# Workforce Diversity Management

# and

# its Impact on

# Organizational Performance

# in CPEC Perspective



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**Submitted to:**

    **Head of Department of Business Studies**
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**Supervised by:**

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## CERTIFICATE

This is to certify that this thesis entitled: **"Workforce diversity management and its impact on organizational performance in CPEC Perspective"** submitted by Mr. Muhammad Shahbaz is accepted in its present form by the Department of Business Studies, Pakistan Institute of Development Economics (PIDE), Islamabad as satisfying the requirements for partial fulfillment of the degree of **Master of Science in Management Sciences**.

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# ABSTRACT

The advancements in knowledge and technology in modern global economy in general and economic and industrial developments under China-Pakistan Economic Corridor (CPEC) in Pakistan especially has brought in diverse workforce in business organizations in Pakistan. This situation imposed new challenges on Pakistani human resource sector in managing the complex human resource as for as diversity is concerned. Recently, the view to look at Workforce Diversity Management has been transformed to a deliberate theory of Organizational Performance.

This perspective required a research to investigate the impact of Workforce Diversity Management (WDM) on Organizational Performance (OP) of business organizations under current developments of China-Pakistan Economic Corridor (CPEC) in Pakistan. The WDM had been studied diversity of nationality, culture and ethnicity in business organizations.

The research is of descriptive nature with a targeted population of 15 business organizations who are currently employed at different projects of China Pakistan Economic Corridor (CPEC).

A pre-test has been done with a number of respondents and the full study has been carried out using survey of 15 business organizations. The Data was collected through primary source of questionnaire. The research used both qualitative and quantitative analytical techniques for data analysis.

The recommendations of this study provides a policy model for Pakistani policy makers to consider the findings of this study in order to adopt the relevant policy to face new challenges with regard to diversity management in Pakistani business sector.

**Keywords:** Workforce Diversity Management, Organizational Performance, China Pakistan Economic Corridor,

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# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

The composition of diverse workforce and the population of diverse customers, combined with global economy markets and international competitions especially after the successful implementation of China Pakistan Economic Corridor (CPEC) projects in Pakistan will be the factors increase the element of diversity in business organizations which may be considered as challenging for the existing dimensions of diversity management in Pakistan. Recently, the view to look at workforce diversity management practices has been transformed to a more strategic concept where many business leaders consider that diversity management has significant benefits for organizational performance. It is therefore the practitioners of human resource management needed to modify and align diversity management practices in accordance with the requirements of business organizations (Richard & Johnson, 2001) as required by the coming situations under (CPEC).

The alignment of Workforce Diversity Management (WDM) with Organizational Performance (OP) allows business organizations to employ workforce diversity advantage with regard to diversity of nationality, culture and ethnicity. Basset-Jones (2005) stated that the diversity dimensions like diversity of nationality, ethnicity and culture exist in business organizations which effectively have an impact on organizational performance as nationality diversity, ethnicity diversity and high level diversity.

### 1.1.1 Diversity Management

Ongori and Agolla (2007) stated that those initiatives which a business organization undertakes to include its entire workforce in all programs of the company and other informal social networks come under the definition of diversity management at the organization. Business organizations which pursue their policies for global relevance cannot disregard the impact of workforce diversity with regard to nationality, culture and ethnicity on their skills and abilities to solving problems, innovating, and cultivating diverse workforce.

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Dobbin Frank & Kalev Alexandra (2016) stated that the concept of Diversity management highlights and considers that each individual is unique and matchless and recognizes individual differences and dissimilarities in terms of gender, race, age, ethnicity, religious beliefs, political understandings, sexual orientation, socio economic status, physical abilities or any other ideologies. it is the exploration of those dissimilarities and difference of the individuals in a constructive, fostering and safe environment that signifies the concept of diversity management. Klarsfeld (2010) mentioned that diversity management goes beyond simple tolerance to embracing different dimensions of workforce diversity management to utilize ironic proportions of diversity in each individual.

Mayer and Gavin (2005) stated that there are different measures of diversity management of workforce at business organization. These measures may include good relationship among diverse employees of business organization, less complaints and grievances, enhanced labor relationships; decreasing of hate and graffiti incidents; additional diverse employment; better representation of different elements of minorities in different dimensions of business organizations like; more career development over time for diminished group members; more innovation and creativity; better retention (save hiring costs); decrease in pay disparities; inclusion of diversity in the efforts of workforce diversity management ; greater level of business organizations in terms of best institutions to work in; more positive responses on exit interviews, decreased social distancing; fewer bigoted thinking and unconscious bias, and reductions in absenteeism for underrepresented groups. Smart (2005) stated that fulfilment of a confirmatory action plan, change in representation of minority, return on investment (ROI) for diversity initiatives, and commitment rankings for workforce from different sympathy groups in annual commitment surveys could also be used to measure Workforce Diversity Management.

## 1.1.2 Organizational Performance

Borman & Motowidho (2000) stated that Organizational Performance (OP) basically involves the completion of given tasks which are measured against pre-set known standards of accuracy, completeness, cost and speed. Organizational performance can be pursued either by

task or context (Balogun J., 2008). Task performance refers to an individual's proficiency with which he or she performs activities which contribute technical areas either directly or indirectly and contextual performance refers to those activities which do not contribute to the technical but support the organizational, social and psychological environment in which organizational goals are pursued. Shipton et al. (2006) stated that the combination of both above said types of performance are the forms comprises of the organizational performance.

Lauring and Ross (2004) stated that in the context of workforce diversity management, organizational performance may be the key outcomes of the diverse workforce development plan produced and the number of days diversity training per employee, the quality measurement may be the percentage diverse workforce satisfied or dissatisfied with appraisal system based on annual diverse workforce survey, the outcomes may be nationality breakdown by grade level and impact on job on diversity training from post course survey of trainees and their managers. With regard to policy issue, the key output measurements would be the number of diversity programs completed and the number of diversity negotiation meetings attended, quality key measurement include percentage of diversity programs rated satisfactory against checklist.

### 1.1.3 Diversity Management in International Perspective

Ramirez (2011) stated that business organizations are always repositioning themselves in global market perspective in order to establish an environment of work where individuals of different backgrounds on the base of nationality, culture and ethnicity possess the right skills to assist to execute corporate strategies. The findings of a report issued in (2003) by the Human Resource Management Institute in United States about a survey done during 2001 suggested that there is a movement towards inclusion of diversity in the strategies of business organizations in the U.S. This survey was done from 1000 private and public companies. This survey depicted the responses as follows: 56% of respondents said they provide diversity training on race, 68% on gender, 45% on ethnicity, 35% on age, 54% on disability, 57% on sexual orientation and 24% on nationality diversity. According to this survey, the performance index of the business organizations was improved by 7% with the public sector and public organizations registered lower performance index due to its laxity in elevating diversity inclusion in its management systems. Boyle (2005) ascertained that diversity management in business organizations in United

States was a real challenge and far from being realized.

Kirton & Greene (2010) stated that since 1970s, the concept of diversity management is considered as central tenet in the United Kingdom as the government has instituted a series of diversity policies, formulized standard procedures for recruitment, run diversity awareness trainings, outlined workplace diversity into the strategic plan of business organizations and motivated minority groups.

Ozbilgin (2005) stated that business companies in Japan are facing two main global challenges in automobile manufacturing industry with regard to diversity management. One of them is increased competition to control markets with regard to diverse backgrounds of customers in gender and ethnicity and second is that workplaces in Japan are still controlled by those workers who belong to some specific spectrum of demographics such as gender, ethnicity, age, disability.

Pires and Stanton (2004) stated that Australian Bureau of Statistics has issued a report in (2003) stating that Australia has observed clearance of various diverse groups during the year 2003. The growing Australian service sector and influx of immigrants has fascinated intellectual interest. The rich diversity in workforce and workplace is a still grand challenge and should remain under scholarly investigation.

According to a report issued by the Corporate Leadership Council in 2007, the Canadian labor market faced a grand challenge of diversity workforce in sustaining its economic growth. As lack of required skills, aging workforce and increased diverse labor loosened the levels of productivity which resulted in decrease of economic activity levels. Though a large number of business organizations have employed the influx immigrants to complete the shortage but still there is a lot remained to manage the diversity effectively with regard to the issues of gender, race, culture, languages, nationality, age and skill.

**1.1.4 Diversity Management in Pakistan**

Rana Nadir Idrees (2013) stated that workforce diversity with regard to cultural diversity and globalization is driving the continuous change in working environment in all over the world and Pakistan is not excluded from this scenario. Due to the increasing number of global companies in Pakistan in CPEC perspective, the diversified workforce has generated a lot of differences based on nationality, culture, ethnicity, gender, age, race and disabilities in the public and private business organizations of Pakistan. A huge number of CPEC activities in Pakistan have led to increased diversified workforce practically which created divergence among workforce with regard to organizational behaviors in their norms, values and nationality diversities. Foreign nationals especially Chinese are participating actively in success of business organizations with their presence in almost in all the sectors. This usually brought conflicting situations sometimes with diverse cultural backgrounds which leads to non-productive organizational performance.

Apart from some other factors, increased family size, clasping income levels and economic recession coupled with price hike have changed the scenario. The other reason of workforce diversity becomes the perspective of multi generations. It can be observed an increased mixture of aged and young people in the workplace. It became the main reason for conflicting ideals, objectives, desires, skills and experiences which led to the issues and problems related to workforce diversity and needs effective management. Diverse workforce existed with different cultural diversities in four provinces of Pakistan.

There is a sufficient work on workforce diversity, in more or less all areas, but not in business sector under CPEC perspective in Pakistan. Due to increase in workforce diversity in terms of nationality, culture and ethnicity in Pakistan under CPEC perspective, It is very essential to address this issue which will in future become a grand challenge for Pakistani corporate sector and government. Therefore, there is a dire need of policy intervention by the Government so that to improve the organizational performance in Pakistan under CPEC perspective.

## 1.2 Statement of the Problem

A large number of diversified business organizations have already and will enter into Pakistani business community through China Pakistan Economic Corridor (CPEC) projects.

Pakistani Business community is considered as a backbone of country's economy that shares its advancement providing basic trade and business services to accomplish outcomes of organizational policy and mission, adjust expenses, meet quality outlooks for citizen service, and maintain the trust of diverse public. According to Mayer and Gavin (2005) performance in any sector is a product of better relationships among diverse workforce with minimal work grievances and complaints. A successfully addressed and embraced workforce diversity in the organization leads to a healthier and happier organizational cultural diversity with new talents emerging, improved customer service, revenue growth, and employee retention.

Muhammad Rizwan et al. (2016) stated that business Organizations in Pakistan have a diverse workforce of more than ten thousand employees from diverse backgrounds in terms of age, gender, ethnicity, nationality and culture. Just to mention a few, it is estimated that the sector's contribution to the country's gross domestic product is about 20%. The World Bank in 2001 indicated that during 1990s, there were great initiatives made to transform this factor in order to enhance its performance making it to be seen as one of the best in South Asian countries. Like any other south Asian country, the transformation initiatives in Pakistan have been taken mainly realizing that this factor has not been achieving the required performance (Hafiza Sumaiyyah Iqbal, 2015). Various studies (Farman Afzal et al. 2013, Hafiza Sumaiyyah Iqbal, 2015) identified lack of commitment and motivation in this regard and failed to institute clear diversity management practices as the key issues challenging performance in Pakistani Business companies.

The business organizations establish a framework formally or informally which does not only influence workforce interactions but affect the reputation of the organizations themselves. The diverse workforce in the workplace, within such framework, considers maximum utilization of workforce diversity management in the perspective of nationality, ethnicity and culture in order to achieve the organizational performance (Muhammad Rizwan et al., 2016). The potential of business organizations in Pakistan lies in their diverse workforce and their performance will depend on utilization of workforce diversity management as far as diversity in nationality, ethnicity and culture is concerned. Regardless of the rich diversity in the business organizations in Pakistan, the miserable progress in organizational performance due to non-exploitation of

diverse workforce in the sector is an issue that challenges most of the empirical studies on workforce diversity management in Pakistan. This research, therefore, will examine the influence of managing workforce diversity dimensions i.e. diversity in nationality, ethnicity and culture on performance of business organizations in Pakistan.

## 1.3 Research Questions

This Research mainly answers the following questions:

− Is there any impact of workforce diversity management on organizational performance of business organizations working in Pakistan in CPEC perspective?
− Is there any impact of nationality, ethnicity and culture in business organizations on organizational performance in CPEC perspective?

## 1.4 Research Objectives

This research aims at to achieve the following objectives:

1. To identify the impact of workforce diversity management on organizational performance of business organizations in Pakistan working in CPEC perspective.

2. To analyze the impact of diversity in nationality, ethnicity and culture among workforce on organizational performance of business organizations in Pakistan in CPEC perspective.

3. To recommend a policy model for institutionalization of diversity in business organizations in Pakistan.

## 1.5 Significance of the Research

Increasing globalization at world level and enhanced business activities under CPEC in Pakistan will require further collaborations among Pakistani business companies from employees of diverse cultures, beliefs, and backgrounds than ever before. This research will assist Pakistani

business sector to employ diversity to improve opportunities of marketing and recruitment, develop and maintain positive public interest, circumvent discrimination-based legal actions, generate an improved working atmosphere, develop pioneering problem solving, upkeep local community and economy, improve and preserve an international competitive advantage, and efficiently accomplish revolution. In an era when flexibility and creativity are basics to competitiveness, diversity is critical in both private and public sectors to achieve threshold in organizational performance. This study sought to analyze impact of different dimensions of workforce diversity on organizational performance in order to enable managers, human resource practitioners, and management scholars to have an insight on the potential of diverse workforce towards achieving organization's competitive advantage.

Workforce diversity management is considered an important element of diversified talent management issues worldwide as well as in Pakistan due to the factor of globalization initially and appearance of vast range of industrial and economic activities under China Pakistan Economic Corridor (CPEC) recently. Workforce Diversity Management (WDM) is a process in which the diversified workforce is handled in all dimensions and sectors of business organizations. The increase in diversified workforce due to CPEC activities in Pakistan, the ethnic diversity has and will emerge in business organizations in Pakistan. Due to the factor of globalization worldwide, a big majority of workforce has been driven to Pakistani business community with differences in ethnicity, culture, race, nationality diversity, and nationality. This research is considered significant because it will recommend relevant policies to tackle the issue of workforce diversity in Pakistan under CPEC perspective.

## 1.6 Scope of the Research

The study restricts with the investigation to employ three dimensions namely diversity in nationality, ethnicity and culture of workforce in achieving organizational performance of Pakistani business companies. The research defines the effect of workforce diversity on organizational performance discussed three key independent variables namely nationality diversity, ethnic diversity and cultural diversity. These variables were found to bear the greatest influence on organizational performance which was discussed as a dependent variable.

The study focuses on diversity management and especially in Pakistani business companies because diversity issues in Pakistani business companies are pertinent as previously raised in past studies and regularly in print and electronic media. The study will be carried out in the entire provinces of Pakistan**.**

# CHAPTER 2

# LITERATURE REVIEW

## 2.1 Introductory Literature on Diversity

The concept of diversity has been refined by Jackson et al. (2003) into a surface level and deep-level diversity. Jackson et al. (2003) stated that surface level diversity mainly discusses the characteristics of people that are readily observable, like ethnicity, age, and gender and deep level diversity discusses the characteristics of people which are difficult to observe like one's personality, attitudes, skills, and competencies. While, other studies argue that diversity is all about effectively managing both demographic variations (age, gender, ethnicity) and personal variations (like personal values, skills, and abilities) in the workforce. Therefore, it is projected that diversity, if managed efficiently, will improve organizational performance. In general, it is established that diversity generates more creativity, multiple perspectives, and a broader access to informational networks that increase the quality of decision making.

Wentling and Palma-Rivas (2000) stated that diversity refers to the coexistence of workforce within an organization from different socio cultural backgrounds. Diversity in broader meanings may consists of different factors like national origin, nationality diversity, race, color, gender, age, physical ability, ethnicity, disability, sexual orientation, values, ethnic culture, education, language, lifestyle, beliefs, physical appearance and economic status. In other words, Bryan (1999) stated that diversity entails a type of organizational cultural diversity in which every employee of a business organization can pursue his or her professional goals without habituating to nationality, ethnicity, culture, race, gender, nationality diversity or any other factor that is inappropriate to organizational performance. Torres and Bruxelles (1992) argued that diversity management is to enable the workforce of diverse background to give full potential performance in work environment where no specific group has an advantage or disadvantage.

Williams and O'Reilly (1998) stated that workforce diversity management (WDM) has gradually become a most burning issue in business circles of different corporate, political and legal spheres of a market. The WDM is considered one of the toughest challenges for modern business organizations. The demographic differences conventionally correlated to team level performance. The business managers in corporate sector need to understand, analyze and

organize the workforce of diverse background as an understanding about the concept of diversity management make aware of the evolution of the interest in workforce diversity management in business organizations.

Allen et al. (2004) stated that many organizations consider the issue of diversity management as a legal requirement as a firm with a diverse workforce can argue that it is not a guilty of discrimination. Nevertheless, in recent years, the concept of diversity has intensely changed to a more practical idea. A huge number of business leaders started believing that diversity management has a lot of benefits. Workforce diversity may be considered a competitive advantage as diverse skills and experiences can produce creative and unique approaches to problem-solving and enhancing productivity, innovation and improved organizational performance.

The issue of workforce diversity management was not considered a big problem in Pakistan as much as it is concerning issue today because of more increased business activities due to CPEC projects in Pakistan. This concept has attained attention in Pakistan due to increasing business organizations to approach their customers all over the world. The need to understand more about diversity management is necessary as it gives the business managers an understanding of what is going wrong in a team of diverse backgrounds. Jackson et al. (2003) stated that during 1990s, the world market saw the development of new trend of diversity management due to globalization.

## 2.2 Concept of Diversity Management

The concept of workforce diversity management was initially originated in North America and gradually spread over the other regions and countries of the world. (e.g., Hays-Thomas, 2013; Kaiser & Prange, 2004; Nyambegera, 2002; Ozbilgin & Tatli, 2008; Palmer, 2013). The term diversity management was defined as: ("Diversity management refers to the voluntary organizational actions that are designed to create greater inclusion of employees from various backgrounds into the formal and informal organizational structures through deliberate policies and programs").

Carrel (2006) stated that diversity management is defined as a commitment planned systematically by the business organizations in order to employee heterogeneous mixture of

diverse workforce. Sami (2007) ascertained that the increasing number of chief executives, workforce training specialists, diversity consultants and academics have developed and supported the techniques and theories of workforce diversity management. It is established that the diversity in the workforce can improve organizational performance. Carrel (2006) stated that the organizations which develop skills and expertise for managing diversity attract the best workforce in the organizations.

Ongori and Agolla (2007) stated that workforce diversity management (WDM) is a difficult phenomenon to manage in a business organization. The WDM is considered a tool to enhance organizational performance. Jain and Verma (1996) stated that WDM has become a vital issue for both private and public sector business organizations in recent dynamic international market. The concept of diversity management was initially introduced for human rights of minority groups who felt excluded from the employment sector in western world.

The concept of diversity management then emerged to further the availability of equal opportunity for all the stakeholders of a society in the workplace. The philosophy of equal opportunity was aimed at to ensure that business organizations are not considering the differences of diverse backgrounds of workforce rather than loosing talent that may assist the organizations in improved organizational performance (Joshi & Jackson 2003). The growing interactions of employees from diverse backgrounds due to the enhanced political and economic systems and more or less the recognition of human rights by all the nations of the world have compelled most of the business organizations to imply diversity policies at their workplaces (Cox, Jr Blake, 1991). This scenario brought the heterogeneity in the workforce who needed to be appreciated, nurtured and cultivated as means of enhancing organizational performance in today's competitive market.

## 2.3 Workforce Diversity Management and Organizational Performance

Nkomo (2010), Ng E.S.W. (2008) and Pitts (2006) established in their studies that workforce diversity management can really improve organizational performance. Jayne and Dipboye (2004) argued that business organizations must adopt workforce diversity and should create an organizational culture in which dissimilarities may be minimized and similarities may be enhanced and grown. In case if the organizational culture does not upkeep diversity in a

broader sense, business organizations may become at risk to loose talent to their competitors. Chan (2009) suggested that the human resource managers are required to manage cross cultural diversity in order to maintain workplace diversity. This change should be ingrained in style of management of HR managers in their elementary administration roles.

Kochan et al. (2003) argued that those business organizations which develop and employ the necessary procedures and policies to employee and retain the most qualified workforce maintain a competitive advantage among their competitors and gradually enhance their organizational performance and productivity. In order to get success and keep up the competitive advantage, business organizations invest in most important resource that is skill set of their employees. If the staff diversity is not managed completely, the voluntary employee turnover will be higher, communications will be difficult to be managed and there will be destructive interpersonal conflicts. It will be adverse for organizational performance, productivity, innovation and profitability. The research on the effects of diversity on organizational performance indicates that diversity can have negative impact if not managed properly. In addition to that the research elaborated that linking workforce diversity management with organizational performance is evident.

Many researchers have argued that there is a positive strong impact of workforce diversity management on organizational performance. Breschi et al. (2003), Suzuki and Kodama (2004), Garcia-Vega (2006) have suggested that those business organizations which are diverse in their workforce, their employees are more productive and their organizational performance is better than those which are not diverse in their workforce. Quintana-Barcia and Benavides-Velasco (2008) argued that business organization with workforce of different nationalities; ethnic and cultural backgrounds can foster their developments and can have broader organizational performance. Nelson and Winter (1982) Dosi, (1988) argued that the business organizations that effectively manage diversity have a higher capacity of absorptive that let the business organizations to exploit skills, experience and knowledge. Zahra and George (2002) argued that effectively diversity managed organizations are more learned, productive, and knowledgeable.

These theories established that workforce diversity carries a positive impact on organizational performance. The first research which established a positive relationship between

workforce diversity and organizational performance was addressed in Penrose's research in 1959 in which she stated that "It is the heterogeneity of the productive services available or potentially available from its resources that gives each firm its unique character" (Penrose, 1959, P.75). Workforce diversity more often is considered to be positive because it creates a larger search space and provides more news ideas, skills and experiences. Schumpeter (1934) argued that workforce diversity should ideally enhance the knowledge base of the business organization and increase the communication among various types of competences and skills. As for as the diversity of the different of aspects like nationality, ethnicity and culture is concerned among workforce, it becomes more diverse so does the knowledge base of the business organization as well. Nevertheless, improved workforce diversity strengthens the requirement of communication and interaction within the business organization and might not lead to the conflict and distrust.

Many researchers have analyzed the relationship between diversity of top management and organizational performance. Murray (1989); Wiersema and Bantel (1992); Pitcher and Smith (2001) suggested that the characteristics of top managers seem to effect organizational performance, productivity and growth as it influence their decisions, responsiveness and strategy to be changed. Nevertheless, the researches which concentrated upon the impact of diversity on organizational performance like Bantel and Jackson (1989); O'Reilly and Flatt (1989); Zajac et al. (1991); Van der Vegt and Janssen (2003) with regard to different dimensions of diversity like age, gender, culture, ethnicity and nationality argued that the organizational performance get effected by the diversity management.

## 2.4 Theoretical Background of Diversity in Nationality

Mckay et al. (2008) stated that many researchers revealed that the continuity in globalization and increasing numbers of non-native employees in business organizations have made the workforce more diverse in terms of nationality (e.g. Arends-Toth and Van De Vijver, 2003; Zick et al., 2001). Most of the business organizations are actively addressing this shift in the labor market as diversity has been considered a double-edged sword. Milliken and Martins (1996) stated that diversity of nationality can have either positive or negative consequences. For example, Van Knippenberg et al. (2013) stated that 80% of the top ranked 500 companies in the year 2013 represented a broad range of industries from various countries more or less advertise their diversity programs on their websites.

Ely & Thomas (2001) presented main three perspectives of workforce diversity management in business organizations. First is the integration and learning perspective, second is the access and legitimacy perspective and third is the discrimination and fairness perspective. According to discrimination and fairness perspective nationality diversity management tries to produce discrimination free environment and fair climate with regard to diversity in nationality. Thus, successful nationality diversity management does have positive impact on organizational performance.

Homan et al. (2015) called for better integration in the organizational culture to better understand the mechanism of successful management of diversity in nationality. Van Knippenberg et al. presented a categorization-elaboration model to identify the preliminary conditions which assist business organizations to shape the team level experiences of their workforce by effectively managing the nationality diversity. Herdman and McMillan (2010) also emphasized upon the effective management of workforce diversity with regard to nationality. Homan and Greer (2013) argued that nationality diversity does have strong relationship with organization performance moderating by effective engagement of the employees through trainings with regard to nationality diversity.

Doris et al. (2016) stated that diversity is all about differences in attributes of a workforce group on which employees may differ or resemble with each other. Stahl et al. (2010) stated that nationality is likely to serve as an attribute of an employee in an organization. Van Knippenberg et al. (2004) revealed that easily observable surface level characteristics for instance names, physical appearances and language accents or deep level dissimilarities in cultural norms (e.g. Hofstede, 1980; House et al., 2002), increase the impact of various nationalities in workforce.

Tajfel and Turner (1986) stated that social identification and self-categorization theory reveals that individuals wish to be identified as a social group to which they belong to. There comes the role of nationality as Ely and Thomas (2001) stated that this type of diversity has been shown to provoke intergroup conflicts which can initiate serious concern about whether the workforce of the subgroup from diverse backgrounds is treated fairly and effect the organizational performance.

Kossek et al. (1996) stated that the effect of nationality diversity on the environment of workforce diversity management is considered very complex. As one may assume that high diversity of nationality may indicate that the working environment and organizational culture is non-discriminatory towards diverse nationalities of organizational workforce. Ely and Thomas (2001) have demonstrated that if workplace diversity is increased, it does not mean that diversity environment is not fair and will affect the organizational performance.

## 2.5 Theoretical Background of Diversity in Ethnicity

Many researchers have focused on the dimension of ethnicity with regard to their studies on diversity management. As workforce ethnic diversity has been the subject of business organizations since last more than three decades. The growing ethnic diversity had a significant impact on performance of workforce. William & O'Reilly (1998) stated that almost fifty years before; most of the business organizations did have homogeneous features in the workplace. The employees in most of the cases shared similar ethnic background, were male and worked for the same employers for their whole working lives. However, the managers nowadays are confronted with more diverse teams and departments in terms of gender, age, ethnicity and organizational culture. The increasing numbers of companies like IBM, Siemens, Shell etc. have therefore established their specific policies with regard to diversity and especially diversity in ethnicity.

Cox (1993), Jackson et al. (1995) and Jehn Northcraft & Neale (1999) defined ethnicity as a relational demographic characteristic. There are three different points of view on ethnic diversity. First, Cashmore (1996) and Smith (1991) argued that ethnic diversity is a form of deep level diversity because it includes various cultural differences among different ethnic groups of people and defined ethnicity as a group of people who share their customs, beliefs, values, institutions, language, nationality diversity, history, and land of origin. Second, ethnic diversity is a subtype of surface level diversity which is readily observable based on the dissimilarities of overall physical features as argued by Jackson et al. (1995) and Jehn et al. (1999). Third, ethnic diversity is also defined as differences in shared beliefs about the values of ethnic diversity (e.g. Ely & Thomas, 2001).

The literature on ethnic diversity suggests that there are three main theoretical concepts to check the impact of ethnic diversity on organizational performance. First, Berry (1997); and

Bourhis et al. (1997) presented cultural approach in which ethnic diversity is discussed in view of cultural dissimilarities and values that may influence organizational performance such as ethnic group relationship. Secondly, Cox (1993) and Jackson et al. (1995) presented socio-psychological approach in which ethnic diversity is discussed in view of psychological processes of social categorization and similarity attraction. Thirdly, Harquail & Cox (1993) and Ely & Thomas (2001) assessed that contextual factors such as specific organizational culture or particular beliefs of the workforce about ethnic diversity are likely to moderate the relation between ethnic diversity and organizational performance.

Byrne (1971) presented a theoretical paradigm to explain the consequences of ethnic diversity which is call "the similarity-attraction paradigm". This theoretical paradigm explains that there is a big variety of physical and social attributes that may be considered for a basis to expect similarity in attitudes, beliefs or personality. Tsui, et al. (1992) found that the consequences of interpersonal attraction may consist of frequent communication, social integration and a desire to maintain group affiliation. It may be said that both social identity theory and social categorization theory and the similarity attraction paradigm suggest that ethnic diversity carried negative relationship with organizational performance. According to this point of view, the above stated three theories may lead to psychological process such as ingroup liking, ingroup attraction, ingroup favoritism. These psychological processes may have impact on individual's behavior that may lead towards conflicting situation and have negative impact on organizational performance.

Wittenbaum & Stasser (1996) argued that ethnic diversity if effectively managed can have positive impact on organizational performance through information and decision making theory. As the quality of decision making depends on useful experience the workforce have to bring about the new insights to enhance the organizational performance. Decision-making theory discussed that ethnic diversity can have positive impact on employee performance because diversity enhance the information, skills, experiences and abilities.

**2.6 Theoretical Background of Diversity in Culture**

Harquail and Cox (1993) claimed that diversity in culture is an important aspect of an organizational culture that has positive impact on organizational performance. When diversity in

culture is valued, cross cultural exchange takes place between workforce as compared to workplace which enforces pressure on workforce to conform to a single system of organizational values and norms already existed in business organizations. Ely and Thomas (2001) have proposed three perspectives on diversity of culture in workforce in a business organization. These perspectives predict that how cultural diversity in workforce relates to organizational performance. First, the integration and learning perspective perceive that the skills, experiences and insights of workforce are derived from being a member of different cultural groups which are really valuable choice that a work group can utilize to rethink its preliminary tasks and redefine the policies and strategies, products and markets and goals and objectives for organizational culture (Ely & Thomas, 2001, p.240). The researchers argued that this perspective may assist in facilitating open discussion regarding various viewpoints linked to cultural experiences of workforce. This perspective motivates workforce to feel as members of their cultural diversity groups that increase opportunities for cross-cultural skills, knowledge and learning and overall workgroup performance.

Ely and Thomas (2001) stated the second perspective which is access and legitimacy perspective that is based on recognizing the markets and constituencies of the business organizations are diverse in culture. According to this perspective, the business organizations are basically encouraging diversity of culture in their workforce as the way to gain access to those markets and constituencies (Ely & Thomas, 2001, p. 243). The researchers warned that such beliefs may lead to racial segregation. Such type of ethnic diversity may increase interracial tensions.

The third perspective called the discrimination and fairness perspective which is categorized by belief in workforce diversity in culture as a moral imperative to confirm justice and fairness with all the members of the workforce. This perspective emphasizes upon providing equal opportunities for hiring and promotion, confronting prejudicial behaviors and eradicating discrimination (Ely & Thomas, 2001, p. 245) for all its employees. Nevertheless, this perspective does not value the ethnic diversity. The business organizations that uphold this type of perspective are not likely to get benefit from diversity in ethnicity in terms of organizational performance.

**2.7 Research Framework**
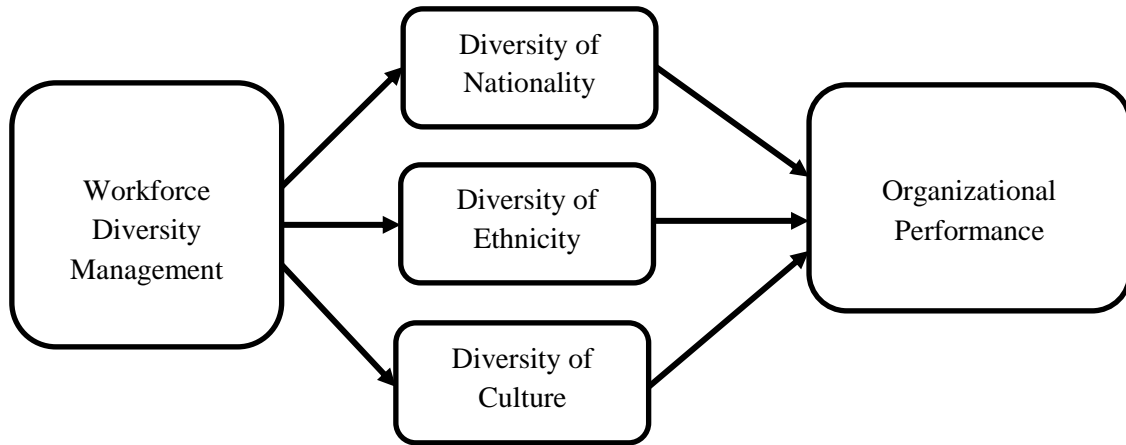


The research framework of this study is developed and modified according to the impact of workforce diversity management practices on organizational performance which improve efficiency and effectiveness of a business organization. As stated above in the model, it represents that organizational performance is most likely be influenced by the dependent variables of effectively managed diversity of nationality, ethnicity and culture of the workforce of a business organization. This research particularly concentrated in a scenario of China Pakistan Economic Corridor activities being accomplished in Pakistan. Therefore, the activities relating to CPEC in Pakistan are affected from the prevailing norms of workforce diversity management among business organizations. The research basically analyzed and studied the concept of workforce diversity management and its impact on organizational performance leading towards efficiency and effectiveness in business organizations in CPEC projects in Pakistan.

**2.8 Hypothesis Development**

The study will be based upon the following hypothesis:

**Hypothesis 1:**

H1: Diversity of nationality has significant impact on Organizational Performance of business organizations in Pakistan.

**Hypothesis 2:**

H2: Diversity of ethnicity has significant impact on Organizational Performance of business organizations in Pakistan.

**Hypothesis 3:**

H3: Diversity of culture has significant impact on organizational performance of business organizations in Pakistan

# CHAPTER 3

# RESEARCH METHODOLOGY

## 3.1 Paradigm of the Research

A paradigm of the research is a conceptual arrangement which guide the researcher in the project (Collis and Hussey, 2003). It may be said that it a philosophy that leads the researcher towards reality and truth of agreement or disagreement about the concepts of the research themes, in particular the principle truth or cause. It is considered as obligatory to comprehend the nature of the paradigm of the research. It may recognize effective supervision or research exercise. When Smith et al. (1991) has given this idea of conceptual arrangement of the research, he also emphasized on three main reasons of understanding the conceptual aspects of research which are considered as critical for the researcher:

i.      The conceptual framework or paradigm of research actually helps to explain the design of the research that how data would be gathered and analyzed as it provides the type of the proof that may be collected and from where and how the evidence will be interpreted so that it may deliver a good answer against the questions of the research.

ii.     It also assists the analyzer to recognize the design of the research which makes him able to adopt it or adapt it. It also provides the researcher not to spend too much time in selecting the specific approaches.

iii.    As it also assists the researcher to indicate the design and generate it in a way that would be exactly outside of his or her contribution. It also can assist the surveyor to adapt the conceptual framework of the research considering the different constraints of subject.

## 3.2 Research Design and Research Methodology

According to Bryman and Bell (2003) research methodology is considered as a strategy to collect and review the data. Research design is considered as an application which creates a structure, policy or design to assist the investigation of the researcher. A collection of the

research design, obviously, replicates decisions regarding the significance for the dimensions of the study methodology. There may be considered four methods of different types which could be as the case study design, the cross sectional design, the longitudinal design and an experimental design (Bryman and Bell, 2003).

The cross-sectional design which is also known as survey design has been adopted in this study. This design is most appropriate for implementation of this kind of research particularly by depending on the nature of the questions of the study and required data. The term of cross-sectional is used to mention the method and design of the research which is considered for the process of gathering data. (De Vaus, 2001, Remenyi et al., 1998). This type of research studies highlights the process of the research will be completed and it normally classifies the difference of the different kinds of the population of the research. This study did not only establish a variation between the cases by adopting this transverse method but it discovers the relationships between different kinds of variables as well.

### 3.2.1 Data Collection

The different methods of gathering the relevant data are always considered very significant part of the research. There are two types of data collection: primary data collection and secondary data collection. Sekaran (2003) discusses that primary data source discusses the evidence which is always in first hand for a concerned purpose on the research variables whereas the secondary data sources recognize those evidences which are collected from already present sources.

Primary data was gathered in this study to collect evidence on the literature relevant to the workforce diversity management. The conceptual background of workforce diversity management and information relating to it and different types of prevailing practices in Pakistan, its business environment, culture and ethnicity have been achieved from academic journals, different books and magazines. These indications were used to help the analyzer to establish the frame structure of the research.

Some other important information was collected through this method of secondary collection of data about the systems which are normally used in business organizations of Pakistan for the recruitment and selection of their workforce. Mainly those business

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organizations that are currently working on CPEC related activities and projects where the diverse workforce is already employed were targeted to collect data. It was very difficult to contact these business organizations as the researcher faced a very difficult task to collect the data by different tactics of cooperation. Primarily, the data was gathered from the websites of chambers of commerce and trade development authority of Pakistan in order to know the business organizations working on the CPEC projects.

With regard to empirical part of the study is concerned, the researcher distributed a questionnaire containing the different types of questions regarding the nature of the concepts and perceptions prevailing in Pakistan regarding workforce diversity management. The researcher affirmed primary data collection normally because it provokes the concepts of the respondent regarding practices of workforce diversity management in Pakistan.

In fact, the literature existed on workforce diversity management and its review explained that most of the researchers who did and completed their studies on this topic generally integrated workforce diversity management.

## 3.3 Sampling

This research basically used this method of sampling for collection of data as self-administered question survey in order to fill the required questions. The sampling of the population was the next step in describing the technique of data collection. Actually sampling provides different kinds of methods which help the researcher if he needs to deduce the required data (Saunders et al., 2000). It became very difficult for the researcher to gather, search and analyze the general population of data due to different constraints and certain limitations as access to the required information, short time and then mainly the budget which was allocated for this project was very limited.

### 3.3.1 Identifying the Population

Identification of the population is very essential part of any research. Sekaran (2003) discussed the mean of the population as the total group of the things; people or events of the concerned variables which a researcher would like to analyze. In this study, the researcher has

selected the human resource managers who are currently working in any of the population of the selected business organizations in Pakistan basing upon the objectives and questions of the research. The researcher has identified different relevant segments of respondents from the business organization especially working on CPEC related activities in Pakistan.

### 3.3.2 Sampling Frame

Babbie (1998) described the sampling frame as the definite list of the units of sample from the selected sample. It is very necessary to be the frame as comprehensive and complete from all its aspects and it is important because if the sampling frame is inaccurate and incomplete then it means that some of the united have been excluded. In result, it will become difficult to take decision on the bases of the incomplete population (Saunders et al., 2000).

Therefore, it may be considered that the sample may not be the representative of the whole population and in consequences; it may affect the results of the research. Sekaran (2003) discussed that if a notice would be taken in depth, it may be said that the representative sample is largely significant due to the findings which are generalized against the whole population.

This study has depended on a list of human resource managers in all selected business organizations in Pakistan who are considered as the sampling frame of this study. The readiness of that list helped the researcher to make a sample list of the population by using a table of random sampling which provided a random sample. Therefore, it may be noticed that it prevented the biasness. Bryman and Bell (2003) discussed that a sample which cannot represent the whole population is considered as bias sample.

It was, however, very difficult to collect a frame for this study due the availability of information which was scattered over in different multiple directions concerning the business organizations in Pakistan. The website of the Trade Development Authority was the main source from where the researcher compiled the sample of this study mainly. The whole information was not available in one place. It was scattered over many place. It was gathered from different sources like websites of Chambers of Commerce.

### 3.3.3 Sampling Design

Saunders et al. (2000) discussed that the sampling design has mainly of two kinds (1) probability sampling and (2) non-probability sampling. A probability sampling means the probability of each item of the sample being selected from the total population. Whereas, the non-probability sampling means that probability of each item which is being selected from the whole population is unknown. The most of the researches are done on non-probability sampling way basing upon finding of the characteristics of the targeted population and more significantly the objectives of the study. .

The research in hand depended upon the probability sampling design with stratified random sampling. Sekaran (2003) described that stratified random sampling means those processes of segmenting the population which are following by random choice of the subjects in each stratum. The whole population was divided into different exclusive groups which were meaningful, relevant and appropriate in the context of this study rather than selecting a sample from the population generally. The population of this study was mainly the human resource managers who are currently working in business organizations in Pakistan. The population at early stage was established and then grouped into different homogeneous subgroups.

## 3.3.4 Sample Size

Fink (2009) defines the size of the sample as the number of the elements of the whole population that will be interviewed or from whom the response will be taken for the research. Sekaran (2003) has given a table where he shows a satisfactory figure of required sample from those samples which have achieved the precision and accuracy of variables. In this research, total of 100 samples were taken from the total number of population which is considered a reasonable number conferring to time and budget limitations.

## 3.4 Research Instruments

### 3.4.1 Contents of the Research Questionnaire

A large number of empirical researches have been taking place in the Western world since a long time being the workforce diversity management is an important subject of today's business activities. Whereas, in the case of developing countries, very little attention relatively was given to the study of workforce diversity management by its researchers like in Pakistan.

This was the reason of selection of this topic and developing of questionnaire in this regard. Another reason was to measure the concepts and perceptions of human resource managers currently working in the business organizations in CPEC projects in Pakistan.

The survey was developed in order to assess that is there any difference between various respondents who belongs to various backgrounds about their concepts about workforce diversity management practices. Additionally, in order to minimize the biasness in the instrument of research, this research used closed types of questions. In this research, two types of scale measurement were used. Nominal and Interval scale were used but Five-Point Likert scale was mainly used to develop the questionnaire. The questionnaire in this study was mainly divided into five parts:

The first part of the questionnaire mainly discusses the demographic information of the respondents. This part is very essential in order to know the background of the respondents regarding their different kinds of demographics.

The second part concentrates mainly on general concepts and issues relating to independent variable of workforce diversity management. This part contained nine statements which generally throw light upon the general perceptions of the respondents towards the issue of workforce diversity management.

The third part of the questionnaire mainly discusses the general concepts and issues relating to first dependent variable of this research which is diversity in nationality. This part also consisted upon nine statements which mainly throw light upon general perceptions of the respondents about their perception about diversity in nationality in business organizations in Pakistan.

The fourth section of the questionnaire of this study mainly discussed the general concepts and issues relating to second dependent variable of this research which is diversity in ethnicity. This section also consisted of nine general statements which largely discuss the general perceptions and concepts relating to the diversity in ethnicity in business organization in Pakistan.

The fifth section of the questionnaire of this study mainly discussed the general concepts and issues relating to third dependent variable of this research which is diversity in culture. This section also consisted of nine general statements which largely discuss the general perceptions and concepts relating to the diversity in culture in business organization in Pakistan.

The respondents were mainly given five levels of all the thirty-six statements regarding the relation between workforce diversity management and diversity of nationality, ethnicity and culture to get their answer about.

# CHAPTER: 4

# RESULTS INTERPRETATION AND DISCUSSIONS

Efforts have been made to show the results in this chapter clearly and briefly. The results were maintained by proper arrangement in tables. All the required results of the study were discussed and interpreted in term of objectives of the research. Analysis of the relationship among different variables and their impact was the main objective of the research. A number of tests were made to the analysis of collected data. The relationship between workforce diversity management and organizational performance was analyzed in accordance with responses through different descriptive statistics and regression technique. The major results of the research are as below:

## 4.1 PILOT TESTING

### 4.1.1 Confirmatory Fact or Analysis

These analyses are generally used to measure the understanding of the hypothesis of the researcher in social research and quantify those elements of the research which support the hypothesis of the variables. Basically the ability of data and validity of psychometric characteristics under assumed variable model is tested by the confirmatory factor analysis which is its main objective. The common criteria of the examination of fitness model are used as the (CFI) Comparative Form Index, the (NMIC/DF) Chi-Square Goodness of Fit, the (GFI) Index Goodness of Fit, the (AGFI) Adjusted Goodness of Fit Index, the (ETA) Mean Square Error of Approximation and the (TLI) Coefficient of Tucker-Lewis. If the model of the research characterizes the standards of these indexes like TLI, GFI and CFI are equal to 0.95 or more, then it indicates better ability of the framework according to the researchers and the literature on structural equation modeling. Carmines and McIver (1981) stated that the idyllic significance of Chi Square/Degree of Freedom for Fitness Model is 3-5 or less and ideal value of RMSEA should be 0.08 or could be less than that for the best fit research framework.

### 4.1.2 Assessing Model Fit

Different types of statistical tests are required in confirmatory factor analysis to confirm the fitness of the model. The fitness of the quality of the research framework does not represent

that the research framework is ideal but it should represent the research framework that should be nearest to the acceptance level.

### 4.1.3 Test of Chi-Squared

Test of Chi-square basically means the test of the quality of fitness of statistical data and it also presents the dissimilarity among covariance matrices of expected and observed variables.

### 4.1.4   Root Mean Square Error of Approximation

Root mean square error of approximation (RMSEA) means those issues which are related to the size of the sample and variables which are nominated for the estimation and the population for covariance matrix. The preferred value of RMSEA should be 0.08 or may be less than that.

### 4.1.5  Index of Quality of Fitness and Adjusted Goodness of Fitness Index

Goodness of Fitness Index is a technique used for determination of the fitness among the research framework and to hypothesize matrix of covariance observed. The number of indicators used to influence the (AGFI) Adjusted Goodness Fit Index to correct Goodness of Fitness Index. If the value of the research framework for Goodness of Fitness Index is 0.95 or more, represents better ability of the research framework.

### 4.1.6 (CFI) Comparative Fit Index

In case of the discrepancy occurred among data and the research framework, the hypothesis analyzed by the (CFI) comparative fitness index. CFI adjusts subject of the size of sample supported by the test of Chi-Square and Normalized Form Index (NFI). If the research framework bears the value of Comparative Fitness Index 0.95 or 1, it means the best research framework.
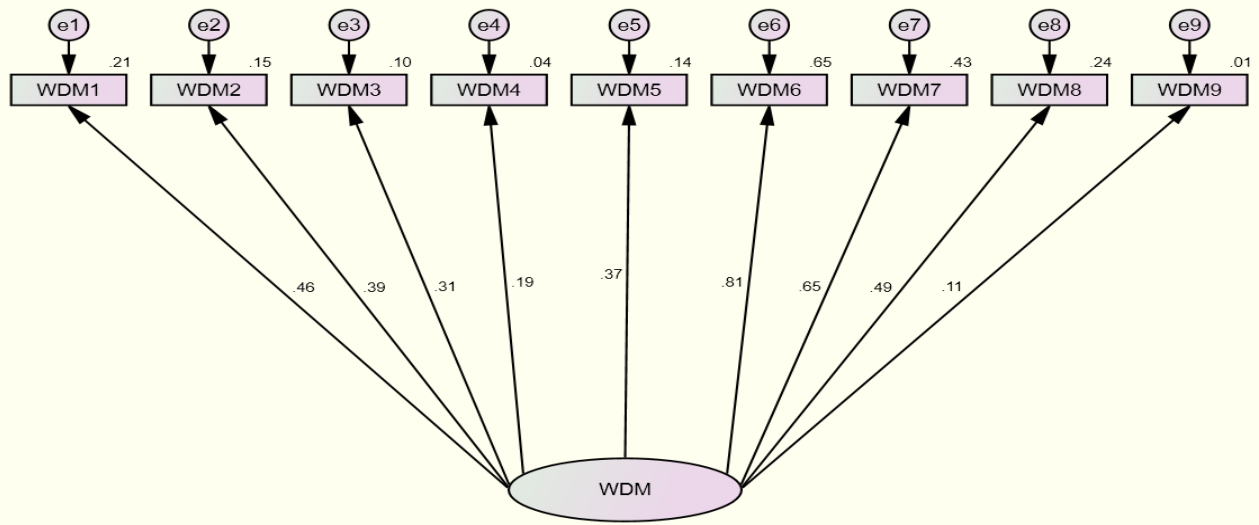
**Figure 4.1: Confirmatory Factor Analysis for "Workforce Diversity Management" variable**

**Table 4.1: Factor Loadings of the items of Workforce Diversity Management**

| | Items | Standard Estimation / Factor Loadings ( ≥0.4) | Decision |
|---|---|---|---|
| 01 | Your organization believes in workforce diversity management and promotes its implementation. | 0.46 | Included |
| 02 | Your organization attracts and hires employees with diverse backgrounds, experiences and skills | 0.39 | Excluded |
| 03 | Your organization considers effective workforce diversity as competitive advantage | 0.31 | Excluded |
| 04 | Your organization considers nationality, ethnicity and culture as dimensions of diversity | 0.19 | Excluded |
| 05 | Your organization considers diversity as challenge for organizational performance | 0.37 | Excluded |
| 06 | Do workforce diversity management have an impact on performance of your organization | 0.81 | Included |

| | | | |
|---|---|---|---|
| 07 | Employees of your organization are aware of the concept of diversity management | 0.65 | Included |
| 08 | Your organization does have policies and strategies to manage workforce diversity | 0.49 | Included |
| 09 | Your organization considers the workforce diversity management as positive | 0.11 | Excluded |

Table 4.1 presents the standardized estimates and including or excluding the nine items of Workforce Diversity Management in the Confirmatory Factor Analysis. Cua et al., (2001) stated that if a construct have saturation coefficients greater than 0.4 may be measured essentially significant. From nine questions of Workforce Diversity Management, four questions have saturation factors more than 0.4 so four questions were included in the final survey.
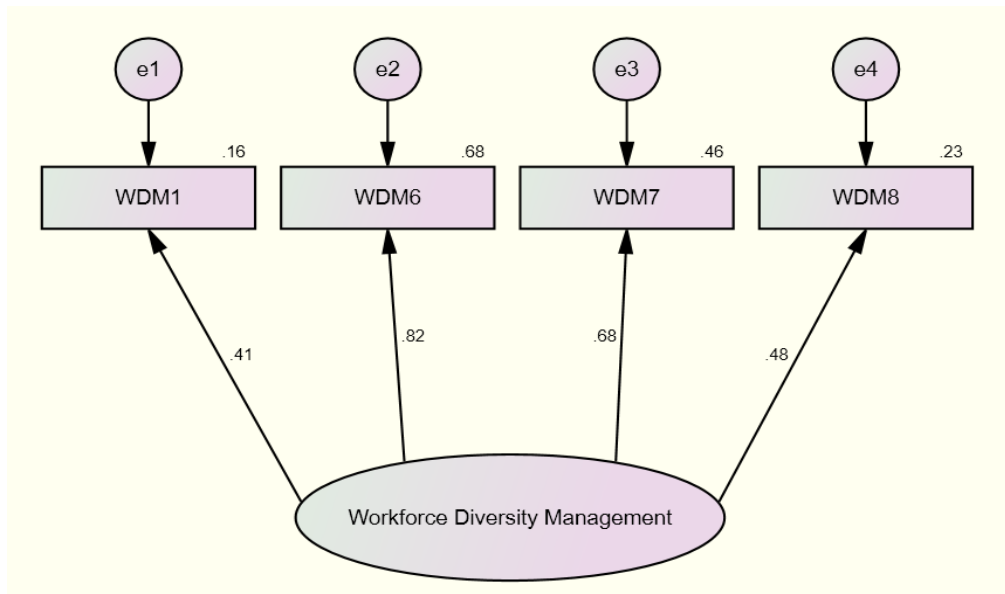


**Figure 4.2: C.F.A. of Workforce Diversity Management model fit**

**Table 4.2:    Factor Loadings of Workforce Diversity Management Model Fit**

| Items | Estimation / Factor loadings ($\geq 0.4$) | Decision |
|---|---|---|
| | | |

| | | | |
|---|---|---|---|
| 01 | Your organization believes in workforce diversity management and promotes its implementation. | 0.41 | Included |
| 06 | Do workforce diversity management have an impact on performance of your organization | 0.82 | Included |
| 07 | Employees of your organization are aware of the concept of diversity management | 0.68 | Included |
| 08 | Your organization does have policies and strategies to manage workforce diversity | 0.48 | Included |

**Table 4.3: Values of Fitness Index for Workforce Diversity Management**

| Factors | Values | Factors | Values |
|---|---|---|---|
| Chi-square | 95.539 | df | 36 |
| Chi-square / df | 2.654 | p-value | 0.000 |
| AGFI | 0.592 | GFI | 0.673 |
| TLI | 0.000 | CFI | 0.000 |
| RMSEA | 0.184 | | |

Table 4.3 shows the structure of the values of confirmatory factor analysis of the independent variable which is Workforce Diversity Management. The value/df Chi-square is 2.654 which is slightly smaller than 3.00 and represents the quality of the Fit of the framework variable. The values of various physical research frameworks of conditions like the (AGFI) Adjusted Goodness of Fit Index, the (GFI) Goodness of Fit Index, the (TLI) Tucker-Lewis Coefficient, the (CFI) Compared Shape Index, the (RMSEA) Mean Square Error of Approximation are .592, .673, .000, .000, .184, separately. P-value of this framework is 0.000. It presents that the framework is highly significant. There are four elements in this construct and their estimates of the standardized coefficients are 0.46, 0.82, 0.68 and 0.48, separately. All

regression weight values are bigger than 0.4 that is the least requirement in order to include or exclude the questions of the variables and 5 items were excluded from this variable.
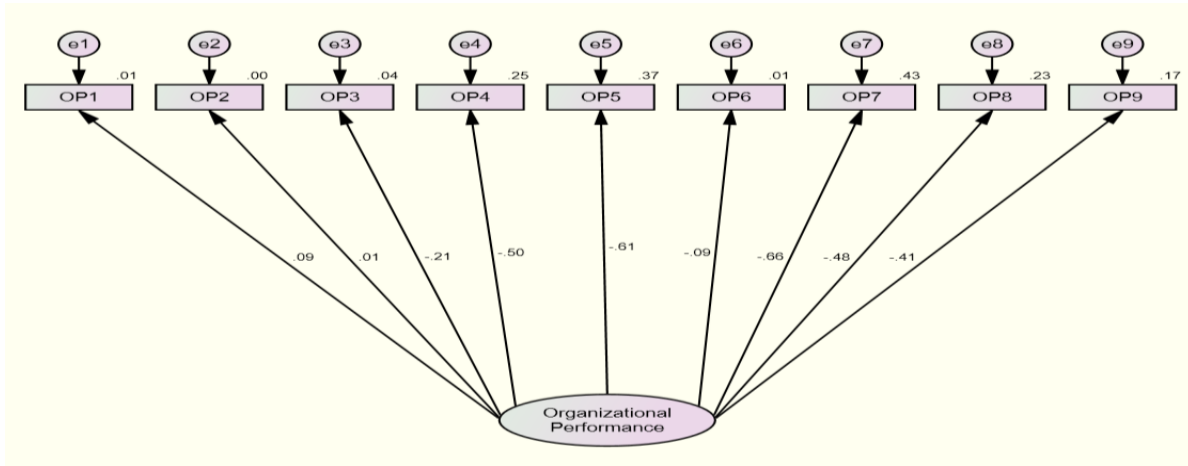


**Figure 4.3: C.F.A. of Organizational Performance**

**Table 4.4: Factors Loading of items of Organizational Performance**

| | Items | Standard Estimation / factor loadings ( ≥0.4) | Decision |
|---|---|---|---|
| 01 | Does performance of your organization got effected by the workforce diversity | 0.09 | Excluded |
| 02 | Your organization considers organizational performance as significant | 0.01 | Excluded |
| 03 | Your organization does have policies and strategies to measure the effect of diversity on organizational performance | 0.21 | Excluded |
| 04 | Does your organization perform well when diversity is managed well | 0.50 | Included |
| 05 | Does your Organization perform diversity trainings to the employees | 0.61 | Included |
| 06 | Does your organization consider organizational performance comes through skills and experiences | 0.09 | Excluded |

| | | | |
|---|---|---|---|
| 07 | Does your organization considers nationality diversity for organizational performance | 0.56 | Included |
| 08 | Does your organization considers ethnicity diversity for organizational performance | 0.48 | Included |
| 09 | Does your organization considers culture for organizational performance | 0.41 | Included |

Table 4.4 shows the standardized estimates and including or excluding the nine elements of the variable "Organizational Performance as a result of CFA. According to (Cua et al., 2001) of a building bearing the coefficients of higher saturation than 0.4 are considered practically built significant. From nine elements of Organizational Performance, factor loading of five items were more than 0.4 therefore four elements were excluded from the questionnaire during the final survey.
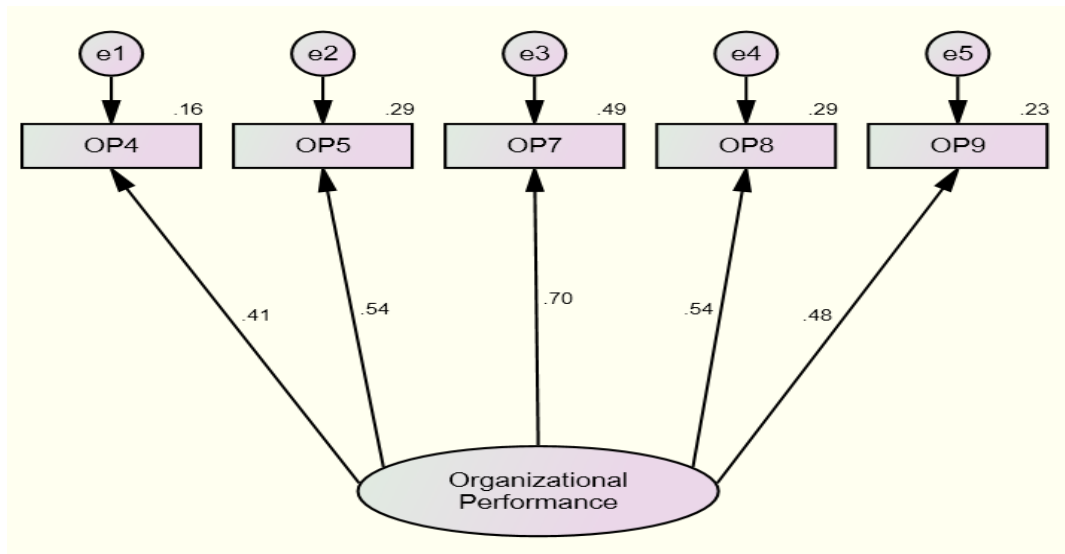


**Figure 4.4:    C.F.A. for Organizational Performance Model Fit**

**Table 4.5:    Factors Loading of Organizational Performance Model fit**

| | Questions | Estimation / Factors loading ( ≥0.4) | decision |
|---|---|---|---|
| 04 | Does your organization perform well when | 0.41 | Included |

| | diversity is managed well | | |
|---|---|---|---|
| 05 | Does your Organization perform diversity trainings to the employees | 0.54 | Included |
| 07 | Does your organization considers nationality diversity for organizational performance | 0.70 | Included |
| 08 | Does your organization considers ethnicity diversity for organizational performance | 0.54 | Included |
| 09 | Does your organization considers culture for organizational performance | 0.48 | Included |

**Table 4.6: Fitness Index Model for Organizational Performance**

| Figures | Standards | Figures | Standards |
|---|---|---|---|
| Chi-square | 88.704 | Df | 36 |
| Chi-square / df | 2.464 | p-value | .000 |
| AGFI | .661 | GFI | .729 |
| TLI | .000 | CFI | .000 |
| RMSEA | .173 | | |

Table 4.6 shows the structure of the values of C.F.A. of the Organizational Performance. The value of Chi-square/df is 2.464 which is slightly smaller than 3.00 and presents the quality of the fit of the model. The values of various physical framework of conditions such as the (AGFI) adjusted goodness of fit index, the (GFI) Goodness of fit index, the (TLI) Tucker-Lewis coefficient, the(CFI) compared shape index, the (RMSEA) mean square error of approximation are 0.661, 0.729, 0.000, 0.000, 0.173, separately. P-value of this framework is 0.000, which shows the model is highly significant. Five elements in this variable and their estimates of standardized coefficients are 0.41, 0.54, 0.70, 0.54 and 0.48 respectively.
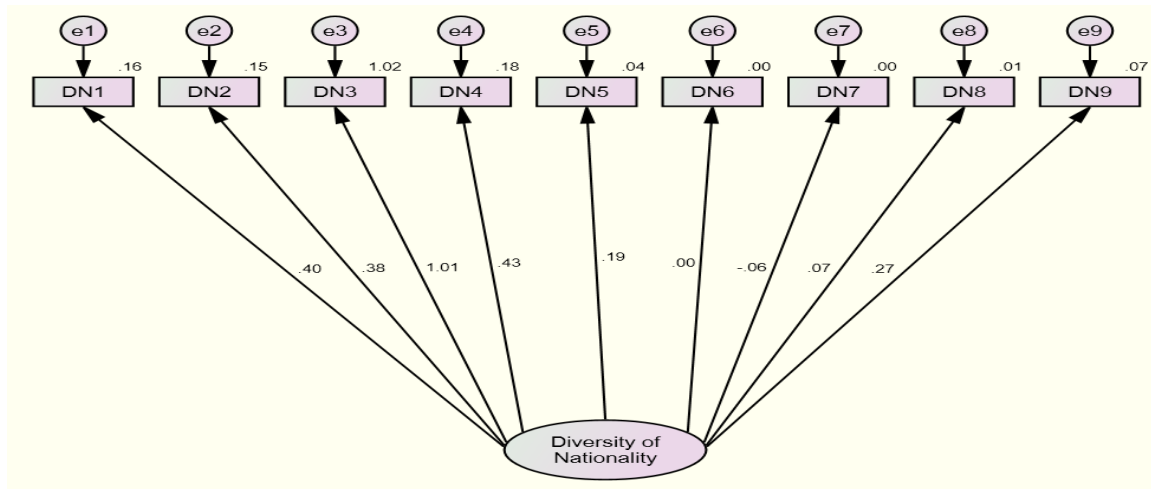
**Figure 4.6:     C.F.A for Diversity of Nationality**

**Table 4.7:     Factor Loadings of items of Diversity of Nationality**

|  | Questions | Standard Estimation / factors loading (≥0.4) | Decision |
|---|---|---|---|
| 01 | Diversity in nationality is a dimension of workforce diversity management | 0.40 | Included |
| 02 | Your organization considers nationality as dimension of diversity | 0.38 | Excluded |
| 03 | Nationality diversity management does have impact on organizational performance | 1.01 | Included |
| 04 | Diverse backgrounds of nationals effect workforce diversity management | 0.43 | Included |
| 05 | Your organization have workforce of different nationalities | 0.19 | Excluded |
| 06 | Nationality diversity management tries to produce discrimination free environment and fair climate | 0.00 | Excluded |
| 07 | Nationality diversity does have strong relationship with organizational performance | -0.06 | Excluded |

| 08 | Nationality is likely to serve as an attribute of an employee in an organization | -0.07 | Excluded |
|----|---|---|---|
| 09 | Successful nationality diversity management does have positive impact on organizational performance | 0.27 | Excluded |

Table 4.7 presents the standardized estimates of the nine elements of Diversity of Nationality in the CFA. Cua et al., 2001 stated that a construct that have the saturation coefficients greater than 0.4, are considered substantially building significant. From nine items of Diversity of Nationality, three items have saturation factor above than 0.4. So, six items were excluded from the questionnaire in the final survey.
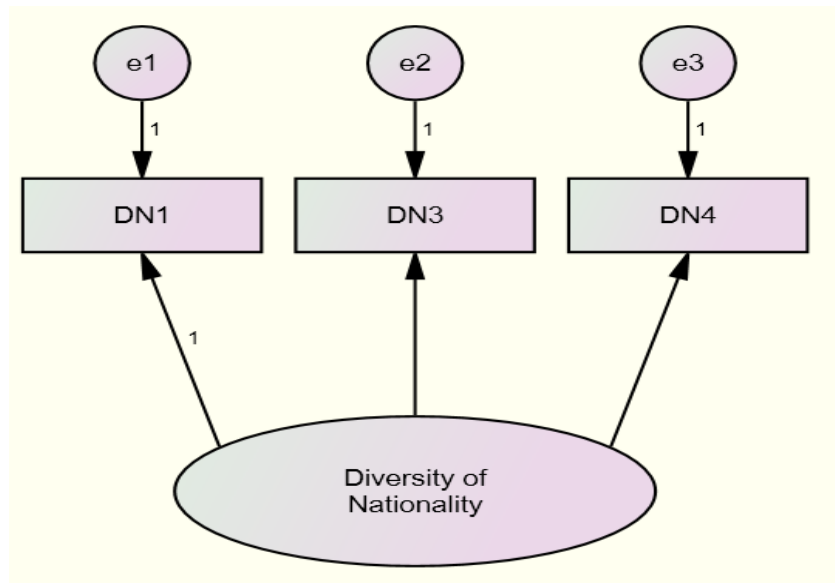


**Figure 4.7:    C.F.A. for Diversity of Nationality Model Fit**

**Table 4.8:    Factors Loading of Diversity of Nationality Model Fit**

| Items | Standard Estimation / Factors loading ($\geq 0.4$) | Decision |
|---|---|---|
| 01  Diversity in nationality is a dimension of workforce diversity management | 0.40 | Included |

| 03 | Nationality diversity management does have impact on organizational performance | 1.01 | Included |
| 04 | Diverse backgrounds of nationals effect workforce diversity management | 0.43 | Included |

**Table 4.9: Model Fitness Index for Diversity of Nationality**

| Figures | Standards | Figures | Standards |
|---|---|---|---|
| Chi-square | 22.464 | df | 3 |
| Chi-square / df | 7.488 | p-value | 0.000 |
| AGFI | 0.622 | GFI | 0.811 |
| TLI | 0.000 | FCI | 0.000 |
| RMSEA | 0.364 | | |

Table 4.9 shows the structure of the values of CFA of Diversity of Nationality. The value Chi-square/df is 7.488 that is slightly greater than 3.00 and presents the quality of the Fit of the ideal variable. The values of various physical model of criteria such as the (AGFI) adjusted goodness of fit index, the (GFI) Goodness of fit index, the (TLI) Tucker-Lewis coefficient, the (CFI) compared shape index, the (RMSEA) mean square error of approximation are .622, .811, .000, .000, .364, separately. P-value of this model is .000, which presents that the framework is highly significant. There are three items in this variable and their estimates of the standardized coefficients are 0.40, 1.01 and 0.48 separately. All regression weight values are bigger than 0.4, which is the least requirement to include or exclude items of variables, so three items were included in this variable.
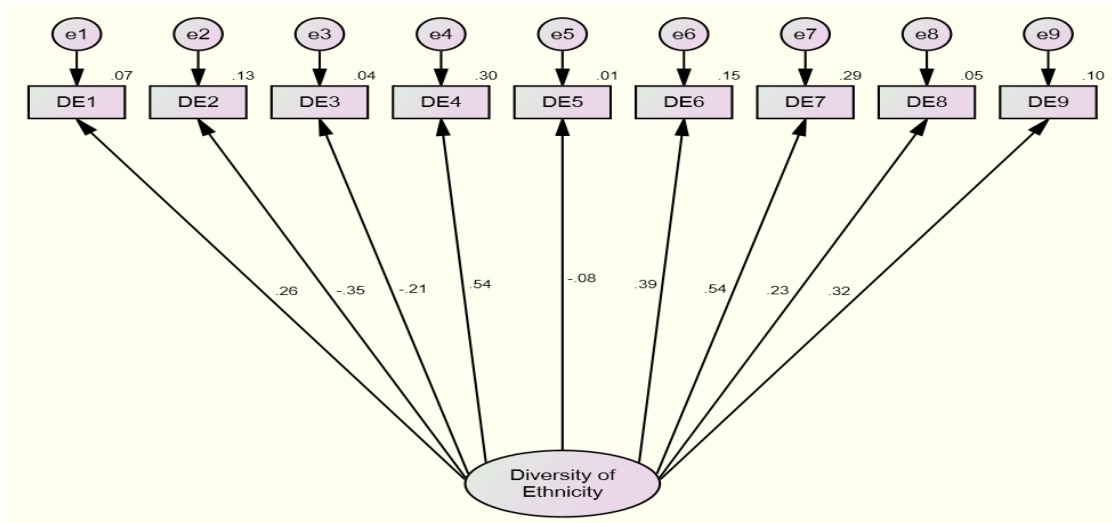
**Figure 4.9: C.F.A for Diversity of Ethnicity model Fit**

**Table 4.10:     Factors Loading of Diversity of Ethnicity Model Fit**

| | Items | Estimation / factors loading ( ≥0.4) | decision |
|---|---|---|---|
| 01 | Ethnic diversity is a dimension of workforce diversity management | 0.26 | Excluded |
| 02 | Your organization considers ethnic diversity as type of workforce diversity management | 0.35 | Excluded |
| 03 | Ethnic diversity has a strong relationship with organizational performance | 0.21 | Excluded |
| 04 | Your Organization attracts and hires employees from all Ethnic Backgrounds | 0.54 | Included |
| 05 | Opportunities for growth and advancement exist for all ethnic groups | 0.08 | Excluded |
| 06 | Your organization is concerned about employee's customs, culture and values. | 0.39 | Excluded |
| 07 | Different languages used to communicate, create problems among employees of your organization | 0.54 | Included |
| 08 | The ethnic differences in work groups do not | 0.23 | Excluded |

| | encourage conflict at your organization | | |
|---|---|---|---|
| 09 | Your organization is positive about ethnic diversity | 0.32 | Excluded |

Table 4.10 shows the standardized estimates and including or excluding the nine elements of the Diversity of Ethnicity in the CFA. Cua et al. (2001) stated that a variable bearing the coefficients of higher saturation than 0.4 are considered practically highly significant. From nine elements of Diversity of Ethnicity, two items were factors loading above .4 therefore seven items were excluded from the final survey.
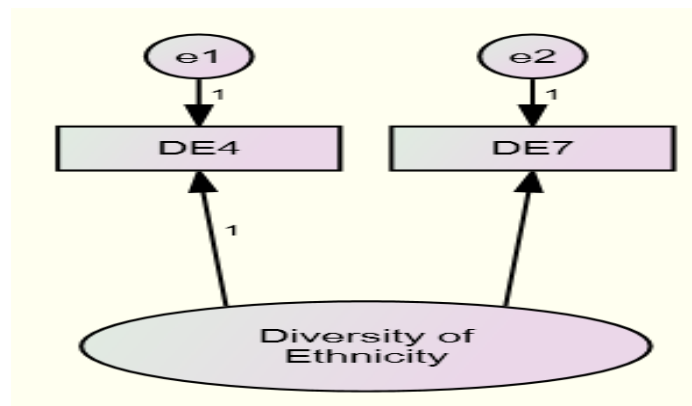


**Figure 4.10:**   **Confirmatory factor analysis for Diversity of Ethnicity Model fit**

**Table 4.11:**    **Factor Loadings of Diversity of Ethnicity Model fit items**

| | **Items** | **Standard Estimation / factors loading ( ≥0.4)** | **decision** |
|---|---|---|---|
| 04 | Your Organization attracts and hires employees from all Ethnic Backgrounds | 0.57 | Included |
| 07 | Different languages used to communicate, create problems among employees of your organization | 0.76 | Included |

**Table 4.12: Model Fitness Index for Diversity of Ethnicity**

| Figures | Standards | Figures | Standards |
| --- | --- | --- | --- |
| Chi-square | 2.442 | Df | 1 |
| Chi-square / df | 2.442 | p-value | 0.000 |
| AGFI | 0.861 | GFI | 0.954 |
| TLI | 0.000 | FCI | 0.000 |
| RMSEA | 0.172 | | |

Table 4.12 shows the structure of the values of confirmatory factor analysis of the independent variable of Diversity of Ethnicity. The value Chi-square/df is 2.442 which is slightly smaller than 3.00 presents the quality of the Fitness of the ideal variable. The values of various physical framework of standards such as the (AGFI) adjusted goodness of fit index, the (GFI) Goodness of fit index, the (TLI) Tucker-Lewis coefficient, the (CFI) compared shape index, the (RMSEA) mean square error of approximation are .861, .954, .000, .000, .172, separately. P-value of this framework is 0.000, it presents that the model is highly significant. So, there are two elements in this construct and their estimates of coefficients are 0.57 and 0.76 respectively. All regression weight values are higher than .4, which is the least requirement to include or exclude items of variables; therefore 7 items were excluded from this variable.
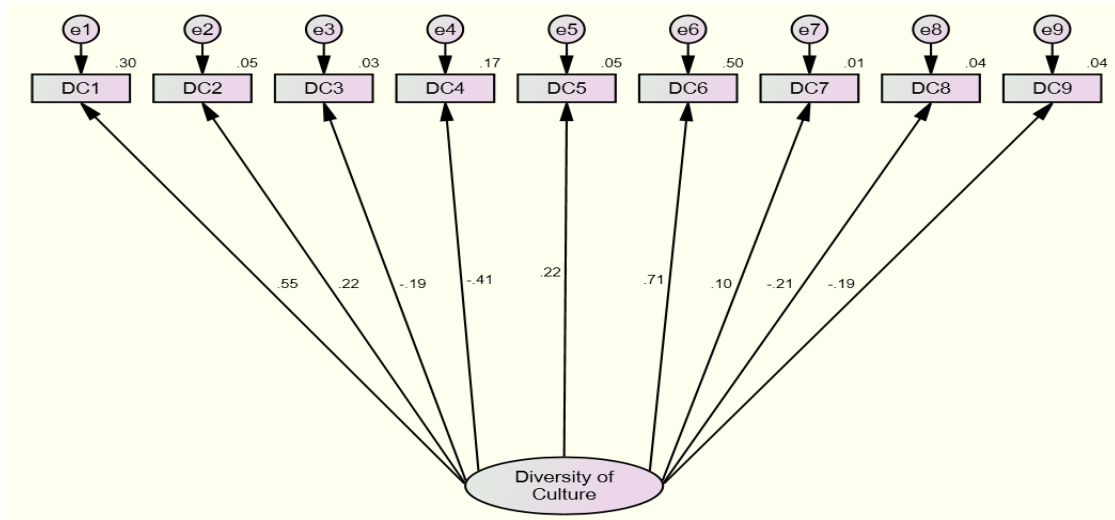
**Figure 4.12:   Confirmatory Factor Analysis for Diversity of Culture**

**Table 4.13:    Factors Loading of Diversity of Culture**

| | Elements | Standard Estimation / factors loading (≥0.4) | decision |
|---|---|---|---|
| 01 | Diversity in Culture is a dimension of workforce diversity management | 0.55 | Included |
| 02 | Your organization considers culture as dimension of diversity | 0.22 | Excluded |
| 03 | Culture diversity management does have impact on organizational performance | -0.19 | Excluded |
| 04 | Diverse backgrounds of culture effect workforce diversity management | -0.41 | Included |
| 05 | Your organization have workforce of different cultures | 0.22 | Excluded |
| 06 | Cultural diversity management tries to produce discrimination free environment and fair climate | 0.71 | Included |
| 07 | Cultural diversity does have strong relationship with organizational performance | 0.10 | Excluded |
| 08 | Cultural diversity is likely to serve as an attribute of an | -0.21 | Excluded |

| | | | |
|---|---|---|---|
| | employee in an organization | | |
| 09 | Successful cultural diversity management does have positive impact on organizational performance | 0.19 | Excluded |

Table 4.13 shows the estimates of the nine elements of Diversity of Culture in the CFA. Cua et al. (2001) states that a construct having the saturation coefficients greater than 0.4 is considered substantially building significant. From nine items of Diversity of Culture, three items of the above nine items are above 0.4 were included in the questionnaire for the final survey and are virtually insignificant.
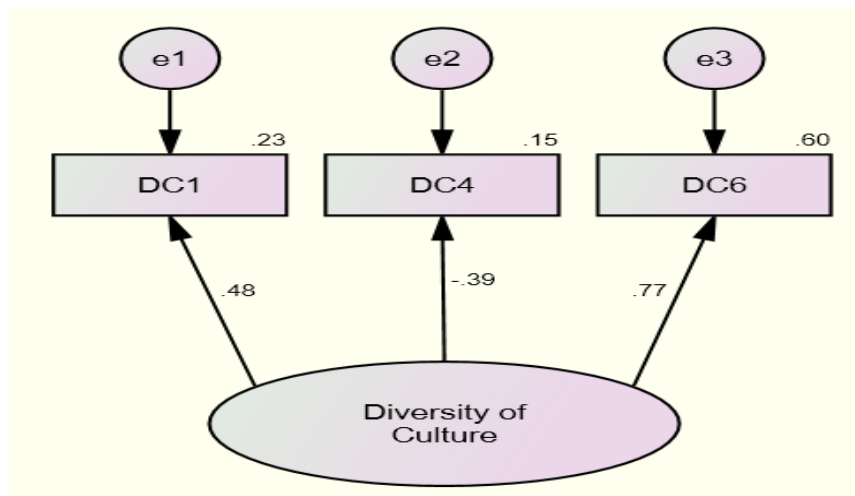


**Figure 4.12:  Confirmatory factor analysis for Diversity of Culture Model fit**

**Table 4.14:   Factor Loadings of Diversity of Culture Model fit items**

| | Items | Standard Estimation / Factor loadings (≥0.4) | Decision |
|---|---|---|---|
| 01 | Diversity in Culture is a dimension of workforce diversity management | 0.48 | Included |
| 04 | Diverse backgrounds of culture effect workforce diversity management | 0.41 | Included |
| 06 | Cultural diversity management tries to produce discrimination free environment and fair climate | 0.77 | Included |

**Table 4.15: Model Fitness Index for Diversity of Culture**

| Figures | Standards | Figures | Standards |
|---|---|---|---|
| Chi-square | 12.474 | Df | 3 |
| Chi-square / df | 4.158 | p-value | 0.000 |
| AGFI | 0.697 | GFI | 0.849 |
| TLI | 0.000 | CFI | 0.000 |
| RMSEA | 0.254 | | |

Table 4.15 shows the structure of the values of confirmatory factor analysis of independent variable Diversity of Culture. The value of Chi-square/df is 4.158 which is slightly greater than 3.00 and presents the quality of the Fit of the framework variable. The values of various physical model of criteria such as the (AGFI) adjusted goodness of fit index, the (GFI) Goodness of fit index, the (TLI) Tucker-Lewis coefficient, the (CFI) compared shape index, the (RMSEA) mean square error of approximation are .697, .849, .000, .000, .254, separately. P-value of this framework is .000. it presents that the model is highly significant.

Based upon the above analysis, all the three hypothesis regarding diversity of nationality, ethnicity and culture has been accepted and it is observed that these dimensions of workforce diversity management have significant impact on organizational performance of business organizations in Pakistan.

## 4.2 Major Analysis

When the pilot testing was completed and study of confirmatory factor analysis was done for 50 responses, the included items of the questionnaire were distributed for final data collection process. The SPSS software used to conduct further major analysis like descriptive statistics of the demographic and study variables. Different techniques of correlation and regression analysis were implemented for interpretation of the results. The details are as follow:

### 4.2.1 The Questionnaire

The finalized instrument was distributed to individual human resource managers from different business companies working in CPEC projects in Pakistan. The sample size of the population was 300 out of which 210 respondents contributed to this study with their response. Almost 70% of the total population gave the response.

### 4.2.2 Research Instrument

The research instrument helps measure the variables e.g. a survey, quiz, maintenance, etc. Research instrument which is used in this research is to examine the impact of managing workforce diversity on organizational performance.

| Variable | Number of items before CFA | Number of items after CFA | Reliability of data after CFA |
|----------|------------|------------|------------|
| Workforce Diversity Management | 9 | 4 | 5 |
| Organizational Performance | 9 | 5 | 4 |
| Diversity of Nationality | 9 | 3 | 6 |
| Diversity of Ethnicity | 9 | 2 | 7 |
| Diversity of Culture | 9 | 3 | 6 |

**Table 4.14: Reliability of Instruments**

| Variables | Number of Items | Cronbach Alpha s' |
|-----------|-----------------|-------------------|
| Workforce Diversity Management | 4 | 0.604 |
| Organizational Performance | 5 | 0.744 |
| Diversity of Nationality | 3 | 0.606 |
| Diversity of Ethnicity | 2 | 0.737 |

| | | |
|---|---|---|
| Diversity of Culture | 3 | 0.752 |
| **Total** | 17 | 0.827 |

The values of Cronbach alpha represent the reliability of each of the question against each variable. Workforce Diversity Management is a dependent variable with four points with reliability figure of about .604. Organizational Performance which is the first independent variable included five items and indicated the full reliability with the value of Cronbach's alpha of .744. The second independent variable is the Diversity of Nationality that has three elements it has the value of the reliability of .606. The third independent variable is Diversity of ethnicity that has two questions it has the value of the reliability of .737. The fourth independent variable is Diversity of Culture that has three items it has the value of the reliability of .752. the toal items become 17 and overall reliability of the research instrument is .827 which is considered significance of the scale.

## 4.3 ANALYSIS OF DATA

The data entry has been made after collecting responses from respondents. SPSS software was used to analyze and monitor the data collected.

Various tests were applied to the data in this research work. To check the reliability of research instrument, Cronbach Alpha was checked. Statistical analysis was done to determine the level of research work on workforce diversity management in the companies working on CPEC in Pakistan. Regression analysis is used to verify the cause and effect of WDM, Diversity of Nationality and Diversity of Ethnicity and Diversity of Culture on Organization Performance in CPEC companies in Pakistan.

## 4.4 MAJOR RESULTS

The critical factors which are affecting workforce diversity management practices in Pakistan were analyzed and compiled relying upon collected data. Different types of frequency distribution tests were used to analyze collected data for demographic characteristics and here are the major results in detail. In addition, the results presented different levels of impact of both the dependent and independent variables of workforce diversity management and organizational performance to the various declarations selected in the responses were also analyzed by through the technique of descriptive statistics.

### 4.4.1 Descriptive Statistics

In the beginning, descriptive statistics and frequency distribution with regard to "Gender" has been shown in Table below:

**Table 4.1: Descriptive Statistics and Frequency Distribution with regard to "Gender"**

| Sex | Total number of responses (N = 210) | |
|---|---|---|
| | Frequency | Percentage (%) |
| Male | 141 | 67.1 |
| Female | 69 | 32.9 |
| Grand Total | 210 | 100 |

The Table 4.1 made clear that 67.1% is from male category (141 men), while 32.9% is from female category contributed in this research. It may be noted that the number of female is less than male which is due to less gender balance in business companies due to may be the cultural values in Pakistan. The other reason could be the less number of female group in the business companies working CPEC projects.

**Table 4.2: Descriptive Statistics and Frequency Distribution in relation to "Age"**

| Total number of responses (N = 210) | | |
|---|---|---|
| Age | Frequency | Percentage (%) |
| 18-31 | 19 | 9.0 |
| 32-44 | 107 | 51.0 |
| 45-57 | 70 | 33.3 |
| 58-70 | 14 | 6.7 |
| Grand Total | 210 | 100 |

Table 4.2 provides the analytical data response rate of other age group respondents. Of a total of 210 respondents answer more than 9% observed in the age group of 18-31, which is the third highest group of respondents. Approximately 107 respondents belong to the age group of 32 to 44, which is the highest age group who responded to the survey with a percent of 51.0%. Response rate of about 33.3% or 70 respondents in the age group 45 to 57 which is the second highest response rate and 6.7% or 14 respondents belongs to the age group of 58-70 years.

**Table 4.3: Descriptive Statistics and Frequency Distribution regarding the "Qualification"**

| *Total number of responses (N = 210)* | | |
|---|---|---|
| Qualification | Frequency | Percentage (%) |
| Graduate | 8 | 3.8 |
| Master | 111 | 52.9 |
| MPhil | 82 | 39.0 |
| PhD | 9 | 4.3 |
| Grand Total | 210 | 100 |

Table 4.3 reveals that the response rate of the four categories of respondents known as Graduate, Masters, MPhil and Doctoral category relative to their qualification. According to the results revealed in the above table, it's clear that Master's category respondents have a higher number of responses which is 52.9% of the total. Graduate Qualification respondents have a frequency of 8 which is 3.8% of the overall response rate. Whereas PhD qualification holders from the total number of respondents are less number which is only 9 only 4.3% of the total respondents.

**Table 4.4: Descriptive Statistics and Frequency Distribution regarding "Workforce Diversity Management"**

| Questions | SD | D | % of response (N = 210) | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | | | N | A | SA | Mean | St. Dev |
| Your organization believes in workforce diversity management and promotes its implementation. | 8 | 13 | 9 | 104 | 76 | 4.081 | .996 |
| Do workforce diversity management have an impact on performance of your organization | 3 | 10 | 6 | 116 | 75 | 4.190 | .819 |
| Employees of your organization are aware of the concept of diversity management | 5 | 0 | 17 | 101 | 87 | 4.285 | .715 |
| Your organization does have policies and strategies to manage workforce diversity | 5 | 7 | 23 | 97 | 78 | 4.123 | .903 |

The results obtained from the analysis of the data explain that the number of respondents disagree, neutral, agree with the elements of workforce diversity management. In Table 4.4 above, it is clear that respondents 104 out of 210 agree that the organization believes in workforce diversity management and promotes its implementation while 9 peoples voted as neutral and only 13 managers disagreed. Similarly, more than 118 percent of managers agreed that workforce diversity management have an impact on performance of their organization and only 10 respondents disagree then about 17 respondents remain neutral. In the case of the third issue of workforce diversity management, maximum voting agreement has been given by

respondents who are over 101 and only 5 respondents disagreed. It is clear that most of the managers agree that employees of the organization are aware of the concept of diversity management.

**Table 4.5: Descriptive Statistics and Frequency Distribution regarding "Organizational Performance"**

| Items | SD | D | % Response (N = 210) | | | | |
|---|---|---|---|---|---|---|---|
| | | | N | A | SA | Mean | St. Dev |
| Does your organization perform well when diversity is managed well | 7 | 5 | 12 | 123 | 63 | 4.095 | .864 |
| Does your Organization perform diversity trainings to the employees | 5 | 1 | 18 | 116 | 70 | 4.166 | .792 |
| Does your organization considers nationality diversity for organizational performance | 3 | 4 | 17 | 96 | 90 | 4.266 | .803 |
| Does your organization considers ethnicity diversity for organizational performance | 7 | 19 | 18 | 100 | 66 | 3.947 | 1.031 |
| Does your organization considers cultural diversity for organizational performance | 2 | 15 | 18 | 91 | 84 | 4.142 | .916 |

The results obtained from the analysis of the data explain that the number of respondents disagree, neutral, agree with the elements of the variable of nationality diversity. In Table 4.5 above, it is clear that respondents 123 out of 210 agree that their organization perform well when diversity is managed well while 12 managers voted as neutral and only 5 disagreed. More than 116 respondents agreed that their organizations perform diversity trainings to their employees and only 1 respondent disagrees than 18 respondents are neutral. Regarding the third point of organizational performance, maximum voting agreement has been given by respondents who are over 96 and only 4 respondents disagreed. It is clear that the maximum managers agree that organization considers nationality diversity for organizational performance.

**Table 4.6: Descriptive Statistics and Frequency Distribution regarding "Diversity of Nationality"**

| Items | SD | D | % response (N = 210) | | | | |
|---|---|---|---|---|---|---|---|
| | | | N | A | SA | Mean | St. Dev |
| Diversity in nationality is a dimension of workforce diversity management | 2 | 18 | 11 | 93 | 86 | 4.157 | .932 |
| Nationality diversity management does have impact on organizational performance | 7 | 12 | 19 | 93 | 79 | 4.071 | .997 |
| Diverse backgrounds of nationals effect workforce diversity management | 4 | 6 | 18 | 101 | 81 | 4.185 | .852 |

The above table revealed the descriptive results explain that the number of managers disagree, neutral, agree with the elements of cultural diversity. The above Table 4.6 showed that 93 managers out of 210 agreed that diversity in nationality is a dimension of workforce diversity management while 11 managers voted as neutral and 18 disagreed. More than 93 managers agreed on nationality diversity management do have impact on organizational performance and only 12 respondents disagree that 19 respondents are neutral. Regarding third variable of diversity of nationality, maximum vote of approval has been given by respondents who are over 101 and only 6 respondents disagreed. This shows that most of the respondents admit that diverse backgrounds of employees effect workforce diversity management.

**Table 4.6: Descriptive Statistics and Frequency Distribution regarding "Diversity of Ethnicity"**

| Items | SD | D | % response (N = 210) | | | | |
|---|---|---|---|---|---|---|---|
| | | | N | A | SA | Mean | St. Dev |
| Your Organization attracts and hires employees from all Ethnic Backgrounds | 2 | 18 | 11 | 93 | 86 | 4.157 | .932 |
| Different languages used to communicate, | 7 | 12 | 19 | 93 | 79 | 4.071 | .997 |

create problems among employees of your
organization

The results obtained from the analysis of the data explain that the number of respondents disagree, neutral, agree with the elements of the variable of nationality diversity. In Table 4.5 above, it is clear that respondents 93 out of 210 agree that their organizations attract and hire employees from all Ethnic Backgrounds while 11 managers voted as neutral and only 18 disagreed. More than 93 managers agreed that different languages used to communicate, create problems among employees of their organization and only 12 respondents disagree than 19 respondents are neutral.

**Table 4.6: Descriptive Statistics and Frequency Distribution regarding "Diversity of Culture"**

| Items | SD | D | % response (N = 210) | | | | |
|---|---|---|---|---|---|---|---|
| | | | N | A | SA | Mean | St. Dev |
| Diversity in Culture is a dimension of workforce diversity management | 1 | 9 | 11 | 95 | 94 | 4.295 | .793 |
| Diverse backgrounds of cultural diversities effect workforce diversity management | 7 | 8 | 14 | 110 | 71 | 4.095 | .923 |
| Cultural diversity management tries to produce discrimination free environment and fair climate | 4 | 6 | 18 | 101 | 81 | 4.185 | .852 |

The above data explains that the number of managers disagree, neutral, agree with the elements of cultural diversity. The above table 4.6 showed that the total 95 managers out of 210 agreed that diversity in culture is a dimension of workforce diversity management, while 11 managers voted as neutral and 9 disagreed.  More than 110 managers showed their agreement on diverse backgrounds of cultural diversities effect workforce diversity management and only 8 respondents disagree and 14 respondents are neutral. In the case of the third element of diversity of culture, maximum vote of approval has been given by respondents who are over 101 and only

6 respondents disagreed. This shows that most of the respondents admit that cultural diversity management tries to produce discrimination free environment and fair climate.

### 4.4.2 Inferential Statistics:

### 4.4.2.1 Independent Sample T-test:

This type of test analyzes the difference level of significance with regard to dependent and independent variables between among different respondents like demographic features of gender, qualification etc.

**Table 4.7: Level of Project Achievement, independent and dependent variables among male and female respondents (N = 210)**

**Statistics Category**

| Variables | Gender | N | Mean | Std. Deviation | F-value | P value |
|---|---|---|---|---|---|---|
| Workforce Diversity Management | Male | 139 | 3.5842 | 0.46691 | 0.034 | 0.853 |
| | Female | 61 | 3.7148 | 0.45234 | | |
| Organizational Performance | Male | 139 | 3.7890 | 0.63847 | 2.110 | 0,148 |
| | Female | 61 | 3.9180 | 0.52230 | | |

The results gathered in above Table 4.7 illustrate the level of project achievement by men and women interviewed. The results showed that the average value of male respondents (3.5842) is less than the average whereas female (3.7148) respondents imply that female respondents are more satisfied with WDM compared to those of male. In addition, the F and P values were 0.034 (<3) and 0.853 (<0.05), which means that there is a level of significant differences between men and women interviewed about the success of a project.

The results also explain the difference in levels of the independent variables between men and women interviewed. Similarly, in the case of workforce diversity management, Organizational Performance, the level of significance of male respondents is lower than that of

the women interviewed for the reason that the average values of female group is higher than the male group as shown in the results. The average values of the women interviewed in the case of nationality diversity are 3.7148, 3.9180, 3.6926, while the average values of male respondents against these variables are 3.5842, 3.7890 and 3.6547. The average values of the women interviewed are above the middle level of male respondents that specify the highest level of the importance of female respondents compared to the male group. F values and P-values also support the significant difference between the levels of these variables between men and women interviewed. The overall results presented by the t-test mean that the responses of the two gender groups are significantly different between male and female respondents. In addition, the mean values in the two cases are important because of their P values are less than 0.853 with respective values F-3 below.

### 4.4.2.2. RESULTS OF ANOVA:

ANOVA test is applied to identify the differences between established variables established in relation to different demographic characteristics of respondents (more than two variables).

**Table 4.8: Analysis of Variance (Measures differences between variables related to the Age groups of respondents (N = 210)**

| Variables | Age Group | N | Mean | F-value | P value |
|---|---|---|---|---|---|
| Workforce Diversity Management | 18-31 | 26 | 3.5846 | 2,602 | 0.077 |
| | 32-44 | 115 | 3.5739 | | |
| | 45-57 | 59 | 3.7390 | | |
| | Grand Total | 210 | 3.6240 | | |
| Organizational Performance | 18-31 | 26 | 3.7949 | 0.092 | 0.912 |

| | | | |
|---|---|---|---|
| 32-44 | 115 | 3.8232 | |
| 45-57 | 59 | 3.8531 | |
| Grand Total | 210 | 3.8283 | |
| Grand Total | 210 | 3.6663 | |

The above table 4.8 summarized the results of analysis of ANOVA applied in order to explore the differences in the level of workforce diversity management, nationality, ethnicity and culture between the different business companies working on CPEC projects in Pakistan. The results above in tables reveal that F & P values because of workforce diversity management are 2.602 (<3) and 0.077 (> 0.05), separately, that signify the difference between various business companies. For example, the average values of WDM (3.7390) the highest among other age groups. It is reflected in the level of experience in 45-57 WDM is highest, while WDM is less important to 32-44 with an average value of 3.5739 compared to all other age groups.

Similarly, for nationality diversity, with its respective average values of 3.7949, 3.8232, 3.8531 have the highest level of significance. Whereas ethnicity diversity with average values of 3.6154, 3.6217, 3.7754 for different ages of the group have the least significant level, respectively.

### 4.4.2.3. Analysis of Regression

**Table 4.9: Standard Errors in Parentheses, Regression Coefficients, T-values in brackets and P-values in italics:**

| Dependent Variable | Constant | Diversity of Nationality | Diversity of Ethnicity | Diversity of Culture | Organizational Performance | R-Square | F-Statistics |
|---|---|---|---|---|---|---|---|
| **Workforce Diversity Management** | 2.703 | 0.292 | 2.095 | 0.159 | 0.243 | 0.178 | 92.003 |
| | (0.117) | (0.023) | (0.045) | (0.026) | (0.056) | (0.029) | (0.028) |
| | [23.155] | [9.592] | [8.491] | [9.879] | [9.235] | [8.456] | [7.258] |

| | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |

The results pointed out that the model is significant ($p < 0.05$), which also showed a significant association between workforce diversity management that is independent variable i.e. is nationality diversity, ethnicity diversity and culture where (R-square = 0.30 and F-value = 43.117) instead WDM model can also account for 30% of variation in the dependent variable. When the variables are evaluated individually, the beta value of OP with WDM is 47% i.e. (0.47) and beta value of nationality diversity is 17% i.e. (0.17) and the p-value of nationality diversity and ethnicity diversity is 0.005 and 0.000 respectively. There is positive relationship between all the variables. The cultural diversity is more independent variable in our study and regression provides information relevant to the data. The main findings concerned the regression analysis that seeks an independent variables also positive and significant association with workforce diversity management. The main results of the study validate hypothesis (H1) and (H2) that establishes that there is significant association between the workforce diversity management with cultural diversity and nationality diversity.

### 4.4.2.4. Analysis of Correlation

**Table-4.10: Correlation Matrix of Workforce Diversity Management and Organizational Performance**

| | | Workforce diversity management | Organizational Performance |
|---|---|---|---|
| Workforce diversity management | Pearson correlation | 1 | |
| | Sig. (2-tailed) | | |
| | N | 209 | |
| Organizational Performance | Pearson correlation | 0.307 (**) | 1 |

| | Sig. (2-tailed) | 0,000 | |
|---|---|---|---|
| | N | 209 | 209 |

** means that correlation in the above results is significant at 0.05 level (2-tailed).

The table 4.10 above shows that the correlation is significant between all the variables describing the value the Pearson correlation coefficient. The results made clear that at significance level of i.e. P <0.5 Workforce Diversity Management is positively correlated with organizational performance as the value of the correlation coefficient of 0.307**. Organizational Performance is also positively related with the nationality, ethnicity and culture and significant correlation coefficient of 0517**. At last, it may be said that Workforce Diversity Management is positively and significantly correlated with all the variables. Workforce Diversity Management is no longer attached only to nationality diversity; it also goes with ethnicity and culture.

## 4.5 KEY FINDINGS

The principle objective of the research was to analyze and describe those factors which are most significant for issues related to workforce diversity management and successful implantation of WDM related activities by the financial institutions of Pakistan. This research has additionally been anticipated to manage the variables according to their significance basing upon the rank of the respondents. The main findings and key observations which found though the successful analysis of data which are performed in Chapter 3 and Chapter 4 mainly are as follows:

1. It is discovered from the regression investigation that the p-values are less than 0.05 and therefore, there is substantial optimistic affiliation between the workforce diversity management and other independent variables (R-square= 0.030 and the F-value = 3.052), It is, therefore, may be considered that the framework is significant. The nationality diversity among all the variables is the highly ranked variable which indicates that nationality, ethnicity and culture diversity are the main dimensions of WDM.

2. This is also established that different individuals have different viewpoints regarding the other factors based on their gender, age group and educational background.

3. According to the regression analysis, it has been found that there is a significant relationship between the dependent variable and the cultural diversity (p-vale $< 0.05$). This means that all the identified factors have positive impact and are critical for the business companies working on CPEC projects in Pakistan.

4. In the end, on ground of the results obtained through different techniques of correlation analysis, it has been analyzed that the WDM has optimistic and significant relationships with all the independent variables. Further, from the results of correlation analysis it can be articulated that all the independent variables are contributing to WDM through their co-relational significance.

5. The results also signify that the human resource managers recognize these variables as the critical factors for workforce diversity management.

## 4.6 BRIEF DISCUSSIONS

A number of earlier studies on the development of critical factors have focused on different dimensions of workforce diversity management in Pakistan. The purpose of this study has been to achieve the current data on business's company's implementation of those activities which are related to workforce diversity management in Pakistan. Rana Nadir Idrees (2013) stated that workforce diversity with regard to cultural diversity and globalization is driving the continuous change in working environment in all over the world and Pakistan is not excluded from this scenario. Due to the increasing number of global companies in Pakistan in CPEC perspective, the diversified workforce has generated a lot of differences based on gender, age, race, culture, disabilities and nationality diversity in the public and private business organizations of Pakistan. A huge number of CPEC activities in Pakistan have led to increased diversified workforce practically which created divergence among workforce with regard to organizational behaviors in their norms, values and nationality diversity. Foreign nationals especially Chinese are participating actively in success of business organizations with their presence in almost in all the sectors. This usually brought conflicting situations sometimes with diverse cultural backgrounds which leads to non-productive organizational performance.

Nkomo (2010), Ng E.S.W. (2008) and Pitts (2006) established in their studies that workforce diversity management can really improve organizational performance. Jayne and

Dipboye (2004) argued that business organizations must adopt workforce diversity and should create an organizational culture in which dissimilarities may be minimized and similarities may be enhanced and grown. In case if the organizational culture does not upkeep diversity in a broader sense, business organizations may become at risk to loose talent to their competitors. Chan (2009) suggested that the human resource managers are required to manage cross cultural diversity in order to maintain workplace diversity. This change should be ingrained in style of management of HR managers in their elementary administration roles.

This research concluded its views and perceptions regarding the literature available on workforce diversity management and its relevant theories in chapter two. The results of this research supported the concepts and ideas which were given and presented by the previous studies in developed countries.

It is generally recognized that the newly established economic power will be concentrated in the Asian region in future. This continent it considered as unique in its diversity of nationality ethnicity and culture diversity those influence the implementation of activities relating to workforce diversity management. It is observed by the researcher that the previous studies that were conducted in past with regard to cultural diversity in respect of workforce diversity management are limited. Mostly, the research has been focused on developed countries comparatively with developing countries. According to the best knowledge of the researcher, a very few literature has been found on the nationality diversity in Pakistan. There is no study which is done to analyze the properties of variety of nationality diversity and cultural diversity on the perceptions of defendants with regard to workforce diversity management. Therefore, the researcher hopes that the model which is developed in this study will play the guiding role for all levels of business corporations those are currently working or intend to work in future in Pakistan.

The results of this study clearly pointed out that the factors which become success for the operations of the companies are critical for business companies especially and these factors play a crucial rule in the implementation of workforce diversity management practices. Nationality diversity and cultural diversity significantly and largely affect the activities of managing workforce.

The mutual comeback of human resource managers presented that "local and global forces" were the important essentials in business companies that got them involved in managing workforce. The researches which were done on this topic previously recognized the positive relation between workforce diversity management and organizational performance. The reason behind is that the management practices of diverse workforce do exist in business companies who were or are involved in CPEC projects in Pakistan. The commitment on workforce diversity management has recognized that human resource managers are agreed that business companies should further commit their activities towards the management of workforce diversity in Pakistan.

The result showed that human resource managers in business companies in Pakistan received some kind of trainings as far as diversity is concerned. In addition, the issues related to WDM are the second most important mechanism to address them during making the business policies. This finding showed that the diverse workforce do effect the organizational performance positively if managed well. Overall, the findings of this study revealed that cultural diversity makes a significant impact on the human resource policy of the business companies. The conclusion also supported the argument expressed by Wentling and Palma-Rivas (2000) who stated that diversity refers to the coexistence of workforce within an organization from different socio cultural backgrounds. Diversity in broader meanings may consists of different factors like national origin, nationality diversity, race, color, gender, age, physical ability, ethnicity, disability, sexual orientation, values, ethnic culture, education, language, lifestyle, beliefs, physical appearance and economic status. In other words, Bryan (1999) stated that diversity entails a type of organizational culture in which every employee of a business organization can pursue his or her professional goals without habituating to nationality, ethnicity, culture, race, gender, nationality diversity or any other factor that is inappropriate to organizational performance.

# CHAPTER 5

# CONCLUSION, RECOMMENDATIONS, PRACTICAL IMPLICATIONS, AND FUTURE RESEARCH

## 5.1 CONCLUSION

The results from this research have been presented about the human resource managers in business companies working on CPEC projects in Pakistan. It is considered the subjective item that could be highlighted that the business companies had to endure in Pakistan. Those issues which are related to workforce diversity management can be considered secondary significant mechanism of human resource management practices. This result concluded from the research envisioned that many organizations consider the issue of diversity management as a legal requirement as a firm with a diverse workforce can argue that it is not a guilty of discrimination. Nevertheless, in recent years, the concept of diversity has intensely changed to a more practical idea. A huge number of business leaders started believing that diversity management has a lot of benefits. Workforce diversity may be considered a competitive advantage as diverse skills and experiences can produce creative and unique approaches to problem-solving and enhancing productivity, innovation and improved organizational performance.

## RECOMMENDATIONS

The results from this research found that the issue of workforce diversity management was not considered a big problem in Pakistan as much as it is concerning issue today because of more increased business activities due to CPEC projects in Pakistan. This concept has attained attention in Pakistan due to increasing business organizations to approach their customers all over the world. The need to understand more about diversity management is necessary as it gives the business managers an understanding of what is going wrong in a team of diverse backgrounds.

Being considered the first study of its kind in this regard, the analyst hopes that this research may be adapted by other different business companies in Pakistan. It is considered that the findings of this research may assist the Pakistani Government to form the country a great business hub in its region. It can be done by considering the workforce diversity management practices after achieving successful management of diverse workforce. The analyst hoped as well

that this research may be considered as the springboard for those further researches which will be done on workforce diversity management in the prospect. Pakistan has its own vision which is responsible and fair more than expected in the 2025 vision may be achieved fully.

## 5.3 POLICY IMPLICATIONS

There is very limited research found so far regarding workforce diversity management in business companies working on CPEC projects in Pakistan. Most of these researches mainly focused on the concept of WDM in Pakistan. These studies do not recognize cultural and ethical analysis. It has, therefore, different implications which are as detailed under:

### 5.3.1 Implications for Knowledge and Literature:

The findings of this research have broadened the literature on workforce diversity management in Pakistan. This research was able to make additions to the information and knowledge of the workforce diversity management and cultural diversity and nationality diversity. Until today, this study may considered the first and only study which has been completed on the concepts and perceptions of practices and issues relating to workforce diversity management in Pakistan with regard to diversified culture and ethnicity. This research focuses as well on greater population sample which was consisted of business companies working on CPEC projects in Pakistan. This study as well contributes to different dimensions of workforce diversity management literature in developing countries like Pakistan. As, there are many different diversified ethnic, religious and cultural groups here. In addition to that, this research is considered to achieve the theories of workforce diversity management especially those countries that have the same social and cultural background among developing countries.

### 5.3.2 Implications for Business Companies:

Findings of this research envisioned that Pakistan carries different ethnic and cultural communities and it has obviously established by the questionnaire that was formed and distributed to the human resource managers to get their responses on their perceptions and concepts regarding workforce diversity management practices. Relying upon the perception which was given by Muhammad Rizwan et al. (2016) who stated that business Organizations in Pakistan have a diverse workforce of more than ten thousand employees from diverse backgrounds in terms of age, gender, ethnicity, disability, nationality diversity and nationality.

Just to mention a few, it is estimated that the sector's contribution to the country's gross domestic product is about 20%. The World Bank in 2001 indicated that during 1990s, there were great initiatives made to transform this factor in order to enhance its performance making it to be seen as one of the best in South Asian countries. Like any other south Asian country, the transformation initiatives in Pakistan have been taken mainly realizing that this factor has not been achieving the required performance (Hafiza Sumaiyyah Iqbal, 2015). Various studies (Farman Afzal et al. 2013, Hafiza Sumaiyyah Iqbal, 2015) identified lack of commitment and motivation in this regard and failed to institute clear diversity management practices as the key issues challenging performance in Pakistani Business companies. This research may also be considered a guide to train the diverse workforce of business companies against nationality, ethnicity and culture which are part of Pakistani community.

This study also advises those national and multinational business companies who intend to execute their businesses in Pakistan. These corporate businesses should focus on those activities which are relating to the management of workforce diversity. These companies should employ more strength in ethical and cultural values, consumer protection employees, welfare, education, health and environmental protection to be considered from those companies which put greater emphasis on WDM issues and practices. The organized companies regarding their social activities may get more benefits having more profits and support its reputation and images.

### 5.3.3 Implications for Educators and Practitioners:

The findings of this kind of studies have always policy implications for educators and researchers globally. The differences of the framework of WDM which has been developed in this study improve the subject of WDM which has been taught to students. The educators also support their information and knowledge and broaden their relevant knowledge in this field. The subject of workforce diversity management may also be seen as more flexible for establishment of change in its environment. By some way, researchers and teachers may play a role of intermediaries to increase the knowledge of researchers.

The practitioners also have the practical implications thus this topic may considered as beneficial for them in order to get the operations stabilize during the business activities. This research also can help the practitioners to make good decisions during the management process

of business activities. The findings of this research have already provided beneficial information to national and multinational practitioners to recognize the needs of the human resource managers basing upon the diversity of culture and ethnic groups in Pakistan.

### 5.3.4 Implication for Policy Makers and Legislators:

The research also provided many implications for policy makers and legislators. The findings of this study may help different government institutions to spread the information on WDM concepts and perceptions in Pakistan. They may be holding different conferences and seminars among those events for channelizing the understanding of workforce diversity management issues and practices. Different entrepreneurs and business managers can get benefits from implantation of workforce diversity management in the country. In addition, this study may prevent different kinds of misunderstandings which are prevailing on Pakistani socio-economic environment.

Secondly, this research can also assist business corporations within and outside the governmental institutions to enhance the understanding on workforce diversity management in Pakistan. The framework of workforce diversity management in this study is considered to be used by the governmental institutions as well like chambers of commerce and investment authorities to establish a model of workforce diversity management which is applicable and appropriate for the practices not only in business entities but also in all commercial institutions of Pakistan. The model should consist of unique practices in Pakistan that is established in multinational societies notwithstanding the international standards.

At last, the government by connecting some departments should motivate all the leading companies to implement different kinds of programs those may increase in the awareness of the community and particularly in the business corporations for the benefits of the implementation of WDM. The distribution of funds to implement such activities of awareness programs should also be increased significantly. In addition to that, information and knowledge on the significance of ethnic and cultural activities must be increased at school level. Different kinds of campaigns may also be established to involve young people at wider level of the community because the young are always valuable asset for the bright future of the country.

**5.4 FUTURE RESEARCH AND LIMITATIONS**

Conferring with the best information of the researcher, the research may be considered as the first study of a kind on workforce diversity management concepts with regard to business companies working on CPEC projects in Pakistan with view point of nationality, ethnicity and culture in this country. There are some limitations which are encountered along with the behavior of the study. Among these limitations are the following:

First: this research has low response rate due to a number of factors like human resource pressures, little time to gather data which was only in two months and nature of the topic. This study recognizes that this research could have better response if these limiting factors were not occurred. By giving different insufficient number of human resource managers was also one of those factors which caused low response rate. This was the main reason in generalizing the results of this study to Pakistani business community.

Second: because this research involved different ethnic and cultural groups, therefore, it was hoped that future researches may expand their scope of the studies to other dimensions of workforce diversity management like age, gender, personal skills, physical disabilities and communications etc. so that more clear and detailed results could be achieved regarding the workforce diversity management issues in Pakistan. Therefore, it may be said that more detailed researches and investigations on this topic are very necessary. As we mentioned earlier that this study mainly focused on human resource managers of business companies working on CPEC projects in Pakistan, therefore, future researches and investigations regarding workforce diversity management issues may generalize the comparisons between ethnic and cultural factors of the stakeholders such as employees of a business company, consumers and unions of some local community.

Third, the final results of this research envisioned that the whole number of respondents related to different national, cultural and ethnic backgrounds has been agreed to the understanding with the workforce diversity management issues and practices by the business companies in Pakistan. These companies like others have to evade business activities that are involved in managing the diverse workforce.

It is argued that most of the respondents were of the view that management of nationality, ethnicity and cultural diversities are supported regarding the workforce diversity management issues. It is recommended, therefore, that the future research should be done in order to analyze the major reasons and causes that why this mutual understanding regarding the support of this statement. The results also showed that workforce diversity management issues in developed countries are totally different than those issues of developing countries. The model of workforce diversity management which is developed for Pakistan can most likely be applied in other developing countries which are commonly like Pakistan in their ethics and culture.

Finally, this research mainly concentrated on the concept and perception to sustain vigorously the business leaders and human resource managers. It is recommended that future research may broaden the empirical implications and studies by the provision of actual figures on financing or investments on workforce diversity management or expenses for recruitment of diverse workforce, the expenses which are allocated for trainings on workforce diversity management practices, scholarships or any other relevant data as well as to that survey which results in the attitude and behavior of the respondents.

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# APPENDIX A: QUESTIONNAIRE

## Pakistan Institute of Development Economics

## Department of Business Studies

**Title of the Study: "Workforce Diversity Management and its Impact on Organizational Performance in CPEC Perspective"**

The study is conducted by Muhammad Shahbaz; a student of the Department of Business Studies, Pakistan Institute of Development Economics, Islamabad. The main objective of this study is to examine the impact of workforce diversity management on organizational performance in business organization of Pakistan in CPEC perspective. I want to assure you that any response you make will be strictly confidential. If you have any questions, you can contact us at E-mail: shahbaz7041@yahoo.com or Cell: 03335284116.

**SECTION ONE**

*Section: 1 (Background Information)*

1. Gender:                    Male (      )              Female (       )

2. Age                    18-31,          32-44,          45-57,          58-70

3. Job Title          ----------------------------------------------

4. Years of Experience:        0-10          11-15          16-20          Over 20 years

**SECTION TWO (Research Variables)**

**Please Check ( ✓ ) your responses using the following scale:**

**(1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree)**

| Sr. # | Variables | Assessment | | | | |
|---|---|---|---|---|---|---|
| | | SD | Re | N | A | SA |
| **I** | *Workforce Diversity Management:* In your opinion, how much did you agree with the following | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | statements? | | | | | |
| 1 | Your organization believes in workforce diversity management and promotes its implementation. | | | | | |
| 2 | Your organization attracts and hires employees with diverse backgrounds, experiences and skills | | | | | |
| 3 | Your organization considers effective workforce diversity as competitive advantage | | | | | |
| 4 | Your organization considers nationality, ethnicity and culture as dimensions of diversity | | | | | |
| 5 | Your organization considers diversity as challenge for organizational performance | | | | | |
| 6 | Do workforce diversity management have an impact on performance of your organization | | | | | |
| 7 | Employees of your organization are aware of the concept of diversity management | | | | | |
| 8 | Your organization does have policies and strategies to manage workforce diversity | | | | | |
| 9 | Your organization considers the workforce diversity management as positive | | | | | |
| II | *Organizational Performance:* In your opinion, how much did you agree with the following statements? | | | | | |
| 1 | Does performance of your organization got effected by the workforce diversity | | | | | |
| 2 | Your organization considers organizational performance as significant | | | | | |
| 3 | Your organization does have policies and strategies to measure the effect of diversity on organizational performance | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| 4 | Does your organization perform well when diversity is managed well | | | | | |
| 5 | Does your Organization perform diversity trainings to the employees | | | | | |
| 6 | Does your organization consider organizational performance comes through skills and experiences | | | | | |
| 7 | Does your organization considers nationality diversity for organizational performance | | | | | |
| 8 | Does your organization considers ethnicity diversity for organizational performance | | | | | |
| 9 | Does your organization considers cultural diversity for organizational performance | | | | | |
| III | *Diversity of Nationality:* In your opinion, how much did you agree with the following statements? | | | | | |
| 1 | Diversity in nationality is a dimension of workforce diversity management | | | | | |
| 2 | Your organization considers nationality as dimension of diversity | | | | | |
| 3 | Nationality diversity management does have impact on organizational performance | | | | | |
| 4 | Diverse backgrounds of nationals effect workforce diversity management | | | | | |
| 5 | Your organization have workforce of different nationalities | | | | | |
| 6 | Nationality diversity management tries to produce discrimination free environment and fair climate | | | | | |
| 7 | Nationality diversity does have strong relationship with organizational performance | | | | | |
| 8 | Nationality is likely to serve as an attribute of an | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | employee in an organization | | | | | |
| 9 | Successful nationality diversity management does have positive impact on organizational performance | | | | | |
| IV | **Diversity of Ethnicity**: In your opinion, how much did you agree with the following statements? | | | | | |
| 1 | Ethnic diversity is a dimension of workforce diversity management | | | | | |
| 2 | Your organization considers ethnic diversity as type of workforce diversity management | | | | | |
| 3 | Ethnic diversity has a strong relationship with organizational performance | | | | | |
| 4 | Your Organization attracts and hires employees from all Ethnic Backgrounds | | | | | |
| 5 | Opportunities for growth and advancement exist for all ethnic groups | | | | | |
| 6 | Your organization is concerned about employee's customs, culture and values. | | | | | |
| 7 | Different languages used to communicate, create problems among employees of your organization | | | | | |
| 8 | The ethnic differences in work groups do not encourage conflict at your organization | | | | | |
| 9 | Your organization is positive about ethnic diversity | | | | | |
| V | **Diversity of Culture:** In your opinion, how much did you agree with the following statements? | | | | | |
| 1 | Diversity in Culture is a dimension of workforce diversity management | | | | | |
| 2 | Your organization considers cultural diversity as dimension of diversity | | | | | |
| 3 | Cultural diversity management does have impact on organizational performance | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| 4 | Diverse backgrounds of cultures effect workforce diversity management | | | | | |
| 5 | Your organization have workforce of different cultures | | | | | |
| 6 | Cultural diversity management tries to produce discrimination free environment and fair climate | | | | | |
| 7 | Cultural diversity does have strong relationship with organizational performance | | | | | |
| 8 | Cultural diversity is likely to serve as an attribute of an employee in an organization | | | | | |
| 9 | Successful cultural diversity management does have positive impact on organizational performance | | | | | |

**\*\*\* Your cooperation in completing the questionnaire is greatly appreciated \*\*\***

**THANK YOU**

# APPENDIX B

**Dear Respondent**

I invite you to participate in my research project entitled "Workforce Diversity Management and its Impact on Organizational Performance in CPEC Perspective." I am a student of MPhil (Management Sciences) Department of Business Studies, Pakistan Institute of Development Economics, Islamabad; Pakistan. The study aims to investigate the impact od workforce diversity management on organizational performance in business organization under CPEC in Pakistan. It also involves an assessment of the impact of nationality; ethnicity and cultural diversity diversity of on organizational performance.

I hope you will be able to help me by filling in the attached questionnaire. All information provided will be treated as private and confidential. It will be used only for the purposes of my study. As is normally practiced in university research, I will not disclose the names of people who provided me with particular information. All data will be analyzed collectively and not attributed to named persons.

The survey shall take about 15 minutes to respond. Because I realize how valuable your time is, the questionnaire was designed so that it can be completed with minimal effort. I will be grateful if you could complete the attached questionnaire and return it to me at earlier possible.

If you have questions or concerns about completing the questionnaire, please feel free to contact me at shahbaz7041@yahoo.com .

Thank you in advance for your time and cooperation.

Yours sincerely,

**Muhammad Shahbaz**
**Department of Business Studies**
**Pakistan Institute of Development Economics**
**Islamabad, Pakistan**