Managing Workforce Diversity: Key Successful factors

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ABSTRACT

Human capital is an important asset for any organization. Physical and capital resource can be mobilized properly through human resources. Physical and capital resources by themselves can not improve efficiency or contribute to increased rate of return on investment. The efficiency of capital and physical resource can be achieve through combined efforts of human resources. This paper is descriptive design. The study tackled areas of workforce diversity effects on diversity of performance of employees and how workforce diversity can be managed to the positive outcomes of an organization. Workforce diversity is combination of different caste, gender, age, attitude, religion, ability, skills, region, perception, race, sex, experience and cultural differences. It is the differences and similarities between the employees of any organization. It is the process of bringing verity of people in the same workplace. Effective management of diversity recognizes that people from different backgrounds, culture and experience can bring new ideas to the work place. Workforce diversity leads an organization in to creativity, innovation, able to retain talent workforce, enerzize people and boosts them and reduced grievances. Workforce diversity promotes creativity, innovative problem solving, productivity and increase cultural diversity, increase in entrepeneurial behavior and values within employees. Diversity management emphasizes on building specific skills, creating policies and drafting practices that get the best from every workers. So, diversified workforce provides various advantages to organization (i.e. creativity, change adoption, problem solving, new thinking and though, flexible adoption to organizational change and beliefs). The study revels that there is a positive correlation between good workforce diversity and organizational change.

Keywords: Human capital, Mixture of talent, Organizational change, Organizational effectiveness, Productivity, Talent acquisition, Workforce diversity.

1. Introduction

One of the most vital function of organization is human resources planning (HRP) for the recruitment and selection of human resources. Human resource management (HRM) is an important part of management which includes planning, recruitment, selection test, career planning, training, motivation, development, promotions, and performance appraisal. It is the process involving people and and their managemet at workplace. Human resource makes the decision, sets the objective, and design, assemble, and sell the products. HRM is guided by organizational values and scope of an organization and management. An organization can not run effectively without effective and scientific HR practices. The management of organization delegates authority to HR manager for recruitment, selection, selection test, determination of training and capacity building capsul, motivational tools for employee retention. Human resource planning is an essential ingredient for the success of any organization. Regarding the HRM, diversity is also in important tool for organizational productivity and organizational effectiveness. Human resource management is concerned with managing human capital in such a way that positively affects the organizational goal along with employee satisfaction, thus HR professional acts as competency manager by arranging the right people to the right positions in the right time at the right place with their new strategic architectoral role.

People with mixture of different identities within social systems are defined as diversity (Fleury, 1999). It is not only considered significant with organization and country but also organizations require dealing with multicultural workforce by departing from national boundries and challenges cultural obstacles inorder to obtain competitive advantage (Canen and Canen 1999). Diversity is an increasingly important factor on organizational life as organizations worldwide become more diverse interns of gender, race, ethnicity, age, and other characteristics.
Managing workforce diversity includes a process of creating and maintaining an environment that naturally allows all individual to reach their full potential in pursuit of organizational objectives (Jenner, 1994, Thomas, 1994).

On the basis of above statement, researcher has prepared the following model. Some important factors of diversity are as shown in figure 1.

Workforce diversity plays vital role in the performance of organization. Workforce diversity is major concern of every manager in organization. It is the process of talent acquisition in an organization. It is the variation inside the organization among the employees that can brings proactiveness and creativity in the organization through positive dynamism. Workforce diversity recruits a variety of people in the same workplace in terms of sex, age, religion, caste, ability and ethnicity based on capabilities and expertise which is observable attributes in nature. The successor parameter of any manager is, how he/she handle diverse group of people. Managing workforce diversity is very challenging and tough task of any manager of organization. Diversity value of organization enhances organizational effectiveness through diversified knowledge, ideas, analytical skills, and behaviour and resource management capabilities. Each and every individual is different from each other because of their qualification, age, background, belong and personality. Employees have different attitudes, efforts, perception, ideas, attributes and skills, so that, the manager has used that things tactfully for organizational effectiveness. So, each employee has his/her own unique combination of such characteristics. Diversified workforce provides various advantages to organization (i.e. creativity, change adoption, problem solving, new thinking and though, flexible adoption to organizational change and beliefs). Recruiting and retaining people/personnel of diverse background who can share a common set of organizational values and business approach is a priority for today’s competitive environment.

Workforce diversity is integrated managerial function which can mobilize available resources to gain organizational goals. The manager of an organization needs to properly manage diverse talent from different background through HR practices, inorder to achieve organizational objective with low degree of risk. Therefore, mixture of talent of diverse personnel is needs too essential for sound and corporate culture, views, ideas, ability
and diverse attributes such as education, technical abilities, and functional background, tenure of institution, socio-economic background, personality and values. It is essential for continuous change and establishes motivational culture in organization. So, organization can keep a competitive advantage through improving culture, employee moral and high retention of employees. Promoting diversity attracts talented workers; reduce turnover, increase employee satisfaction and loyalty. This concept was first developed in western countries and was very successful. Therefore, workforce diversity has acquired worldwide recognition for organizational effectiveness and popularity.

2. **Factors influencing workforce diversity**

Workforce diversity is the totality of the differences and similarities of the behavior, attitude to work, culture, religion, perceptions and management styles of the workers which include managerial and operating level of organization. This differences needs to be managed effectively and efficiently to ascertain the influence on organizational performance and productivity. In this chapter we have seen that internal and external pressures on the workforce diversity management may spring from several factors. These include economic conditions, government policies and regulation and trade unions powers and strategies (George T. Milkovich and John W. Boudreau, 1996). Workforce diversity influence many more other factors. Such factors or variables are as follows.

i. **Internal factors:**

   Internal environmental factors are such types of factors which can be controlled and managed internally. Organizational policy, rules, culture, resources and employee themselves are the some important internal factors.

ii. **External factors:**

   External environmental factors are those types of factors which can not be controlled by organization. Customers, pressure group, government, suppliers, creditors, distributors, trade union are main environmental factors of diversity. Educational background, religion, habits, experience, unions and marital status are also external factors which direct effect in workforce diversity in organization.

iii. **Organizational factors:**

   Organizational factors are those types of factors which directly affect on workforce diversity. It comprises position, post, location, department, division, financial, technological, cultural strategies and understanding about diversity.

3. **Workforce diversity practices in Nepalese context**

The management of workforce diversity is a new concept of Nepalese civil service and corporate sector. It is an emerging concept of human resource planning and management. It is the major concern in Nepalese civil service, banking and financial institutions, government owned enterprises and corporate houses for effective service delivery as well as adoption of new ideas, thought, knowledge, views and diverse social and organizational culture by acquisition of talent hunt in supervisory level. If an organizations could not give high emphasis to managing workforce diversity than organizations will lose their competitive business advantages and run with high degree of risk and uncertainty too. In current scenario, employing diversified workforce is a necessary for every organization but to manage such diversified workforce is also a big challenge for management (Saxena, A. 2014).

In Nepal more than twenty five corporate houses operating their activities in different sectors. Chadhaury group, Dugar group, Golchha group, IME group, Kedia group, Khetan group, Panchakenya group, Vaidya organization of industries and trading Houses, Saakha group, Sharada group are some reputed corporate organization in Nepal. Most of corporate houses of Nepal are run by own family member that’s why workforce diversity practice of Nepalese big corporate houses is poor. They are not properly adopting recruitment, selection, motivation, training, careers development and acquisition of talent diverse workforce. In Nepal, very low numbers of foreign workers has involving in corporate and banking sector compared with others south Asian countries like India, South Korea, Srilanka, Japan and many more countries.

Nowadays, there are very good and transparent practices of workforce diversity, inclusion and reservation in civil services. Governmental authority like Nepal telecome authority, Nepal electricity authority (NEA), Nepal
army, Nepal police, Arm police force of Nepal, Central bank and government owned enterprises has also adopted same recruitment policy which is adopted by government of Nepal. The Government of Nepal has adopted the reservation policy since 2007 to improve inclusion and diversity in Nepalese civil service even now, low number of participation from marginalized people like: Tamang, Pode, Chapang, Maghi, Mager, Delit, Musaher and Pichhada caste etc. both governmental and semi governmental institutions. If we can take example of big multinational companies like Unilever, Coca Cola, Samsung, Amazon, Daraz, TATA, Reliance industries, Deloitte and Toyota etc are always trying to diversify their workforce for continuous change management. They have to hire an effective and efficient workforce that can handle current globally competitive environment. The government of Nepal has been trying inclusion and reservation policy in civil service and state owned enterprises. But that is not enough in these federal systems. So, all interested irrespective of age, gender, race, religion or ethnic affiliation are needs to encourage in government service.

Table 1 Inclusion and reservation provision of Nepalese civil service

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>Provision of recruitment (%)</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Open competition</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>2</td>
<td>Reservation/Inclusion</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Reservation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Womens</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>2</td>
<td>Janajatie</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>3</td>
<td>Madeshi</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td>Delit</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>5</td>
<td>Disable</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Backward people</td>
<td>4</td>
<td>4</td>
</tr>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
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Above mentioned table 1 shows the current inclusion and reservation practices regarding workforce diversity in Nepalese civil service and government owned enterprises. From the above mentioned table, there is 45 percent reservation for Women, Janajati, Madeshi, Delit, Disable and Backward people in Nepalese civil service and Government owned enterprises out of full vacant post.

According to public service commission of Nepal, As on 2018/019, there are 4,574 vacant post out of this Women, Janjati, Madeshi/Terai, Delit, people from different ability and Pichhada cast are selected in civil service i.e. 13.66 percent, 11.13 percent, 8.94 percent, 3.67 percent, 2.07 percent and 1.68 percent respectively and rest of them are from open for all group. Interms of race and ethnicity, 56 percent Brahmins, 14 percent Chhetries, 15 percent Janjaties, 8 percent Madhesi/Terai and 5 percent of Dalits are current employeed in civil service of Nepal in different position. This is the reality; Government of Nepal adopted and implemented the provision of reservation and inclusion in jobs that opens the opportunities to all deprived candidates.

For the frist time in Nepal’s civil service history Mr. Man Bahadur Bishowkarma, a Delit, has been appointed as a secretary of Nepal Government. He is also frist Delit doctorate (Ph.D.) in Nepal. Likewise, Ms. Anupama Khunjeli, a woman has been appointed as a Chief Executive Officer (CEO) of the Mega Bank Limited for the frist time in Nepalese banking history. Lack of inclusive and reservation of women, Dalit, Janjaties, and Madhesi in the participation in the senior management position of any organization shows the real position of Nepalese diversified workforce acquisition. Therefore, the Government of Nepal needs to address diverse candidates from different group including women, age, caste, ability, education, socially deprived group of people and other minority communities. Effective management of workforce diversity involves not just recruiting and selection of diverse employees but also retaining them through training and development opportunities to employees. So, effective workforce diversity practices in the areas of human resources are belived to enhance employee capacity and organizational performance equally in civil service and government authority.

4. Review of related literature

This chapter includes the review of previous studies and the conceptual review on the topic of the study.
and related area. Review of literature means reviewing research studies or other relevant propositions in the related area of the study so that all the past and previous studies, their conclusion and perspective deficiency may be known and further research can be conducted. It is an essential part of all studies which convey what knowledge and ideas have been established on a topic in the past and what are their strength and weakness.

This study tries to assess the impact of workforce diversity on organizational performance and productivity. The various findings of past researcher were grat hrlpful for this papers. This review also helped in finding out the differences between the past research and current research in the same topic. The basic intention of this literature review is to give a comprehensive review of previous work on the area of diversity of workforce and organizational performance. Throughout diversity vs. organizational performance literature, a number of theoretical frameworks have been used to formulate such studies. Many managers and researchers agree that diversity is a positive factor in organizations.

Patrick, H. A. & Kumar, V.R. (2012) concluded that managing workforce diversity is a very complex and challenging and it has better impact in organizational performance. They concluded that, organizations with diverse employees are better suited to serve external customers in an increasingly global market only through effective workforce diversity management. Similarly, only organization those who accept workforce they recommended that, for inclusiveness of organization, organization need to organize training for cross-cultural acceptance and encouraging. They also emphasize that organizations should be take measures to manage diversity to harness and leverage the potential employees for competitive advantages. Saxena, A. (2014) concluded that workforce diversity is a key to improve productivity. He stated that diversified workforce will definitely leads to productivity but may disaster if workforce diversity not manage properly, the management and employees may also feel problem like language problem, attitude clashes, and difference in perception. He also suggested organization needs to organize training, motivational programs, open channel of communication among the employees and employers, developing employee participation and fact acceptance culture in organization for productivity improvement through HR policies. Ahmed, H. L., & Bukth, T. (2019) examines the effect of employee diversity on firm performance in Bangladesh. The study was explanatory based on primary data at organizational level through administered structured questionnaire. They found that, there is positive relationship between employee diversity such as gender, religion and race and firms performance in Bangladesh. They stated that, diversity in work environment as a means to increase organizational performance. So, management of organization needs to take on holistic approaches for the whole organization, rather than at top level management and board level.

Syed, J., & Kramar, R. (2009) developed a conceptual framework to describe socially responsible diversity management. In this study, they explore role of socially responsible diversity management compared with affirmative action and diversity management. They argue that organization can achieve better business outcomes, as well as equity outcomes associated with a diverse workforce by adopting relational and multilevel framework diversity which improved business as well as social outcomes through equal opportunity and social inclusion.. They suggested that, managers need to do more than just operate at the meso level; they also need to explicitly operate at micro level by engaging the numbers of their workforce in the development of organizational policies. Ogbo, A. I., Anthony, K. A., & Ukpere, W. I. (2014) et all analyzed the effect of workforce diversity on organizational performance selected firms in Nigeria. They used secondary data, oral interview and content analysis with structured questionnaire design method. They concluded that workforce diversity on organizational performance is very critical for the success of an organization and it has been identified to lead to improve organizational performance as a result of broad based nature and specialization it brings on board. In addition thee corporate revenue can improve through only differences and similarities of the employees. They recommend diversify managers can enhance organizational performance, effectiveness and profitability that’s why organization needs to formulate policy on diversity management. D’Netto, B., & Sohal, A. S. (1999) et all examine how effectively corporate Australia was using good human resource management practices to manage workforce diversity. They used primary data with structured questionnaire which mailed to human resource manager of the selected companies. They concluded, the overall management of workforce diversity in Australia is only “Medicore” which indicates slightly better than midpoint. Due to this fact inadequate workforce diversity management was found in the areas of recruitment, selection, training and development in Australia. They recommend, proactive diversity management practices are essential to realize true benefits of a multicultural workforce.
Mutuku, C. (2010) has analyzed workforce diversity and firm performance for their Doctoral studies programme. He examines impact diversity factors i.e. race, gender, and age and firms performance in different paramaters. He stated that, diverse people has diverse form of ideas, knowledge, skills which improve the quality of organizations workforce as a result organizational performance will improved in terms of quality, productivity, market share, profitability, return on equity and overall performance which will allow for organizations to gain competitive advantage within their particular industry or market.

Gotame, S. (2020) in this article the author explore the role of diversefied workforce in organization. He has concluded managing workforce diversity is a key success of any organization, it is not a problem but it’s an opportunity for managers to be successful in the market. He suggested if the manager of the organization manage the diversified workforce effectively than the organization will achieve the new height, leads organization into innovation, able to retain talent, train, skilledful, and experienced workers.

5. Research questions

The following research questions were investigated in this study.

- Is there any relationship between age diversity and organizational performance?
- Is there any relationship between ethnic diversity in the workplace and organizational performance?
- Is there association between gender diversity in the workplace and organizational performance?
- Which organizations in Nepal practices inclusion and reservation policy to manage workforce diversity?
- Does workforce diversity have positive affect on organizational performance?

6. Objectives of the study

The purpose of this study is to establish the relationship between workforce diversity and its effects on organizational performance. The major objective of this study is to analyze how work force diversity variables positively influence the productivity and effectiveness of organization. An organization can run smoothly if there will be a mixture of talents from different diversified culture. If an organization could not give more emphasis to managing workforce diversity (WFD), it may lose talent and competent workforce.

The specific objectives are as follows:

- To analyze the relationship between workforce diversity and organizational performance.
- To examine the relation of diverse talent on organizational performance.
- To identify the workforce diversity practices in Nepalese government owned and corporate institutions.

7. Research gap

The effectiveness of any organization depends on combined efforts of human resources so that organization cans easily achive predetermined goal or objectives. Human resources management is concerned with managing human capital of organizations in such a way that organizational objective can be achive along with employee job satisfaction. It is only possible through diverse people with diverse knowledge, ideas, skills, attitudes, behavior and professional background. When diverse people came together to work at the same place of organization definatelly, differ ideas will react each other which may useful for organizational effectiveness. Still, there is a gap proper acquisition of diversified people in Governmental as well as organized sector. They are not adequately used for effective recruitment practices for managing workforce diversity. Therefore the researcher is focusing over this critical aspect of diversified workforce that affects the job satisfaction, organizational performance, productivity and creativity.

8. Research methodology

The study is a descriptive study design to examine the relation of diverse talent on organizational performance. This study examined possible relationship between workforce diversity and organizational productivity and change. Workforce diversity directly affected by organizational factor, external factors and internal factors.
9. Results/Outcomes

9.1 Proposed conceptual framework

On the basis of section 5 the researcher has taken some aspect, which is part of diversity among workforce they are, age, gender, caste, experience, professional qualification, ability, religion, skills, attitude and perception. After reviewed of various research articles, paper, researcher has prepared the following model.

![Conceptual framework](image.png)

**Fig 2: Conceptual framework the relationship between diversity and organizational performance**

There are various factors of diversity. Such factors are mentioned in figure 1. In this paper researcher studied only three factors such as age, gender and ethnicity which affects the organizational performance. Workforce diversity refers to the variety of differences between people and institution. It encompasses race, gender, age, ethnic group, cognitive style, personality, organizational function, background, educational qualification and perceptions. Diversity involves not only functions of how people act, react, interact each other but also how they interact each other as a result enhance positive environment in organization and maximize their contribution to an organizational objectives. Diversity strategy is needed to tap the creative ideas, new innovation, cultural skills, motivational skills and positive mind set to use these skills to improve existing traditional situation of organizational working environment and set up. People from different backgrounds can bring fresh ideas and perception which can make the way is done more efficient and makes service better. So, there is a strong and positively correlated successful diversity management and firm’s performances. It is a better way to strengthen employee knowledge, ideas, innovation and re-engineering of organizational systems. Diverse employees are better suited for understanding globally changing political, legal, social, economic, corporate and cultural environments that’s why organization can serve diverse external customers effectively. When diverse people enter in organization; organization can solve the complex task, increase the exposure of the business to different kinds of customer and increase organizational productivity, increase sales and revenue of the organizations by adopting creative, innovative ideas and concepts generated from diverse brains (Gotame, S. 2020). If Chief Executive Officer (CEO) of organization manages the diverse workforce than institution will gain the new status and homely environment as a result train, skilledful, experienced, talent, competent workforce can retained effectively.

9.2 Relation of age related diversity on organizational performance/change

Workforce diversity has a positive influence on organizational performance. Diversified age group is also most important assets of any organization because the diversified age group has very effective ideas at problem solving. When people from different age group enter in organization; organization can solve the complex task, increase the exposure of the business to different kinds of customer and increase organizational productivity, increase sales and revenue of the organizations by adopting creative, innovative ideas and concepts generated from diverse brains (Gotame, S. 2020). If Chief Executive Officer (CEO) of organization manages the diverse workforce than institution will gain the new status and homely environment as a result train, skilledful, experienced, talent, competent workforce can retained effectively.
Age is one of many factors that influence the relative importances of various drivers for individual workers at any given point of time. When we examines age-based differences, they find that the same broad drivers of engagement matter to both mature and younger workers and that relative importances depends on each workers particular situation. Mature workers (<50 years) are moving in to teaching role, master’s trainer, coach or mentor. From the organizations purpose they are motivated, productive and reliable continued access to key institutional knowledge and workers can apply life and job experience and no need to train. Employee recruiting and training expenses can be reduced by effectively management of mature and retired talent workforce. Generally, mature workers are trustworthly, visionary, executive leadership, competent, respectful manager, fair and equitable, flexible compensation practices, thical and understanding their duties and they relate organizational mission. Likewise, younger workers (>50 years) are more dedicated their job and duties. They are innovative, energetic, and flexible, searched career development and technologically updated. Generally, younger workers are just loke fresh iron can make at any size, shape, form as per organizational objectives. On the basis of above facts/statement, researcher has prepared the following model.

![Fig 3: Relation of age diversity and organizational change](image)

From the above figure 3 there is positive influence age diversity on organizational development and change. Effectively managed age diversity has positive effects on sales, market share and corporate profit. Ther is also positive benefits related to use of mixed-age work group. There is a positive impact on organizational performance and change that’s why old blood and new blood intract each others for the achievement of organizational goals and objectives.

### 9.3 Relation of gender related diversity on organizational performace/change

Gender diversity at work place has a positive influence on organizational performance/change. According to Cascio W (2006) 50 percent of the management and professional jobs were held by women in USA further, about half of working womens are head of their families. According to Hanery G. (Hank) Jackson, CEO SHARM “Every organization needs to view its mature workers as highly valuable assets –and plan for the day they are no longer employees”.

Generally, women tend to be more careful in their duties and more serious than men and they can handle authority more positively and behave as more supportive ways towards their peers. Women become more loyal and willing to sacrifice other activities for work. If there is equal proportion of womens and men in organization definitelly, the rate of their performance will be more highly improve. Organizational conflicts will be low when women proportion will be higher than men. Womens perception and attitudes has more flexible and they often raise personal causes of conflict and the higher, they raise organizations the more that works of them in terms of time and commitment which they committed with their senior. They pay a high personal price for their organizational status. On the basis of above statement, the researcher has prepared the following impact of gender diversity on organizational performance. ”. On the basis of above statement, researcher has prepared the following model.

![Fig 4: Relation of gender diversity and organizational performance](image)
Therefore, the proportion of women and men in an organization needs to be balanced. Women have different attitudes, perceptions, knowledge, and behavior in terms of management and problem-solving. Women are more absent and experience high turnover compared to men. Women can manage organizations effectively and efficiently by mobilizing resources in productive ways. The wastages and mismanagement can be minimized if the primary workforce positively supports the advancement of competent women. Likewise, the workforce diversity has different ideas and skills in management and handling external stakeholders. Men will take more risks with their careers and jobs. So, there needs to be a balance with sex composition within the organization which may be more fruitful for the achievement of organizational objectives, i.e., high rates of return, environmental adoption, organizational change, reputation, brand loyalty, financial sustainability, and market growth.

9.4 Relation of ethnic diversity on organizational performance/change

We agree with the statement “There is strength in diversity” and while there are no data on this particular point. We seem too sensitive to people of cast and women participation in social, economic, political, and civil service.

![Diagram](image)

Figure 5: Relation of ethnic diversity and organizational change

Ethnic people have different attitudes and opinions which positively impact the organizational performance and change there are significant differences and there is no difference at all. Ethnic people have unique multiculturalism, claverness, rational decision-making attitudes, and socialization characteristics, which are different from others. It promotes notions of harmony, emphasizes unity, solidarity notions, and reinforces social balance, affecting daily organizational activities directly and indirectly. Creating trust and confidence is essential elements needed for successful interaction in the workplace which is possible only through diversified people. The ideas produced by ethically diverse groups were judged to be of higher quality than the ideas produced by homogeneous groups (Orlando, R. 2000).

10. Recommendation and suggestion

Workforce diversity plays an important role in organizational change and performance. It enhances employee’s capacity and build new image by gathering with diverse people. When people from different caste, sex, religion, ability, geographical region, age, different perception and attitude and professional background come together in an organization, it enables multiple ideas and better solutions of problems at work ultimately improving employee and organizational performance. Diversity builds a positive image and reputation of the organization in both internal and external markets. So, based on this fact, researchers have some recommendations to policymakers and senior personal of Government, workforce diversity is an important aspect of recruitment and selection of talent mixture to achieve business growth and organizational change rather than legal mandatory.

11. Conclusion and discussion

Workforce diversity is the difference and similarity of skills, attitudes, culture management style, perception, knowledge of the workers at both managerial and operational levels. The importance of workforce diversity is increasing day by day. It is very critical that the success of any organization. Workforce diversity is identified to lead to improving organizational efficiency, productivity, and performance through multicultural innovation. It enhances organizational performance and increases the rate of return on investment. Therefore, successful organization can benefit from workforce diversity by creating a corporate culture that attracts people from diverse skills, innovative concepts, and different backgrounds. Diversity always allows increased creativity and better solutions of problems. So, diversity needs to manage through talent acquisition. The influence of workforce diversity to organizations and employees depends on such factors as employee satisfaction, productivity, loyalty, high commitment for goal achievement, and image building. Diversity management is a way of creating inclusion and equal participation in management among these groups, including gender, caste, religion, skills, age, geographical region, and people from different attitudes and backgrounds. It shows the importance of workforce diversity to
compose multiple ideas, thought in problem solve at work and ultimately improve employee and organizational performance. Effective management of diversity recognizes that people from different backgrounds, culture and experience can bring new ideas to the workplace. It creates awareness to top level management of organization about its significances. Workforce diversity promotes creativity, innovative problem solving, productivity and increase cultural diversity, increase in entrepreneurship behavior and values. So, diversity at work place as an important aspect for organizational growth and sustainability too. Workforce diversity is not a problem but it’s an opportunity to be success in the competitive market. The Government of Nepal adopted and implemented the provision of inclusion and reservation in civil jobs that opens the opportunities to all diversified candidates. Therefore, country needs to adjust and address a variety of diversity issues including caste, sex, religion, age, ability, demography, education, language, educational background, regional background, disability, socially disadvantages people and people from minority communities. Diversity allows increase creativity, a wide range of cooperation, effective definition of problem and more alternatives and better solutions that’s why diversity needs to manage effectively. So, effective workforce diversity practices in the areas of human resources are believed to enhance employee capacity and organizational performance equally both in civil service and corporate/governmental institutions.

This study is based on the theoretical lenses, past literature, the logical explanation and my working experiences. The result of the study may have valuable implication for human resource decision makers and policy makers of human resource planning and management. The next step is to test if the proposed conceptual framework and the propositions are academically legit and empirically supported. The interested researcher could use to refine and reconstruct the proposed conceptual framework. Seeking assistance from a panel of experts, professional in the areas of workforce diversity before conducting further study is also highly recommended.

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This is Basu Dev Lamichhane, Lecturer of Tribhuvan University and PhD Scholar, Lincoln University College, Malaysia.