



DIVERSIFIED EDUCATIONAL BACKGROUND AND ORGANIZATIONAL EFFECTIVENESS: A HRM PERSPECTIVE

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Abstract:

Organizations are focusing more on recruiting diverse workgroups and they believe a diversified workplace can foster innovation and a healthy work environment with better organizational outcomes. The study is to focus on the medical representatives of a leading Pharmaceutical company where frequent hiring takes place at regular intervals of time. Understanding workforce diversity can make employees walk the extra mile and contribute more and be loyal to the organization; therefore, to get more out of less, the logic would be that managers simply need to understand workforce diversity and create a diversified climate. This research has purposed to measure the impact of diversified educational background and organizational effectiveness (individual and organizational outcomes) among the executives using the Workforce diversity inventory to understand the relationship between the variables.

KEY WORDS: Educational diversity, Workforce Diversity and Organizational effectiveness.

Introduction:

A diversified workforce plays a key role in improving organizational effectiveness by improving employee performance and leads to commitment. For the purpose of study, the dimensions of the workforce diversity are identified and hypotheses have been formulated. The relationship between educational diversity and organizational effectiveness is examined from the response through separate questionnaires from 70 employees who are chosen based on random sampling.

Review of the Literature

Workforce diversity

(Makhdoomi, U. M., & Nika, F. A. (2017).) The organizations across the world are facing a major challenge to manage the change in the nature of demographic profile of the workforce. People from different races, genders, regions, cultures etc. are coming to work together on the same platform. As people from different age groups, female and minorities are representing the organizations, the diversity among the workforce is increasing all over the world. Different authors have defined diversity in many ways by associating diversity to various dimensions. It has been defined in terms of age, race, ethnicity, national origin, gender, disability and religion (Wheeler, 1994). Diversity can be described as "every feature in which people differ in one or the other way" (Hayles, 1996). [1]. Weiliang, E. C. et.al (2011) stated that, as many industries enter the global markets, diversity will be recognized as an important resource to achieve the goals of the employers and provide good customer services. The concept of diversity is multi-faceted and a fundamental for enhancing organizational performance. [2]. McMahan, A. M. (2011) identified that there is a need to assess the state-



of-the-art on the workplace diversity – firm performance relationship. It addresses the factors mediate the diversity-performance relationship. Based on the findings, a model to explain and interpret the diversity – firm performance relationship was developed, and understands its implications. [3].

Diversified educational background and organizational effectiveness

Greer and Jehn 2007, stated that education support interactive involvement and build constructive connections. Diverse educational backgrounds resulted in more task-related conflict among team members. In sum, diversity in education levels can be associated with positive and negative effects on employee performance. Curseu, P. L., Raab, J., Han, J., & Loenen, A. (2012) extends the literature on group diversity by simultaneously exploring two forms of educational diversity (separation and variety) as they relate to group network density and external network range. By exploring the relation between diversity and social network structures, these results increase understanding of how to address diversity issues at the societal level. [4]

(Baker, T., & Clark, J. (2011) in his classroom containing a diverse mix of international students has explored the status based race, ethnicity and cultural background issues. [5]

Purpose of the Study

Why diversified education background is considered important for employee and organizational effectiveness.

Objectives of the Study

The following are the specific objectives of the study.

- To study the relationship between Diversified educational background and individual outcomes (Employee performance).
- To study the relationship between Diversified educational background and organizational outcomes (organizational effectiveness)

Hypotheses

1. There is no significant relationship between Diversified educational background and individual outcomes.
2. There is no significant relationship Between Diversified educational background and organizational outcomes.

Research Methodology:

The study uses both primary data and secondary data. Primary data was collected through a structured questionnaire. The questionnaire was based on the objectives of the study and a set of questionnaires were circulated to employees. The secondary data was collected through books, magazines and journals. The original questionnaire was developed in English. The sample size was 70 due to the time constraint. The questionnaire was developed based on detailed information which was gathered from comprehensive literature review. It comprised of three variables- Diversified educational background consisting of 7 items, individual outcomes consisting 10 items and organizational outcomes (organizational effectiveness) consisting 11 items were adapted from study of Giles E.F (2008). For analysis statistical Package for Social Science (SPSS) version 20.0 software was used. The results shows that questions were reliable as the Cronbachs Alpha =0.910

Table 1: Cronbachs Alpha Reliability Value of Questionnaire Reliability Statistics

Cronbach's Alpha	N of Items
.910	28

As shown in table 2, it can be seen that the R square value is .527 which indicates that the proposed model explains 52% of the variance in the dependent variable – **Organizational Effectiveness**

Table 2 : Model Summary^b

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.726 ^a	.527	.526	4.28108	.527	597.937	1	69	.000	1.999

a. Predictor: (Constant): diversified educational background

b. dependent variable: organizational effectiveness

The ANOVA table indicates the statistical significance of the regression model that was applied. Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the model applied can statistically significantly predict the outcome variable.

Table 2 : Anova

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10958.776	1	10958.776	597.937	.000 ^b
	Residual	9841.951	68	18.328		
	Total	20800.727	69			

a. Dependent Variable: OrgEff

b. Predictors: (Constant), diversified educational background

Table 3: Coefficients

Coefficients^a

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

1	(Constant)	12.360	1.240		9.966	.000
	Divedubck	.892	.036	.726	24.453	.000

a. Dependent Variable: OrgEff

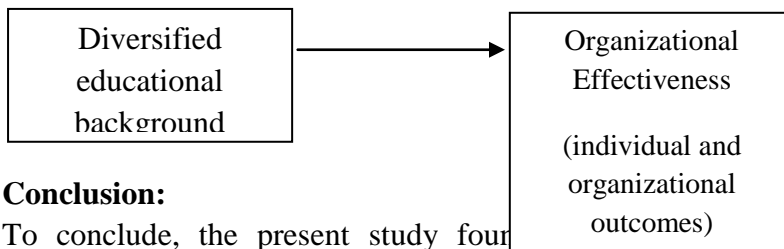
The regression equation becomes

$$\text{Predicted variable (dependent variable)} = \text{slope} * \text{independent variable} + \text{intercept}$$

$$\text{Organizational effectiveness} = 0.892 * \text{Diversified educational background} + 12.360$$

The model of the study is as follows:

Independent variable Dependent variable



Conclusion:

To conclude, the present study found that employees with diversified educational background improve the organizational effectiveness. This shows that diversified educational background plays a significant role in influencing the employee and organizational effectiveness. People who work with different educational background foster for creative thinking and work with full interest and loyalty. The main benefit of workforce diversity is to utilize the diversified talents of employees in attaining organizational common mission and goals.

Suggestions:

In today's changing contours of work and employment where one organization career is becoming rarer, employers should try to remove the barriers and give value to the employee similarities and differences by creating a good diversity climate so that they rarely think to leave.

Most of the marketing executives opine that their job inspire being challenging and their targets being reachable still are in want of some financial perks and also some recognition in terms of money rather than giving them certificates, gifts and honouring them in a group.

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