

DOES ETHNO-RELIGION DIVERSITY INFLUENCE FIRMS PERFORMANCE? EVIDENCE FROM FEDERAL HEALTH INSTITUTIONS IN NIGERIA

Chikodili Nkiruka OKAFOR,
Department of Management, University of Nigeria, Enugu Campus

Happiness Ozioma OBI-ANIKE,
Department of Management, University of Nigeria, Enugu Campus

Omolade Sunday ADEYEMI,
Department of Business Administration, Oduduwa University, Ipetumodu, Ile-Ife

Abstract

The purpose of this study is to investigate the effect of ethno-religion diversity on organizational performance of Federal Health Institutions in Nigeria. It was carried out with a view to determine the effect of ethnic diversity on team performance of healthcare workers; and as well ascertains the relationship existing between religious diversity and employee retention. The descriptive and survey research design was adopted for this study. With a population size of 6739, the sample size of 508 was determined using Cochran's formula. Data collection was through questionnaire structured in 5-point likert scale. Data collected were presented and discussed descriptively using frequency and tables. Hypotheses were tested using ordinal logistic regression and Product Moment Correlation Coefficient. The study revealed that ethnic diversity has a significant negative effect on team performance ($\beta = -1.239, p = 0.001 < 0.05$); there is a significant positive relationship existing between religious diversity and employee retention ($\beta = 0.786, p = 0.000 < 0.05$). The study recommends that there should be orientation, training and information on ethnic diversity and inclusivity at all levels by management to help employees understand how they can take steps to create a more inclusive environment at work and to co-operate with one another irrespective of ethnic affiliations or differences; employees should be given an opportunity to practice their religion and engage in religious activities that both contribute positively to the individual and the organization, this can be achieved by ensuring flexibility in job schedules and designated areas for religious practices; and organizations should eliminate structures that engender gender discrimination by formulating laws and policies that promote equity in recruitment, placement, promotion and succession planning irrespective of ethnic, religion or gender in order to encourage creativity, innovation and competitiveness in the organization.

Keywords: *Diversity Management, Ethnic Diversity, Age Diversity, Team Performance.*

1. INTRODUCTION

Organizations and their employees do not exist in a vacuum, separated from their cultural surroundings, but in a specific culture or socio-cultural environment (Wenli, 2010). Jehn and Bezrukova (2014) observe that the labor force of any country is a reflection of the population from which it is drawn and as such, for an organization to remain relevant in a competitive environment, it is necessary for the management to hire employees who represent its demographics. 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).

Berman (2011) observes that forces like globalization and the internationalization of public issues contribute to the expansion of flow of labor across ethnic and national boundaries and also facilitate the constant exchange of materials, as well as symbolic and human resources. These forces have also made modern organizations to be confronted with myriads of challenges; one of the prominent challenges is that of managing differences among people. Ashton (2010) opines that globalization in recent times has triggered more interaction amongst people from different cultures and backgrounds than before. People are now more open-minded in the marketplace with competition coming from almost everywhere in the continent. This view is supported by Robbins and Judge (2013) who state that the increased mobility and interaction of people from diverse backgrounds as a result of improved economic and political systems and the recognition of human rights by all nations has put most organizations under pressure to embrace diversity at the work place. Also Imberti (2007) and Wenli (2010) are both of the opinion that diversity has become a hot-button issue when applied to the workplace and that its importance has mainly been brought about by the free movement of labor due to globalization and the fight for human rights by certain minority groups who feel excluded from the employment sector.

Ethno-cultural diversity exists when differences in ethnicity, age, ability, language, nationality, socioeconomic status, gender, religion or sexual orientation are represented within a community (Cox and Blake, 2011). The community can be a country, region, city, neighborhood, organization or school. The group is culturally diverse if a wide variety of groups are represented. Contemporary belief system is marked by a generalized sense that traditional work arrangements are inadequate to address the challenges organizations encounter in recent times. It appears that the shifts from an industrial to an information-based society and from a manufacturing to a service economy, coupled with the forces of globalization, have forced innovative changes on work place arrangements (Tsui, Egan and O'Reilly, 2012). These tendencies have affected work not just in industrialized societies of the global north, but also in the developing countries like Nigeria, whose public health sector is in no way exempt from this modern organizational reality.

Nigeria, a nation with over two hundred and fifty ethnic groups and a population of over one hundred and eighty million persons with over half of that number still in their working age (World Bank, 2010), managers of the Nigeria public health sector are being faced with a critical challenge of the management of ethno-cultural diversity in the work place (Ugwuozor, 2011). According to the 2014 communiqué of the Nigerian national health conference, despite Nigerian's strategic position in Africa, the country is greatly underserved in the health care sphere; the health sector accounts for 7.38% of the Nigerian labor force but the system remains weak as evidenced by lack of coordination, fragmentation of services, dearth of resources, including drug and supplies, inadequate and decaying infrastructure, inequity in resource distribution, and access to care and very deplorable quality of care. From a managerial perspective, the Nigeria public health sector is a large and complex heterogeneous organization. To effectively accomplish its mission in today's turbulent business environment, it must engage in similar activities as any other large corporation around the globe. In the same way, a professional civil service system is just one

version of another contemporary personnel system based on the merit principle (Ospina, 2006). Nigeria public health sector, no doubt, represents a particular type of employment relationship that, by its very nature, is different from private employment. Nevertheless, from the point of view of organizational theory, a national public bureaucracy, its conditions of employment, and its employees, are all equally subject to the remarkable pressures determining the fate of any complex organization of contemporary times (Ugwuozor, 2011).

Nigeria is a multi-ethnic and culturally diverse society that has witnessed conflicts arising from ethnic and cultural issues. In Nigeria, ethnicity is the most salient dimension of diversity and it is underscored by strong emotions due to past and extant ethnic conflicts. The nation is highly ethnically fragmented with each group clamoring for recognition and resisting even perceived marginalization. It is argued that national integration in the Nigerian context has been an attempt to forge unity in diversity, seeking to wish away socio-cultural differences and imposing uniformity in spite of complex cultural diversity. Ethno-cultural diversity has on some dimensions created more conflict and posed obstacles to unity, peaceful co-existence, progress and stable development in both private government organizations, the health sector inclusive. Moreover, there is a high risk of tensions, disagreements and conflicts, due to different ideologies, stereotypes, mistrust and lack of cohesion among teams, acceptance of mediocrity over competence and expertise due to ethnic bias leading to inefficiency. This, together with other factors has resulted in loss of confidence in the Nigeria health sector as evidenced by the outflow of patients abroad in search of medical attention, otherwise known as medical tourism.

As government businesses become more diverse along ethnic lines with the implementation of the Federal Character Principle which provides for equal representation of all ethnic or sectional groups or states in all federal ministries, departments and agencies, it is imperative that more attention is paid to how different groups interact with one another at work as underlying ethnic prejudices and conflicts are sometimes transcended into the work place. Ethno-cultural diversity if not managed properly results in difficulty in communication, workplace conflicts, low productivity, higher employee turnover, job dissatisfaction, decline in profitability and productivity which culminates in overall organizational inefficiency, poor performance and bad public image. As the need for employee diversity increases, so do demands like the need for effective interaction among diverse employees, the potential for conflict among them and the urgency to manage these conflicts in order to attain organizational objectives. Needless to say that with such an ethno-culturally diverse public sector workforce, the importance of understanding how diversity affects workplace interactions and work-related outcomes cannot be over emphasized. In recent years, quite a number of studies have been carried out to assess the effects of workforce diversity on the performance of organizations in Nigeria. However, most of such studies focused on the private sector with less regards to public sector workforce and especially the health sector. This is done even against the very reality that the public health sector is under compulsion from the governments through various policies and regulations to embrace workforce diversity and it experiences the strain and stress arising from workforce diversity dimensions.

It is equally observed that the ethnic attribute of cultural diversity and its relationship to team cohesion and performance with special regards to the Nigerian situation which is characterized by several extant ethnic conflicts threatening the stability and unity of even the nation itself has not received much attention in past studies. To this present study, the foregoing constitutes a gap in literature that calls for attention. It

is against this backdrop that this study sought to investigate how ethno-religion diversity affects the performance of federal health institutions in South East, Nigeria. The study specifically aimed at (i) determine the effect of ethnic diversity on team performance of healthcare workers and (ii) ascertain the relationship existing between religious diversity and employee retention.

2. REVIEW OF LITERATURE

2.1 The Concept of Workforce Diversity

Diversity refers to the variety of differences between people in an organization. That sounds simple, but diversity encompasses race, gender, ethnic group, age, personality, cognitive style, tenure, organizational function, education, background, and more. Diversity involves not only how people perceive themselves but also how they perceive others as these perceptions affect their interactions. These can be along the dimensions of race, ethnicity, gender, sexual orientation, socioeconomic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies (Cox and Blake, 2011).

Robbins (2009) refers to workforce diversity as the co-existence of employees from various socio-cultural backgrounds within an organization. It includes cultural factors such as race, gender, age, color, physical ability, ethnicity, etc. A diverse workforce refers to organizations that are becoming more heterogeneous with the mix of people in terms of gender, age, race, and education background. Simply put, it means a workforce made up of men and women from a variety of different cultural and racial backgrounds. Frequently, diversity is viewed in a limited fashion, primarily addressing issues of race or gender differences, and linked to the laws providing protected status to certain groups. Wentling and Palma-Rivas (2010) submit that a broad definition of diversity encompasses most characteristics that individuals possess that affect the way they think and act. A broader definition may include age, national origin, religion, disability, sexual orientation, values, ethnic culture, education, language, lifestyle, beliefs, physical appearance and economic status.

To Van, Dedreu and Homan (2004), diversity can be regarded as differences between individuals on any attribute that may lead to the perception that another person is different from self. This they said could exist in gender, age, culture, ethnicity and functional background. On his part, Ashton (2010) claims that diversity can be classified into two dimensions. The first dimension considers the age, gender, and sexual orientations that differentiate an individual from others while the second dimension focuses on such qualities such as education, religion, geographical location, income, and others

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2.2. Dimensions of Diversity: Ethnic and Religious Diversity

Ethnicity could be understood through the concept of an ethnic group, which is a group of people whose members identify with each other through a common heritage. Ethnicity refers to groups within the larger

society that display a unique set of cultural traits. Group members often share a sense of community resulting from some sense of regional or geographic heritage or shared sense of belonging, based on characteristics such as common religion, language, ancestry, national or geographic origin and/or other attribute (Banks, 2011). Ethnic groups are groups with ascribed membership, usually but not always based on claims or myths of common history, ancestry, language, race, religion, culture and territory. 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 categorized 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 setting in motion processes of self identification or affirmation and recognition by others (Ukiwo, 2005, Banks, 2011).

Ethnic diversity thus refers to differences in people's ethnic backgrounds. However, Cox (2004) observes that ethnic diversity is more than only differences in people's appearance; but that it is the differences in people's inner self, stemming from their ethnic background, that count. This is opined by Bell, Villado, Lukasik, Belau, and Briggs (2011) who argue that someone's work style is often linked to their ethnic background.

On the other hand ethnocentrism which is sometimes wrongly used to represent ethnicity can be referred to as judging another culture solely by the values and standards of one's own culture. Ethnocentric individuals judge other groups relative to their own ethnic group or culture, especially with concern for language, behavior, customs and religion. These ethnic distinctions serve to define each ethnicity's unique cultural identity. Ethnocentrism may be overt or subtle and while it is considered a natural proclivity of human psychology in everyday life, it has developed a generally negative connotation (Cox, 2004).

McCullough and Willoughby (2009) describe **religion** as the high level of traditional religious belief, frequent involvement in religious institutions such as churches, synagogues, mosques, and temples, and engagement in religious practices such as reading scripture, worship, and prayer. Weiss (2008) observes that religion comprises both religious belief and religious behavior. Religious belief, he asserts refers to internal religiosity, or faith, is defined as belief in God and a trusting acceptance of God's will while religious behavior, or external religiosity, includes all observable activities, which are undertaken in a religious context, in particular going to church.

Nigeria, Africa's most populous country with a population of over 182 million in 2015 is nearly equally divided between two religions, Christianity and Islam; though the ratio is uncertain. The majority of Nigerian Muslims is Sunni and is concentrated in the Northern region of the country while the Christians dominate the south. A report in 2012 on religion and public life by the Pew Research Center stated that in 2010, 48.3% of Nigeria's population was Christian, 48.9% was Muslim, and 2.8% were followers of indigenous or other religions or unaffiliated (Wikipedia.org).

In a diverse workplace, making assumptions about others' religious backgrounds can be quite offensive and also assuming that someone is a particular faith because of his or her ethnic background can be incorrect and possibly insulting. Kutcher, Bragger, Rodriguez-Srednicki and Masco (2010) identify religion as one of the critical elements that influence an individual's value system and hence in shaping the cultural environment of an organization. As mentioned by Cash and Gray (2014) religion affects the way in which people behave through an individual's value system. Cash and Gray (2014) opine that

religion and spirituality strongly influence many American managers' behaviors at work. This opinion is supported by Noland (2003) who believes that religion contributes to healthy organizations.

Cash and Gray (2014) observes that there is a wealth of information that suggests a positive relationship between religiosity and subjective well-being. These positive consequences that studies report accompany religious belief and practices, have made the Americans to increasingly want their religion integrated into all the areas of their lives. Also the many benefits religious beliefs has been found to have on physical and mental health and ethical decision making, has pushed some organizations to support and encourage expressions of religion and faith in the workplace as stated by Kutcher, *et al.* (2010).

Morgan (2005) in his research reports that the traditional wall between faith and work is crumbling at an accelerated rate and that religion can no longer seem to be a hat that can be removed and forgotten as soon as an employee enters the doorway of an office. Further, Cash and Gray (2014) found that during the decade spanning 1994 to 2000 the percent of workers who felt they needed to experience spiritual growth in their work increased from 30% to 78%. Because of these dramatic changes, organizational researchers have begun to examine the influence of religion and spirituality on work outcomes.

Recent researchers have examined the relationship between religious belief and job satisfaction, job performance, organization-based self-esteem, and organizational frustration. Religious involvement can be defined as, the extent to which an individual attends religious services and takes part in worship activities, groups, committees, and worship-related organizations (Day, 2005). Researchers have examined the relationship between religiosity and civic involvement and found out that the more religious individuals easily took part in civic volunteer activities in the society (Weaver and Agle, 2002).

Day (2005) observes that individuals with higher levels of religious involvement have lower rates of alcohol and drug abuse and addiction which have negative impacts on an employee's productivity. Noland (2003) adds that the relationship between religious practices and the avoidance or moderate use of alcohol is well documented, whether or not denominational groups specifically prohibit the use of alcohol. Religion significantly affects the level of an individual's happiness and overall sense of well-being. Happy people tend to be productive and law-abiding and also tend to learn well, thus having a positive impact on an organization's performance. Weaver and Agle (2002) state that employees who frequently attend religious services are less stressed, and have a greater sense of control which is correlated with decreased distress hence are more productive at work. They further add that the employees who have a strong religious commitment have an increased self-esteem and social support, as well as enhanced coping skills which positively contribute to their work performance

2.3. Barriers to Effective Diversity Management

Managing diversity effectively in the workplace comes with a lot of challenges. Some of such barriers as highlighted by Kreitner and Kinicki (2010) are:

- **Ethnocentrism**

Ethnocentrism is the view that one's particular ethnic group is somehow superior to all others. The word *ethnocentrism* derives from the Greek word *ethnos*, meaning "nation" or "people," and the English word *center*. A common idiom for ethnocentrism is "tunnel vision." In this context, ethnocentrism is the view that a particular ethnic group's system of beliefs and values is morally superior to all others.

- **Cultural Relativism**

Cultural relativism is the view that individual beliefs and values systems are culturally relative. That is, no one ethnic group has the right to say that their particular system of beliefs and values, their worldview, is in any way superior to anyone else's system of beliefs and values, what is right for one culture might be wrong for another and that is alright. There is no absolute standard of right and wrong by which to compare and contrast morally contradictory cultural values.

- **Stereotypes**

Stereotypes are formed opinions about a group of people. It exposes bias as experience with one member of a group is applied to every member of the group. Stereotypes are sweeping statements or generalizations about the characteristics of a group. In other words they are general statements, perceptions or even preconceptions about the attributes or qualities of a group, holding them as true without being proven. The thing about stereotypes is that some encounters may witness them to be true but this is not so in all cases and yet they are believed to be true in all instances, becoming universal truths in the owner's mind. Oftentimes these mindsets are difficult to influence and change.

- **Resistance**

Every workplace has people who resist diversity and the changes it brings, even in the most positive environments. Individuals who do not take a diversity plan seriously are a big challenge to managers and owners trying to implement and maintain a plan. These negative attitudes can damage morale, slow down positive change and decrease productivity. Employee resistance can be handled through workshops, employees getting to know each other and knowing when to let an unwilling-to-adapt employee go

2.4. Organizational Performance: Team Performance and Employees Retention

Research on performance has gone through many phases in the past three decades. Initially, they were focused mostly on financial indicators but with time, the complexity of the performance measurement system increased by using both financial and non financial indicators. Although the concept of organizational performance is very common in academic literature, its definition is not yet a universally accepted concept. Many actions taken by firms do not seem to affect their financial performance much which has led scholars to widen the definition of firm performance.

The concept of "scientific management" by Fredric Taylor in the early twentieth century laid the foundation for the modern concept of organizational performance. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). It is one of the most important variables in the field of management research today.

Richard, Barnet, Dwyer and Chadwick (2007) view organizational performance as encompassing three specific areas of firm outcomes: (a) financial performance (profits, return on assets, return on investment, etc.), (b) product market performance (sales, market share, etc.); and (c) shareholder return (total shareholder return, economic value added, etc.). Organizational performance as the organization's ability to attain its goals by using resources in an efficient and effective manner; effectiveness being the degree to which the organization achieves a stated goal, and efficiency being the amount of resources used to achieve an organizational goal. Allen,

The term performance is sometimes confused with productivity. Ricardo (2012) explains that there is a difference between performance and productivity. Productivity being a ratio depicting the volume of work

completed in a given amount of time while performance being a broader indicator that could include productivity as well as quality, consistency and other factors. Waiganjo, Mukulu and Kahiri (2012) note that organizational performance may be measured in terms of its multiple objectives of profitability, employee retention, productivity, growth among many other objectives. Doyle (2004) contends that there is no single or best measure of organizational performance. He posits that profitability is the most common measurement used for organizational performance. Indeed, even the optimal definitions or measures of performance remain controversial. Fortunately, when these propositions are assessed, the results are often encouraging as practices that improve the commitment and attitudes of employees do indeed enhance many financial indicators of workplace performance (Gong, Law, Chang, and Xin, 2009)

Team Performance

Raza, Ishtiaqi, Butt and Newaz (2013) define a team as a pool or collection of individuals who are autonomous in their tasks but have a common goal or share accountability for the overall outcome or consequences. Teamwork refers to a process where employees form functional groups or are grouped into work categories to achieve a given organizational objective (Delarue, Van Hootehem, Procter and Burrige, 2008). A high-performance team can be a group of individuals with precise roles and complementary skills and talents, committed to and aligned with a shared purpose, who constantly show high levels of collaboration and innovation that produce superior results populations (Hoogendoorn and van Praag, 2012).

Mathieu, Maynard, Rapp and Gilson (2008) conceive three subcategories of team performance organizational-level performance; team performance behaviors and outcomes and role-based performance. In the first instance, organizational-level performance, there is a one-to-one link between organizational outcomes and team characteristics. In relation to team performance behaviors and outcomes, the relationship is examined between team performance and cohesion. Role-based results capture the level to which team members display the essential competencies obligatory to perform their jobs (Mathieu *et al.*, 2008). It is the latter that is crucial for the current analysis of the impact of ethnic diversity on team performance and ultimately on organizational performance.

Employee Retention

Employee retention involves keeping or encouraging employees to remain in an organization for a maximum period of time. It involves a systematic effort by the organization to create an environment that addresses diverse employee needs so employees will stay with the company. Mita (2014) defines employee retention as a technique adopted by businesses to maintain an effective workforce and at the same time meet operational requirements. According to Workforce Planning for Wisconsin State Government (2015), employee retention is a systematic effort to create and foster an environment that encourages employees to remain employed by having policies and practices in place that address their diverse needs.

2.5. Theoretical Anchor

This work anchored on the Similarity/ Attraction Theory. This theory was put forward by Byrne (1971) and is used to explain group formation. The theory focuses on people's preference to interact with other individuals who share common life values, beliefs and experiences with them. One reason for this preference is that having knowledge of this shared attitude could help them to predict the future behavior of the other person or people.

Similarity/attraction theory posits that people like and are attracted to others who are similar, rather than dissimilar, to themselves; as the adage goes, “birds of same feather flock together.” Social scientific research has provided considerable support for tenets of the theory since the mid-1900s. The theory provides a parsimonious explanatory and predictive framework for examining how and why people are attracted to and influenced by others in their social worlds. In addition to people’s inclinations to be attracted to those who share similar attitudes, people are also attracted to others who manifest personality characteristics that are similar to their own. Various researchers from a variety of fields such as marketing, political science, social psychology, and sociology have supported the assumptions of similarity/attraction theory. The argument is that people of similar religious background, ethnicity, age group and gender may tend to prefer to work together due to their common characteristics thus enhancing group cohesiveness and performance. In addition, interactions that may be perceived to be discriminatory on the basis of religion, ethnicity, age and gender may lead to harmful and negative effects on team cohesiveness (Triana, Garcia and Colella, 2010; Byrne, 1971).

Similarity attraction theory assumes that people like to associate themselves with those whom they perceive to be like them based on demographic characteristics such as age, ethnicity. It is believed that this attraction helps to promote cohesion, communication and cooperation among team members. For instance it is common to find younger employees in an organization pursuing common social activities with colleagues within their age group like going for lunch breaks and pursuing common goals. This kind of attraction and personal ties tends to promote communication and cooperation among them because they are able to share similar life and work experiences with one another and as such develop their similar life attitudes and beliefs.

3. METHODS

The study adopts a descriptive and survey research method. The area of study for this research work is the south east, Nigeria. The states that make up the south east are Enugu, Anambra, Imo, Abia and Ebonyi.. The study centred on all the teaching hospitals in the region namely: National Orthopaedic Hospital Enugu; University of Nigeria Teaching Hospital Enugu ; Nnamdi Azikiwe University Teaching Hospital Nnewi, Anambra state; Federal Neuropsychiatric Hospital Enugu; Federal Teaching Hospital Abakaliki, Ebonyi state; Federal Medical Center Owerri, Imo state; and Federal Medical Center Umuahia, Abia state. Population for the study comprised of all the top level management, middle-level management and non-managerial staff of the institutions. The total population of the study was the six thousand seven hundred and thirty-nine employees. Sample size of five hundred and eight was drawn from the study population. Data for the study was collected from the primary source through questionnaires that were self-administered to the staff of the selected firms. 508 questionnaires were administered the staff of the firms in proportion to their population size. Information collected through the questionnaire was analyzed with frequency distribution and percentage table. Content validity method was used to determine the validity.

4. RESULTS AND DISCUSSION

A total of five hundred and eight (508) copies of the questionnaire were distributed to the targeted respondents. Four hundred and ninety two (492) copies were returned which shows that sixteen (16)

copies were not returned. The table below is a display of the statistics of distributed and returned questionnaire and a calculation of their corresponding percentages. This is shown in table 4.1 below.

Table 4.1: Questionnaire Return Rate

ORGANIZATION	QUESTIONNAIRE DISTRIBUTED	QUESTIONNAIRE RETURNED	QUESTIONNAIRE RETURN PERCENTAGE (%)
NOHE	72	70	99%
UNTH	93	91	98%
NAUTH	77	73	94%
FNHE	58	57	98%
FTHA	70	67	96%
FMCU	76	75	99%
FMCO	62	59	95%
Total	508	492	Average:97%

Table 4.1 reveals the number of questionnaires distributed to the sampled organizations and their corresponding return rate. It can be observed that the return rates are high and hence acceptable having the highest return rate as 99% and the lowest at 94% and the average return rate as 97%.

Table 4.2: Effect of Ethnic Diversity on Team Performance

S/No	Options	SD	D	A	SA	U	Total
1	Different ethnic background brings diverse experience and it enhances team performance	189	161	56	81	5	492
2	Working with colleagues from diverse tribes contributes to our problem solving and decision making ability.	201	164	71	52	4	492
3	The different tribes create a conducive and balanced working atmosphere and this promotes team commitment.	198	202	43	49	-	492
4	There is trust among employees from different ethnic groups leading to improvement in team productivity.	184	179	63	62	4	492
	Total	1478(75.10%)		477(24.23%)		13(0.67%)	1968

Source: Fieldwork, 2018.

Table 4.2 presents the percentage distribution of the responses as follows: The highest percentage rate was 1478(75.10%) in the disagreement category, 477(24.23%) are in the agreement category, while

13(0.67%) are undecided. This reveals that majority of the respondents do not agree that ethnic diversity enhances team performance in the selected organizations.

Table 4.3: The relationship existing between religious diversity and employee retention

S/No	Options	SD	D	A	SA	U	Total
1	Discrimination on account of my religion affects my job commitment and increases absenteeism	74	58	189	171	-	492
2	I will leave my job if I am discriminated against on the basis of my religion	65	29	145	249	4	492
3	I am uncomfortable working with people with dissimilar religious beliefs	82	62	204	189	17	492
4	I prefer to work in an organization where there is religious homogeneity	101	68	196	127	-	492
	Total	539(27.3%)		1470(74.7%)		21(1.06%)	1968

Source: Fieldwork, 2018.

It can be seen in Table 4.3 that on the issue of the relationship existing between religious diversity and employee retention, 539(27.3%) of the respondents disagree, 1470(74.7%) agree, while 21(1.06%) are undecided. This shows that majority of the respondents agree that there is positive relationship existing between religious diversity and employee retention in the selected organizations.

Hypotheses

HA₁: Ethnic diversity significantly affects team performance.

HO₁: Ethnic diversity does not significantly affect team performance.

Table 4.4a: Logistic Regression Output

Classification Table^{a,b}

Observed			Predicted		
			Team Performance		Percentage Correct
			Disagree	Agree	
Step 0	Team Performance	Disagree	0	452	.0
		Agree	0	40	100.0
	Overall Percentage				91.9

a. Constant is included in the model.

b. The cut value is .500

The classification table 4.4a is a summary accuracy table which displays the numerical and percentage allocation of responses that agree or did not agree that team performance is affected and enhanced by ethnic diversity. The classification table reveals that the classification accuracy percentage yielded 91.9%. The conclusion is that the classification accuracy is high and reliable.

Table 4.4b:

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)
Step 0 Constant	2.425	.165	216.066	1	.000	11.300

The Wald statistics in this table which yielded 216.066 with a corresponding probability value of 0.000 entails that there is significant statistical difference between responses of agreement and responses of disagreement regarding the effect of ethnic diversity on team performance. Hence, the responses of 40 and 452 from table 4.4b are statistically different from each other. Therefore, we reject the null hypotheses that there is equal number of people within sampling variability in agreed and disagreed responses. The exponential Beta (Exp (B)) which yielded 11.300 represents the odds ratio.

Table 4.4c

Omnibus Tests of Model Coefficients

	Chi-square	df	Sig.
Step 1 Step	10.577	1	.001
Block	10.577	1	.001
Model	10.577	1	.001

The Omnibus test of model coefficients is basically carried out to ascertain the predictive capacity of the regression equation/model. These shows the probability values of 0.001 which is less than 0.005 and this leads us to conclude that the regression equation has a reliable predictive capacity.

Table 4.4d

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	266.847 ^a	.021	.593

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

The Nagelkerke R-Squared which can also be econometrically called pseudo R-Squared yielded 0.593. This basically entails that 59.3% of the variations in team performance can be accounted for by ethnic diversity. This further entails that ethnic diversity explains 59.3% changes in team performance. This conclusively entails that the explanatory power of the independent variable (ethnic diversity) is high.

Table 4.4e

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step	EthnicDiversity	-1.239	.359	11.911	1	.001	.290
1	Constant	3.949	.502	61.921	1	.000	51.904

a. Variable(s) entered on step 1: EthnicDiversity.

Table 4.4e is the logistic regression output showing the contribution and effect of ethnic diversity on team performance. It can be clearly seen from the regression output that the coefficient of ethnic diversity yielded a negative numerical coefficient at a negative magnitude of -1.239. This entails that a unit increase in ethnic diversity from 0 to 1 is associated with a 1.239 decrease in team performance. This is practically justified because increase in different ethnic groups forming in a team will likely generate team disintegration. The Wald statistics associated to ethnic diversity variable yielded 11.911 with a corresponding significant probability value of 0.001.

From table 4.4e, we see clearly that the Wald statistics yielded a coefficient of 11.911 with a corresponding probability value of 0.001. Since $p = 0.001 < 0.005$, we are compelled to accept the alternative hypothesis that ethnic diversity has a significant negative effect on team performance.

Ethnic diversity is supposed to advantage team performance owing to a supplementary diverse pool of knowledge and skills that leads to complementariness and mutual learning. However, the contribution of cultural or ethnic diversity to organizational performance has mixed conclusions. It has been observed that an ethnically diverse workforce may bring different perspectives, ideas and experiences that may affect organizational process positively or may produce conflict among workforce groups and undermine group cohesion, team and organizational performance. Indeed, the multiplicity of perspectives, value dimensions and experiences that people from different ethnic backgrounds bring to a team can result in the flaring of emotions and interpretations of issues that result in conflict as observed by Hoogendoorn and van Praag (2012). The findings of this study are also in line with that of Marx, Pons, and Suri (2015), which is that workers have preconceived overt and implicit preferences on who they would like to work with and therefore increasing ethnic diversity may result in disunity and lack of cohesion within the workforce. They point out that this is more obtainable in organizations operating in countries in which ethnicity is underscored by strong emotions. Nigeria being one of such countries, it is not surprising that ethnicity negatively impacts on team performance within organizations in the country. This finding of this study is equally supported by the Social Categorization Theory which predicts that individuals sort themselves into identity groups based upon salient characteristics and that they act in concert with their categories and favor contexts that affirm group identity (Hogg and Terry, 2010). In consequence, dissimilar individuals are less likely to collaborate with one another compared to similar individuals. In this way, social categorization may disrupt elaboration of task-relevant information because of possible biases towards in-group members and negative biases towards out-group members and therefore team performance is inevitably adversely affected.

HA₂: There is a significant relationship between religious diversity and employee retention.

HO²: There is no significant relationship between religious diversity and employee retention.

Table 4.5: Pearson Correlation Output

		Religious Differences	Employee Retention
Religious Diversity	Pearson Correlation	1	.786**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	77.876	69.398
	Covariance	.159	.141
	N	492	492
Employee Retention	Pearson Correlation	.786**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	69.398	100.163
	Covariance	.141	.204
	N	492	492

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

To ascertain the relationship between religious diversity and employee retention, the correlation analysis with the application of Pearson correlation analysis was carried out. The correlation analysis in table 4.5 yielded a correlation coefficient of 0.786. This practically indicates that there exists a positive correlation between religious diversity and employee retention at the magnitude of 78.6%. Hence, the two variables (religious diversity and employee retention) are positively related.

The probability values associated with the correlation analysis shows that the probability values at 2 tailed tests yielded $p = 0.000$. Since the $p = 0.000$ is less than 0.05, we are compelled to accept the alternative hypothesis that there is a significant positive relationship between religious diversity and employee retention. This is in line with the opinion of Shellenbarger (1993) who found that minorities who perceived discrimination on the job are more likely to change jobs; thus, they are less committed to their work, compared to their counterparts. This finding is equally supported by that of Dipboye and Colella (2005) who state that when individuals feel that they are being discriminated against, it can lead to a feeling of injustice, stress, poor performance, and poor organizational commitment on the part of the victim. Also majority of the respondents revealed that they prefer to work in an organization where there is religious homogeneity, as they are uncomfortable working with people with dissimilar religious beliefs. This is expected in Nigeria, considering the fact that the country has been bedeviled by years of religious crises, creating animosity and apprehension among its religiously diverse citizenry. Given the religious climate of the country, this finding is consistent with our predictions. In religiously homogeneous

organizations, the religious differences among members of diverse religion become more salient and are more likely to interfere with socialization. In religiously heterogeneous organizations, however, the religious identities of team members may be less salient and therefore they create less disruption and less tension. From the responses, it can be deduced that when there is low religious diversity, that is when the minority is very small, there is a tendency for increased apprehension amongst the in-group leading to job dissatisfaction, tension, reduced commitment and resulting in employee turnover. This view is supported by Joshi and Jackson (2003).

5. CONCLUSIONS AND MANAGERIAL IMPLICATIONS

This study has been able to empirically explore the effect of ethno-religious diversity on the performance of federal health institutions in South-East, Nigeria. Based on the findings of the study, a conclusion was that ethno-religious diversity is a driving force in the selected institutions. The study demonstrated how each diversity element could influence and relate to organizational performance. Diversity facilitates organizational performance when managed constructively as a pool of employees drawn from diverse ethnic groups and cultures could bring to the organization diverse experiences, attitudes, perspectives and approaches to work, thus influencing the overall performance of the organization.

The relevance of each diversity element to organizational performance however depends on the organization, geographical location, political or social environment and its diversity management strategy. Thus as could be observed from the findings, in countries like Nigeria, where ethnicity is underscored by strong emotions or when there are perceived levels of discrimination on the basis of religion in organizations, the benefits of ethnic or religious diversity will not be adequately harnessed and organizational performance would be adversely affected. However, other forms of diversity like age, gender and language were found to promote creativity and innovativeness; intra-organizational decision-making, problem solving and competitiveness; and quality patient service.

The extent to which managers recognize diversity and its potential advantages and disadvantages defines an organization's approach to managing the diversity. No organization in this world of globalization would survive without workforce diversity. It is the duty of the management to critically evaluate the benefits of workforce diversity in their organization. On the other hand the management should put in place conditions which would enhance the workforce diversity in their organizations, more especially in their strategies formulation on the diversity of the workforce. In addition to generally ensuring a quite appreciably heterogeneous workforce which will reduce the existence in-groups and out-groups; incorporating diversity management strategies in the organizational structure and ensure that: there should be orientation, training and information on ethnic diversity and inclusivity at all levels by management to help employees understand how they can take steps to create a more inclusive environment at work and to co-operate with one another irrespective of ethnic affiliations or differences. Also organizations like the National Orientation Agency should encourage inter-ethnic accommodation by consistently sensitizing the citizenry on the benefits of an ethnically diverse nation. Furthermore, hospital management should have a clear policy on religious bias and discrimination and ensure justice is seen to be delivered on reported cases. Also employees should be given an opportunity to practice their religion and engage in religious activities that both contribute positively to the individual and the organization. This can be achieved by ensuring flexibility in job schedules and designated areas for religious practices. This study has been able to reveal the impact of ethno-religious diversity on the performance of selected federal

health institutions. The study was able to show specifically the contribution of each ethno-religious dimensions on the performance variables of the institutions.

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