Ethnic Diversity and Performances of Nigeria Breweries Plc Enugu State, Nigeria

Mba M. N.[1], Ofobruku, S. A. Ph.D [2], Nwanah C. P.[3], & Anikwe N. M.[4,]
[1,3,4]Department of Management,
Faculty of Business Administration,
University of Nigeria, Enugu Campus,
Enugu State, Nigeria
[2]Faculty of Humanities,
Social and Management Sciences
Edwin Clark University, Kiagbodo,
Delta State, Nigeria.
ufomaeliz@yahoo.com

Abstract
The study focuses on the effect of Ethnic diversity the performance of Nigerian Breweries Plc. The study investigated the extent to which ethnic diversity affects productivity. The survey research design was adopted for the study. The study had a population size of 1342, out of which a sample size of 396 employees was investigated using Taro Yamane's simple size technique. Instruments used for data collection was the questionnaire. The statistical technique employed to test the hypothesis was the linear regression. The findings indicate that ethnic diversity positively affects productivity. Therefore, the study recommended that organizations that are constituted of different cultures should build themselves by acknowledging different values of the employees and incorporate it into the organizational culture for greater efficiency and productivity.

1.0 Introduction

Workplace diversity is a multi-faceted concept that will continue to evolve as more industries, specifically the manufacturing industry, move toward both working in and recruiting employees from a global marketplace. It is argued that this has led to a perception that workforce diversity became inevitable and fundamental for sustainable organizational performance. This belief drives corporate managers to embrace and comprehend the concept of workplace diversity, its barriers, and benefits. Furthermore, workforce diversity is increasingly recognized and utilized as one of the very important, if not the most important, organizational resources in regards to whether the goal of an organization is to be an employer of choice, to provide excellent customer service, or to maintain a competitive edge.

Any business that intends to be successful must have a borderless view and an underlying commitment to ensure that workforce diversity is part of its day-to-day business operations (Childs, 2005).

Organizations and their employees do not exist in a vacuum, separated from their cultural surroundings, but in a specific culture or socio-cultural environment (Hofstede, 1991). For an organization to remain relevant in a competitive environment, it is necessary for the management to hire employees who represent its demographics (Jehn, Bezrukova and Neale, 2004). This could include people who represent a particular ethnic community, who understand and know the needs of their culture. It could also mean having a representative from a particular

religion, who may be able to give insight on the acceptable and non-offensive traditions that could be used by the organization in enhancing their organizational performance (Lauring, 2008, Abdel, 2012).

Farrer (2006) believes that, organizations aiming to expand their market and increase their performance need to give greater attention to relating to a multi-cultural workforce. Jehn and Bezrukova (2004) state that the trend of having different work functions and departments in an organization that has different cultures, adds a strong element of cultural diversity to today's workgroups in many organizations. For an organization to succeed and have a competitive edge over the rest in the industry, it has to greatly embrace diversity to be able to realize its benefits, (Farrer, 2006). Being able to successfully handle workplace diversity issues as well as develop and implement diversity plans, gives an organization several benefits (Stahl, Mannevski, Voigt and Jonsen, 2010).

The improved association and interface of persons from various background as an upshot of better economic and administrative structures have put most organisations under pressure to embrace workplace diversity. As organizations become more diverse along ethnic lines, it makes sense to pay more attention to how different groups interact with one another at work as these ethnic conflicts are most times transcended into the workplace.

Thus the study seeks to investigate the effect of workforce diversity on organizational performance. The objective of this study is to determine the extent to which ethnic diversity affects employees' productivity in the Nigerian Breweries Plc. Enugu.

2.0 Conceptual review and Theoretical framework
2.1 Conceptual review

Diversity management may be well-defined as the recognising, thoughtfulness, acquiescent, appreciating, and revelling variances among individuals with respect to age, class, ethnicity, gender, physical and mental ability, race, sexual orientation, spiritual practice, and public assistance status (Green, López, Wysocki, and Kepner, 2002).

Accordingly, Ashton (2010) claimed that diversity can be classified into two dimensions. The first dimension considers the age, gender, and sexual orientations that differentiate an individual from others. The second dimension focuses on such qualities such as education, religion, geographical location, income (Henderson, 2001).

2.1.1 Ethnicity

In Nigeria, ethnicity is the most salient dimension of diversity. This is due to the fact that the nation is highly ethnically fragmented with each group clamouring for recognition. Ethnicity could be better understood through the concept of an ethnic group, which is a group of people whose members identify with each other through a common heritage (Banks, 1996). Ethnicity also encompasses the behaviour of ethnic groups. While all these variables need not be present before a group is so defined, the important thing is that such a group is classified or categorised as having a common identity that distinguishes it from others. It is this classification by powerful agencies such as state, religious institutions and the intelligentsia such as local ethnic historians that objectifies the ethnic group, often set in motion processes of self-identification or affirmation and recognition by others (Ukiwo, 2005).

2.2 Organizational performance

Organizational performance refers to the rate or degree to which an organization achieves its corporate objectives. There are several indicators of performance which means these are

dependent on the objectives of the organization. Specifically, Kaplan and Morton (1992) suggest that companies should collate performance information from four perspectives namely: the financial perspective, customers' perspective, the internal business perspective, and innovation and learning perspective, (Kaplan and Norton, 1992). However, apart from Kaplan and Norton's model, other organizational performance measures are creativity, profitability, productivity, competitive advantage, employee welfare, customer satisfaction, effectiveness, efficiency, flexibility, quality.

Experts in numerous areas are interested in the organizational performance with strategic planners, operations, finance, legal, and organizational development. Improving the productivity of an organization is essential to its survival in the competitive world. The purpose of all productivity related endeavours is to bring about lasting improvements in the performance of an organization (Shrestha, 2005).

Performance is something for which all organizations strive, regardless of their size. Small organizations want to get big, big organizations want to get bigger. Indeed, organizations have to grow at least a bit every year in order to accommodate the increased needs that emerge over time. Every organization aims to sustain its existence and meet the needs of highly competitive markets by continuously improving its performance (Arslan & Staub 2013). Ely & Thomas (2001) describe the performance as the execution or accomplishment of work, tasks or goals to a certain level of desired satisfaction. There are several ways to understand organization performance but for the purposes of this thesis, we will look at it as the ability of an organization to satisfy the desired expectations of two main stakeholders comprising of shareholders and customers. This is measured in terms of the following parameters; Shareholders' satisfaction with financial returns or profits from organizational operations and customers' expressed satisfaction with the quality of products and services of the organization.

Financial growth of the organization will be measured through its sales performance. Sales performance can be explained as all the economic activities or investment carried out in the organization in a given period of time. It can be measured by the total amount of revenue collected for the goods sold. In many organizations, employee morale and satisfaction are related to identity groups or cultural affiliations (Cox, 1994). How people feel and think about their jobs and their employers is greatly influenced by their cultural beliefs, norms and value system (Peppas, 2001). Seymen (2006) further states that this is indeed crucial because the behavior is driven by perceptions of reality. What people believe about their opportunities in the work environment is of vital importance regardless of whether or not these beliefs are consistent with the facts (Kochan *et.al*, 2003). Cox (1994) goes ahead to say that cultural differences to a great extent shape a person's beliefs and relationship to other employees as well as customers.

Harrison, Price, & Bell (2014) examined the effect of ethnic diversity on the service delivery of business organizations in the United States of America (USA). Regression analysis was employed in the research study that had a population of 520. The research findings showed that, relative to homogeneous groups, members of diverse work-groups display less attachment to each other, and show less commitment to their respective organizations. But heterogeneous workforce which is based on ethnicity has a greater impact on service delivery of the organisation. The investigation conducted by Fredrick, Omboi Francis (2011) establishes the effects of workforce diversity management on the organizational effectiveness of selected branches of Kenya commercial bank limited. The Study adopted a descriptive research design.

The study population consisted of all branches of KCB limited in five countries in the East African region. A sample size of 100 respondents was selected. The internet mail survey had a 60% response rate. Data collection was by use of questionnaire through internet mail. The analysis was by the use of descriptive and inferential statistics and SPSS version 15.0. The Pearson's correlation coefficient indicated the relationship between each independent variables and the dependent variable. The research suggested that for an organisation to be able to influence the current diversity, an organisational attitude should be established based on diversity that would positively influence the human resources actions with respect to the discrepancies as prevailing among its employees.

Oloyede (2014) investigated the influence of ethnic diversity on organisational service delivery using 5 organizations in Benin City, Edo State. Descriptive survey design and stratified sampling technique were adopted for the study. A t-test was used to test the hypotheses for the study. The study found out that ethnic diversity holds all groups of employees at all levels in the organizations; and called for such type of organisational culture, where all members can pursue their desires without being inhibited by gender, race, nationality or other conditions and factors that are irrelevant to service delivery. The researcher recommended that ethnic diversity should be seen as the varied perspective and approach to work which help the individuals of different identity groups to improve in service delivery.

Omankhanlen, Ehimare, and Ogaga-Oghene (2015) examined the impact of ethnic diversity on organisational service delivery in the banking sector. The study used the Blau's 1977 index of heterogeneity to measure the diversity index; while asset growth for the year 2011 and 2012, using 2013 and 2014 as base year was used to measure the growth strategy. To determine group diversity and performance outcomes moderated by workgroup context, a series of regression analyses were conducted with the aid of SPSS version 21. The study found a significant correlation between ethnic diversity with the measures of organisational service delivery. Also, it revealed that ethnic diversity is positively related to both employee productivity and service delivery bonus.

Lee and Bose (2015) conducted an exploratory examination on the effect of ethnic diversity on employee service delivery in two (2) public sector organizations in Ogun State. Accounting-based performance and market-based performance indicators were used in measuring the organizations' economic performance. Measurements employed to measure account-based performance are (1) return on assets (ROA), (2) return on average equity (ROAE), and (3) return on average sales (ROAS). The result of the study revealed that ethnic diversity within one organisation was a positive factor when the firm was pursuing a growth strategy. This is because the account-based performance improved tremendously due to the increase in the service delivery of the employees.

Bounds, Dobbins, & Fowler (2015) examined cultural diversity and organisational service delivery in Ghana. The study had a population of 376 participants. Two-Way ANOVA was adopted in testing the hypotheses. The study found that ethnic diversity was associated with strong organizational service delivery not only among managers of colour but also among different ethnicities in Ghana. Another study by Phillips and Lount (2015) investigated the relationship between ethnic diversity and service delivery of business organizations in the United States of America (USA). Correlation survey design was used for the study and Pearson's Product-Moment Correlation Coefficient was used to examine the relationship between ethnic diversity and service delivery of the business organisations. The study had 240

participants. The study found out that ethnic diversity is positively related to organizational service delivery.

2.3 Theoretical framework

This study relied on the Resource Based View (RBV) theory and forms the framework for this study. The research views organizations as consisting of a variety of resources generally including four categories viz; physical capital, financial capital, human capital, and corporate capital, (Barney & Clark, 2007). The attributes of resources held by firms can contribute and determine their level of performance (Yang & Konrad, 2013). Resources that allow a firm to implement its strategies are viewed as valuable and can be a source of competitive parity Barney & Clark D, (2007). Resources that are viewed as valuable and rare can be a source of competitive advantage. Those that are valuable, rare and inimitable can be a source of sustained competitive advantage (Barney & Clark, 2007). Moreover, to achieve a sustained competitive advantage, a firm needs to have the ability to fully exploit the potential and stock of its valuable, rare and inimitable resources. Such ability and potential often reside in the diverse characteristics of its workforce. To further interrogate these findings from the literature, this study has been edged on the hypothesis:

H_1: There is significant effect of ethnic diversity on productivity.

3.0 Methodology

The survey research design was adopted for this study. Data were collected from primary secondary sources. The study was carried out on Nigerian Breweries 9th mile Corner Enugu state, Nigeria. The population of the study is 1342. A sample size of 369 was obtained from the population of the study using Cochran's formula and this method is suitable for this because our population is known. The instruments used for data collection were questionnaire structured in four points likert scale. Out of the 369 copies of questionnaires distributed, 325 (88%) of the questionnaire distributed were returned while 44 (12%) of the questionnaire distributed were not returned / mutilated. The reliability test was done using Spearman ranking order of correlation coefficient. The result gave a coefficient of 0.77 indicating internal consistency.

4.0 Data Presentation and Analysis
4.1 Test of Hypothesis

The data acquired from the field were analysed to provide answers to the research questions while the corresponding hypothesis was tested with linear regression.

Research Question: To what extent does ethnic diversity promote productivity in the Nigerian Breweries Plc?

Table 1: Response on effects of ethnic diversity on productivity

S/N	Questions	SA	A	NS	D	SD	Total
1	Group of workers with cultural similarity form allies over issues which improves their productivity	210	40	28	32	15	**325**
2	Employees from diverse ethnic groups bring different ideas that promote form more efficient work teams	190	60	20	35	20	**325**
3	Ethnic diversity helps in broader customer service delivery	200	50	24	16	35	**325**
	TOTAL	600	150	72	83	70	

Source: Fieldwork 2017

Table 1 shows that 750 of the respondents indicated S. agree / agree, while 153 indicated disagree/ S. disagree. Based on the response from percentage analysis it was concluded that ethnic diversity positively affects productivity in the Nigerian Breweries Plc.

Hi: H₁: There is significant effect of ethnic diversity on productivity in Nigerian Breweries Plc

Table 1a Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.938[a]	.879	.879	.30796	.174

a. Predictors: (Constant), Ethnic diversity
b. Dependent Variable: productivity

Table 1b ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	222.443	1	222.443	2345.401	.000[b]
	Residual	30.634	323	.095		
	Total	253.077	324			

a. Dependent Variable : Productivity
b. Predictors: (Constant), Ethnic diversity

Table 1c Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

		.179	.033		5.477	.000
1	(Constant)					
	Ethnic diversity	.877	.018	.938	48.429	.000

a. Dependent Variable: productivity

R   = 0.938
R^2 = 0. 897
F   = 2345.401
T   = 48.429
DW   = 0. 174

4.2 Discussion of findings

The regression sum of squares (222.443) is greater than the residual sum of squares (30.634), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is not due to chance.

R, the correlation coefficient which has a value of 0.938, indicates that there is a negative relationship between ethnicity and productivity. R square, the coefficient of determination, shows that 89.7% of the variation in productivity is explained by the model.

With the linear regression model, the error of estimate is low, with a value of about 30796. The Durbin Watson statistics of 0.174, which is not more than 2, indicates there is no autocorrelation. Ethnic diversity coefficient of 0.938 indicates a negative significance between ethnicity and productivity, which is statistically significant (with t = 48.429). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted. Thus ethnic diversity negatively affects productivity in the Nigerian Breweries Plc.

5.0 Conclusions and Recommendations

The findings at the end of this study include the following

Ethnic diversity positively affected employee productivity in the Nigerian Breweries (r = 0.938; F = 2345.401; t = 48.429; p < 0.05)

A diverse workforce is an image of the transformation taking place in the world business environment and marketplace. Several workplaces environment are made up of diverse cultures. Therefore, it is essential for proactive organizations to learn how to adjust to being effective. Different work teams convey high worth to establishments. The respects for individual differences are of great benefits to the workplace. This in several cases creates significant increasing work productivity and competitive advantages. Diversity management is of benefits to the organisations by creating a fair and safe environment where everyone has access to equal opportunities/challenges.

Therefore, the opposite is the case too; if diversity is not well managed it also has the tendency to create clashes, miscommunication, misinterpretation, amplified tension, and lack of cohesion, with several negative effects on the organisation performance. Based on the findings of this study, this study recommends that organisations that constitute of different cultures should build themselves by acknowledging different values of the employees and incorporate it into the organizational culture for greater efficiency and productivity.

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