' VIF values are all close to 1, further demonstrating the lack of severe multicollinearity in the data. This implies that the two variables are largely independent of one another and uncorrelated.

4.5 Regression Model Summary for Organizational Performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.552 ^a	.305	.277	.42135

a. Predictors: (Constant), Socioeconomic Diversity, Gender Diversity, Age Diversity

The R-squared value of 0.305 shows that the predictors in the model can account for about 30.5% of the variance in organizational performance.

4.5.1 ANOVA Analysis for Organizational Performance

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.919	3	1.973	11.114	<.001 ^b
	Residual	13.493	76	.178		
	Total	19.412	79			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Socioeconomic Diversity, Gender Diversity, Age Diversity

The F-test shows that the model in this particular case has an overall significant effect with a value of 11.114 and a significance level of .001. This suggests that the indicators of gender,

age, and socioeconomic diversity that are included in the model all relate together to predict organizational performance.

4.5.2 Regression Coefficient Analysis for Organizational Performance

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.537	.632		.849	.398
	Gender Diversity	.200	.147	.138	1.359	.178
	Age Diversity	.118	.136	.103	.865	.390
	Socioeconomic Diversity	.572	.162	.424	3.535	<.001

a. Dependent Variable: Organizational Performance

The organization's performance will typically improve by .200 for every increase in age diversity, assuming all other factors remain constant, according to the above table's gender diversity coefficient of .200. The gender diversity beta value is 0.138 indicates a generally small but favorable association between gender diversity and organizational performance. Additionally, the age coefficient in the table is seen as .118, indicating that a 0.118 improvement in organizational performance should be expected for every increase in age diversity. Age diversity has a beta value of 0.103, which indicates a somewhat small but favorable association between age diversity and organizational performance. When all the other variables are held constant, the analysis's result shows that the socioeconomic coefficient is .572, which means that for every additional level of socioeconomic diversity, an increase in organizational performance of .572 may be seen. With a beta value of 0.424, socioeconomic diversity is the association that is shown to be most significant than the other variables. This shows that there is a strong and satisfactory link between socioeconomic diversity and organizational performance.

The only variable in this study that was shown to be statistically significant ($p = .001$) was socioeconomic diversity as it has a p that is less than .005. And with a $p = 0.178$ and 0.390 , respectively, indicate that age and gender diversity are found to have little impact on organizational performance.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The study's concluding chapter, Chapter 5, provides a summary of the study's objectives, research questions, and key findings. The chapter ends with a review of the study's main conclusions and some recommendations for future study.

5.2 Summary of Findings

The main objective of the study was to determine how workplace diversity affected the organizational performance of Dashen Bank S.C. Its specific objectives were to investigate the effect of age, gender, and socioeconomic diversities effect on organizational performance. This study used explanatory research design and used SPSS tool to analyze the correlation and regression between the variables.

The table on demographic profile gives key details about the study's 80 respondents. Gender representation is ensured through the balanced distribution of male and female responders. A mostly young workforce is shown by the fact that the majority of respondents are between the ages of 25 and 34. The respondents have rather advanced educational backgrounds, with the majority having earned bachelor's or master's degrees. Mid-level personnel are the biggest category in terms of job titles, followed by senior and junior level employees, showing a variety of viewpoints. The information on duration of employment shows that many respondents have worked for the firm for 4-6 years, which indicates a high degree of knowledge and familiarity with the business.

The research on gender diversity found that respondents' perspectives on it varied. First off, the comparatively strong mean score of 4.09 in the data shows that gender diversity is valued as being crucial for enhancing organizational performance. This may indicate that respondents are aware of the benefits of gender diversity for the business's overall performance.

With an average mean score of 3.63, respondents also believe that gender diversity in the workplace fosters innovation and creativity. This shows that a varied workforce with a range of viewpoints and experiences encourage an innovative culture and inspire creative thinking. Additionally, the organization's efforts to promote gender diversity are somewhat recognized, with a mean score of 3.70. This shows that the company has made some efforts to support

gender diversity, however there may still be possibilities for development and adoption of similar initiatives. A mean score of 3.95 among respondents suggests that they think gender diversity promotes better decision-making inside the firm. This emphasizes the notion that gender diversity may improve the standard of decision-making processes by bringing varied viewpoints and thoughts.

The data also highlights areas that may benefit from improvement. In this case, respondents' levels of agreement with the firm's support of a welcoming atmosphere that supports gender diversity are relatively small (mean score of 3.56). This implies that there is space to improve inclusiveness initiatives and develop a workplace culture that actively promotes gender diversity.

A mean score of 3.84 and a comparatively low standard deviation of 0.987 in the data indicates that age diversity has been shown to be significant for enhancing organizational performance. This suggests that the respondents' degree of agreement on the importance of age diversity in the workforce is rather high.

Additionally, respondents believe that age diversity improves a variety of organizational performance metrics. A varying age range of employees may contribute new views and creative ideas to the business, according to respondents, who gave the statement about age diversity's contribution to innovation and creativity a mean score of 3.74.

Furthermore, with a mean score of 3.98, age diversity is seen to improve decision-making inside the company. The results also point to the importance of age diversity when analyzing customer needs, which is supported by the findings' comparatively strong mean score of 4.30 and small standard deviation of 0.848. This suggests that respondents realize the benefit of having personnel of various ages to better serve and comprehend the customers of the organization.

Overall, the results show that organizational performance is seen to benefit from age diversity. The bank should have more age-diverse teams since innovation and financial performance possess significantly lower means than the others. These findings are consistent with earlier studies suggesting that age diversity in the workforce may contribute a variety of viewpoints, experiences, and abilities, which can improve decision-making, creativity, and customer awareness.

As shown by a quite high mean score and a moderate standard deviation when it comes to the socioeconomic diversity findings, respondents understand its significance for enhancing organizational performance. This may be an indication that they appreciate having workers from various socioeconomic backgrounds.

Next, respondents believe that various elements of organizational performance are positively impacted by socioeconomic diversity. As suggested by relatively high mean scores, this also involves innovation, problem-solving, suggesting new techniques or strategies, and adjusting to market needs. This implies that having workers from various socioeconomic backgrounds can help them bring new viewpoints and experiences, which will help them think creatively and be more adaptable.

In addition, according to the results and a relatively high mean score, respondents appear to regard the organization's principles and efforts to promote socioeconomic diversity in its practices and policies. This suggests that employees respect and are aware of the company's commitment to socioeconomic diversity.

The average score for the statement that socioeconomic diversity has a beneficial impact on employee behavior and teamwork was a little lower. This shows that efforts to promote cooperation and collaboration among workers from various socioeconomic backgrounds may still be in need of improvement.

The data reveals that workers generally have good impressions of numerous organizational characteristics, according to the findings about the measurements of companies' performance. The standard deviations show some variation in these assessments, whereas the mean values show moderate to very positive attitudes. The claim that the organization promotes a culture of innovation and constant growth has the highest mean score. The sentence with the lowest mean score, on the other hand, reflects a little less favorable opinion of the organization's chances for professional development. Overall, employees have a favorable view of the organization's communication, leadership, teamwork, transparency, and flexibility. However, to satisfy employee expectations, the business should prioritize enhancing chances for personal and professional development.

5.3 Discussion

The survey discovered that the highest agreement was found in the statement relating gender diversity and team performance. In order to better understand how team performance and collective intelligence, or a group's capacity to do a variety of tasks, relate to one another, Woolley, A et.al (2010) conducted a number of studies. The researchers discovered that gender diversity dramatically increased team effectiveness and collective intelligence. In contrast to homogenous teams, they came to the conclusion that diverse teams—including both men and women—demonstrated greater teamwork, decision-making, and problem-

solving skills. The assumption supports the findings that gender diversity in teams can enhance cooperation and overall team performance.

The survey also discovered that gender diversity has a positive influence on decision making which supports the claims in this meta-analysis by Eagly, A. H., & Johnson, B. T. (1990). According to the study, women often adopt a more democratic and participatory leadership style than males do. This strategy involves taking into account various viewpoints, encouraging team members to contribute, and using a cooperative decision-making process. Men were discovered to adopt a more dictatorial and directive leadership style, on the other side. According to the study, gender diversity in decision-making teams may result in a wider variety of viewpoints and strategies, eventually improving the quality of decision-making. This demonstrates how gender diversity may result in more inclusive decision-making processes that take into account different points of view and improve the general effectiveness of decisions made within an organization.

Another study by Kalev, A., Dobbin, F., & Kelly, E. (2006) contradicts the findings of this research that claim gender inclusiveness has low effect on an organizations performance. This research looked at how affirmative action and gender diversity programs affected organizational inclusivity. The researchers discovered that corporations with better gender diversity initiatives and policies tended to have more inclusive work environments after analyzing data from a sizable sample of businesses. Greater employee involvement, lower turnover, and better job satisfaction were characteristics of these inclusive workplace settings. According to the report, efforts to promote gender diversity may help organizations foster a more welcoming environment where staff members feel respected and appreciated and have equal opportunity for professional development.

This study emphasizes the beneficial effects of actions to promote gender diversity on developing a more welcoming workplace. It shows that companies that encourage gender diversity and have inclusive policies in place are more likely to reap rewards like increased employee engagement and retention.

The highest agreement in age diversity was found with its link between age diversity and understanding customer needs. This was supported by Boehm, S et.al (2014) which looked at how teams' age diversity affected their capacity to comprehend client demands. The researchers gathered information from a sample of teams in various firms and looked at how the teams' customer-focused actions were affected by the age diversity. According to the research, teams with a greater variety of ages were better able to comprehend client wants and modify their goods or services accordingly. The teams' capacity to anticipate and satisfy

the variety of client wants was improved by the inclusion of people from different age groups, who brought with them a wider range of viewpoints and experiences. This can highlight the beneficial connection between customer orientation and age diversity. It affirms the notion that multiple teams with members from various age groups may offer insightful information about consumer preferences, habits, and expectations. This knowledge may assist businesses in creating goods and services that appeal to a larger client base, resulting in higher customer satisfaction and greater economic success.

There was relatively low agreement in the survey on the link between age diversity and innovation. Although the study by Ng, T. W., & Feldman, D. C. (2010) does not particularly address innovation, it does shed light on the connection between performance and age diversity. The researchers looked at ten aspects of work performance and investigated the effects of age diversity on these aspects.

Contrary to the findings in this study, the results showed that age diversity improved problem-solving, flexibility, and learning, among other aspects of work performance. This implies that age-diverse teams can provide a range of viewpoints, experiences, and expertise that support creative and innovative thinking and problem-solving techniques.

In the findings of the survey it is found that age diversity has a positive effect on problem solving in the organization. This can be supported by a study by Webber, D. J., & Donahue, L. M. (2001) which sheds light on the effects of diverse teams on the cohesiveness and performance of work groups, particularly problem-solving. In a meta-analysis of earlier studies, the researchers discovered that diverse teams, including age diversity, performed better on problem-solving tasks than homogenous teams. They came to the conclusion that diverse teams benefited from the range of viewpoints and experiences that team members from varied backgrounds, including age, brought to the table. The potential benefits of age diversity on problem-solving within an organization can be highlighted by this study.

The results show that teams with members of different ages are better able to manage complicated problem-solving tasks because they can draw on a wider variety of viewpoints, ideas, and problem-solving techniques. This gives support to the premise that age variety fosters better team problem-solving skills and a more creative and productive corporate environment.

Another survey finding is on the relationship between age diversity and creativity which is seen as relatively low in this study. However a study by 1. Webber, D. J., & Donahue, L. M. (2001) disagrees. Even though the main focus of this study is the connection between age and job performance, it also sheds light on how age diversity in the workplace affects creativity.

The researchers discovered that age variety fosters innovation by bringing together people with various viewpoints, backgrounds, and experiences. They contend that because individuals from different age groups bring a variety of perspectives and techniques to problem-solving, age-diverse teams are more likely to provide original and creative solutions. The potential advantages of age diversity for promoting innovation within an organization can be highlighted by this study. According to the study, age-diverse teams benefit from having access to a greater range of viewpoints and experiences, which leads to more original and imaginative solutions to issues. This provides credibility to the premise that age diversity may foster a more imaginative and dynamic workplace where staff members are encouraged to think creatively and freely in order to advance organizational performance.

The findings on the link socioeconomic diversity and challenging normal routines show the highest agreement of all. This is strengthened by a study by George, G., McGahan, A. M., & Prabhu, J. (2012) which study shows how socioeconomic diversity inside an organization may alter and disrupt regular routines. The authors claim that individuals from various socioeconomic origins contribute a variety of viewpoints, expertise, and approaches to addressing problems, which can encourage creativity by challenging accepted norms and routines. They believe that socioeconomic diversity encourages the development of a wider variety of ideas, viewpoints, and solutions that challenge the status quo and foster original thought.

This highlights how socioeconomic diversity helps a business innovate by encouraging employees to break free from ingrained habits. It implies that staff members from various socioeconomic origins provide distinctive viewpoints and strategies that challenge accepted conventions and promote fresh ways of thinking. The evaluation of alternative tactics, procedures, and solutions may result from this interruption of ordinary behavior, spurring creativity and enhancing organizational performance.

This supports the claim that socioeconomic diversity is important for fostering an innovative culture and pushing the boundaries of the business. It emphasizes how different backgrounds and experiences may challenge and remove dissatisfaction promoting development and progress through time.

Another survey finding is on the link between socioeconomic diversity and adaptability which was also high in agreement among the respondents. A study by Gupta, V et,al (2009) supports this finding as it refers to the idea of socioeconomic variety and how it affects flexibility. The authors make the case that people from different socioeconomic origins frequently have access to a wider variety of resources, experiences, and coping methods,

which can improve their capacity to adapt in different situations. They contend that exposure to various socioeconomic conditions promotes flexibility and resilience, allowing people to better navigate and adjust to unusual situations.

In an organizational environment, this study emphasizes the link between socioeconomic diversity and adaptation. The results imply that workers from various socioeconomic origins may bring special talents, viewpoints, and problem-solving skills that help them adjust to shifting conditions. Their exposure to many social and economic situations may have given them the skills they need to adapt, grow, and succeed in challenging working environments.

This supports the claim that socioeconomic diversity is important for fostering organizational adaptation. It implies that a workforce made up of people from different socioeconomic backgrounds can improve the company's capacity to adapt to changing market dynamics, business trends, and client expectations. Such variety may help make a company more adaptable and flexible, able to change its strategy, procedures, and goods and services to be competitive in a business environment that is undergoing fast change.

This study found that employee behavior is least affected by socioeconomic diversity. This goes against the study by Dobbin, F., & Kalev, A. (2016). The authors of this study contend that by eliminating prejudices, creating empathy, and encouraging an inclusive culture, socioeconomic diversity can result in good improvements in employee behavior. They claim that when workers from various socioeconomic backgrounds connect and work together, it can lower barriers, lessen prejudices, and improve understanding and respect of other viewpoints. This can draw attention to the possible impact of socioeconomic diversity on workplace behavior. The results indicate that a varied workforce, made up of people from different socioeconomic backgrounds, foster an atmosphere where workers are more understanding, sympathetic, and respectful of one another. This may result in increased employee cooperation, teamwork, and communication, which will eventually enhance general employee behavior and foster a more welcoming workplace culture.

They found that socioeconomic diversity has a significant impact on how employees behave. It suggests that businesses that encourage socioeconomic diversity creates an environment where staff members feel appreciated, included, and inspired to give their all. Additionally, it claims that by fostering socioeconomic diversity, businesses may lessen prejudice and preconceptions and foster greater acceptance, collaboration, and support among staff members from all backgrounds.

5.4 Conclusion

The results of the study emphasize how crucial gender diversity is to organizational performance. The results indicate that gender diversity has a favorable impact on company performance. The significance of gender diversity and its potential advantages for decision-making, creativity, and work satisfaction can also be concluded. However, the availability of fair chances for professional advancement and the organization of training sessions and seminars on gender diversity should be improved. Dashen Bank may improve employee satisfaction and overall organizational performance by putting in place diversity initiatives that increase awareness and knowledge of gender diversity.

Furthermore, it has been discovered that age diversity enhances organizational performance by bringing together individuals from different experiences, skills, and perspectives. From this it can be concluded that the decision-making process, customer awareness, and the organization's principles and policies all benefit from age diversity. Age diversity's effect on creativity, innovation, and financial advancement, on the other hand, is perceived as having a comparatively less impact. As a result Dashen Bank is advised that concentrate on fostering more age diverse teams in order to improve these qualities.

The effectiveness of organizations has also been proven to be significantly impacted by socioeconomic diversity. The importance of socioeconomic diversity for organizational effectiveness is also acknowledged. Socioeconomic diversity has been proven to improve decision-making, employee engagement, motivation, and the acquisition and retention of top talent. From this we can draw the conclusion that innovation, problem-solving, and market-demand adaptation are positively seen as being influenced by socioeconomic diversity. Although there is space for development in encouraging employees to behave in a more cooperative and collaborative manner. To promote a more welcoming and collaborative workplace, Dashen Bank should try to boost socioeconomic diversity among its employees.

Overall, gender, age, and socioeconomic diversity are concluded as being crucial for enhancing organizational performance. Dashen Bank should prioritize encouraging age diversity, establishing a more inclusive and cooperative work environment via socioeconomic diversity, and implementing strategies that encourage gender diversity if it wants to maximize the advantages of diversity. Dashen Bank could boost organizational performance by embracing and utilizing the talents of a diverse staff.

5.5 Recommendations

This research recommends creating a gender-inclusive workplace to promote gender diversity. This can be accomplished by putting in place systems and regulations that guarantee equal chances and get rid of prejudice. Addressing any gender related wage inequalities is crucial, as is offering training on unconscious bias and inclusive leadership.

This study also recommends encouraging intergenerational collaboration and information sharing inside the Dashen Bank in respect to age diversity. This can be accomplished by having mentorship programs where senior workers can offer advice and assistance to junior staff.

It is necessary to employ targeted recruitment approaches to draw candidates from a range of socioeconomic backgrounds and to offer fair possibilities of career improvements.

Additionally, Dashen Bank should identify and eliminate any barriers or biases that can restrict employees from various backgrounds from moving forward. This can involve putting bias training into action, promoting equal opportunities for professional growth and advancement, and using that fair and unbiased performance evaluation methods.

Overall, Dashen Bank should evaluate and monitor the effectiveness of their diversity initiatives and programs on a regular basis. To make sure that diverse activities go with company goals and have a positive impact on organizational performance, they should gather staff feedback and make adjustments when necessary.

5.6 Limitation of the study

The study's limited focus on one company, Dashen Bank, restricts the range in which its results can be applied. So, it would be advantageous to conduct the study in several firms and industries in order to assess the validity of the findings.

The study also focused on a few elements of diversity, which are socioeconomic diversity, gender diversity, and age diversity but to have complete understanding of diversity's link with an organization's performance looking at more types of diversities in addition to the ones mentioned in this study is needed.

5.7 Suggestion for Future Research

To fully understand the relationship, future research should focus on identifying the nature of the association between a specific aspect of organizational performance and a single type of diversity. Future research should also study if other types of diversities have a significant role on organizational performance.

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Appendix 1

QUESTIONNAIRE

Questionnaire on the role of workforce diversity on organizational performance: The Case of Dashen Bank

Addis Ababa University

College of Business and Economics, School of Commerce

MBL Program

The purpose of the study in general and this questionnaire in particular is to investigate and solicit your feedback on “**The Role of Workforce Diversity on Organizational performance in Dashen Bank S.C**” for the partial fulfillment of academic requirements of M.A. degree in Business Leadership and to gain practical knowledge on the topic under investigation.

Please select the answer for those questions that are followed by choices. As an important input to the study, I kindly request you to fill the questionnaire carefully and to the best of your knowledge as there is no wrong answer. This questionnaire will be kept confidential. Thank you in advance for your participation.

I. Demographic Profile

1. Gender:
 - Male
 - Female
2. Age:
 - 21-24
 - 25-34
 - 35-44
 - 45-54
 - 55-64
 - 65 or older
3. Educational Background:
 - High school diploma/GED
 - College Diploma
 - Bachelor's degree
 - Master's degree
 - Doctorate/Ph.D.
4. Job Title:
 - Junior
 - Mid-level

- Senior
5. Length of Employment with the Organization:
- Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years

II. Role of Gender Diversity on Organizational Performance

Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
	5	4	3	2	1
Gender diversity is important in improving organizational performance.					
I have observed challenges or barriers associated with gender diversity within my organization.					
Gender diversity contributes significantly to innovation and creativity within my organization					
My organization has specific initiatives or programs in place to promote gender diversity.					
Gender diversity contributes significantly to better decision making within this organization.					
My organization promotes an inclusive work environment that values gender diversity.					
My organization has conducted training or workshops to raise awareness and promote gender diversity among employees.					
Gender diversity within the organization contributes to higher job satisfaction among employees.					

The organization provides equal opportunities for career growth and advancement regardless of gender.					
Gender diversity within teams enhances collaboration and team performance.					

III. Role of Age Diversity on Organizational Performance

Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
	5	4	3	2	1
Age diversity is important for improving organizational performance.					
Age diversity contributes significantly to innovation and creativity within my organization.					
Age diversity contributes significantly to better decision making within my organization.					
Age diversity within the organization positively roles the financial performance of the company.					
Having a diverse age range of employees leads to a better understanding of customer needs.					
The organization values and promotes age diversity in its policies and practices.					
Age diversity within the organization contribute to higher customer satisfaction levels.					
Employees from diverse age backgrounds are more likely to provide					

innovative solutions to meet customer needs.					
The organization effectively utilizes the diverse skill sets and experiences of employees from different age groups to improve financial performance.					

IV. Role of Socio-Economic Diversity on Organizational Performance

Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
	5	4	3	2	1
Socioeconomic diversity is important for improving organizational performance.					
Specific departments within my organization have benefited from socioeconomic diversity.					
Socioeconomic diversity contributes significantly to better decision making within this organization.					
Socioeconomic diversity within this organization positively influences employee behavior and collaboration.					
Employees from different socioeconomic backgrounds bring different perspectives that enhance creativity and innovation within the organization.					
Socioeconomic diversity leads to a wider range of ideas and solutions during problem-solving processes within the organization.					
Employees from diverse socioeconomic backgrounds are more likely to challenge the normal routines and propose new approaches or strategies.					

Socioeconomic diversity improves the organization's ability to adapt and respond to changing market or customer demands.					
This organization values socioeconomic diversity in its policies and practices.					
Socioeconomic diversity within this organization contribute to higher levels of employee engagement and motivation.					
Socioeconomic diversity positively influences the organization's ability to attract and retain top talented employees.					

v. Measures of Organization Performance

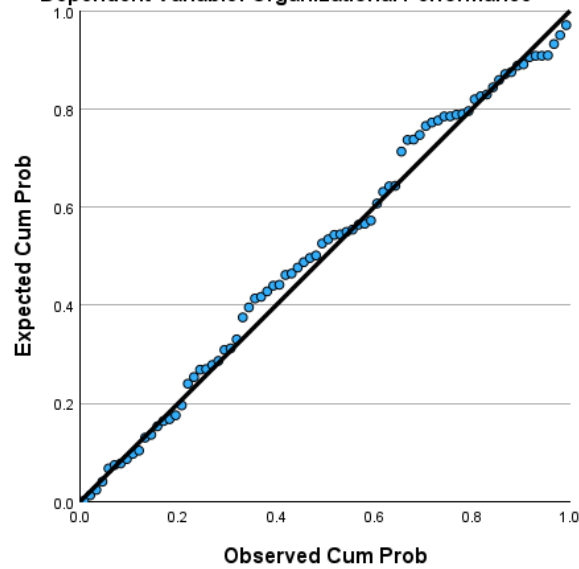
Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
	5	4	3	2	1
I believe the organization effectively communicates its goals and objectives to all employees.					
I have confidence in the organization's leadership and their ability to make sound decisions.					
I am satisfied with the level of teamwork and collaboration within the organization.					
I feel that the organization provides ample opportunities for professional growth and development.					
I believe the organization values and prioritizes the well-being and satisfaction of its employees.					
I am confident that the organization has a strong and positive reputation in the industry or community.					

I believe the organization effectively adapts to changes in the business environment and embraces innovation.					
I am satisfied with the level of transparency and fairness in the organization's decision-making processes.					
I feel that the organization fosters a culture of continuous improvement and innovation.					

Appendix 2

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Organizational Performance



Histogram

Dependent Variable: Organizational Performance

