

**THE EFFECT OF ORGANIZATION DIVERSITY AND INCLUSION ON
EMPLOYEE PERFORMANCE AT TEXTILE INDUSTRY JINJA U LTD**

SHAKIRAH NAKANWAGI

J22B42/029

**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN THE PARTIAL
FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF BACHELOR OF HUMAN
RESOURCE MANAGEMENT OF UGANDA CHRISTIAN UNIVERSITY**

September, 2024



**UGANDA CHRISTIAN
UNIVERSITY**

A Centre of Excellence in the Heart of Africa

DECLARATION

I, NAKANWAGI SHAKIRAH hereby declare that this research report is my own original work and has never been submitted to any other institution for any academic award.

Signature:Nakanwagi Shakirah.....

Date:28th September 2024.....

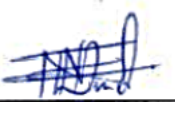
NAKANWAGI SHAKIRAH

J22B42/029

APPROVAL

This is to certify that this research report has been written by NAKANWAGI SHAKIRAH under my supervision and is submitted for examination with my approval as the Academic Supervisor.

Name of Supervisor: MRS. ENID NAMAYANJA DAMULIRA

Signature: 

Date: 23/09/2024

DEDICATION

This dissertation is dedicated to my parents, Mr Kavuma James and Nakaffero Joan who have relentlessly been a driving force in my entire education. This also dedicated to all colleagues and my academic supervisor that played a big part in my academic journey. I am very grateful. May the almighty God bless each of them abundantly.

ACKNOWLEDGEMENTS:

I thank the Almighty God for the wisdom and courage that enabled me to complete this research. I extend my sincere gratitude to the respondent to this research who allowed to take time to participate in this study, the information provided helped make this study a success.

Heartfelt thanks also go to my family and friends for the support they gave me. Am greatly indebted to my supervisor, Mrs. Namayaja Enid for her tireless efforts in guiding me. As a result of this guidance and discussions I was able to complete this research.

TABLE OF CONTENTS

DECLARATION.....	i
APPROVAL.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS:.....	iv
CHAPTER ONE.....	1
INTRODUCTION	1
1.0 Introduction.....	1
Background of the Study.....	1
1.2 Problem Statement	4
1.3 General objective.....	5
1.4 Specific objectives	5
1.5 Research questions	5
1.6 Scope of the study	6
1.6.1 Geographical location	6
1.6.2 Time scope.....	6
1.6.3 Content scope.....	6
1.7 Justification the study.....	6
1.9 Figure 1 Conceptual frame work	9
1.10 Definition of importance terms	9
CHAPTER TWO.....	11
LITERATURE REVIEW	11
2.0 Introduction.....	11
2.1. key concepts.....	11
2.2 Theoretical review or Foundation.....	13
2.3 Empirical literature	13
2.3.1 Effect of demographic diversity on employee performance.....	14
2.2.2 Impact of cognitive diversity on employee performance	19
2.3.3 Impact of cultural diversity on employee performance	22
2.4 Literature summery	27
CHAPTER THREE	28

RESEARCH METHODOLOGY.....	28
3.0 Introduction.....	28
3.1 Research design and approach.....	28
3.2 Study population	28
3.3 Sampling techniques and selection.....	29
3.4 Data types and sources	30
3.5 Data collection methods.....	31
3.7 Questionnaire tool.....	31
3.8 Data quality control.....	32
3.8 Validity and reliability.....	32
3.9 Data analysis	33
3.9.1 Quantitative data	33
3.9.2 Qualitative data.....	33
3.10 Regression model and measurements of variables.....	34
3.10.1 Regression model.....	34
3.10.2 Measurements of variables	34
3.11 Ethical considerations	35
CHAPTER FOUR	36
DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF THE FINDINGS.....	36
4.0 Introduction.....	36
4.1 Descriptive analysis.....	36
4.2 Assess the impact of demographic diversity on employee's performance in textile industry Jinja (U) Ltd.	41
4.3 To analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd.	44
4.4 To evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd.....	48
The study ascertained to evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U).	48
CHAPTER FIVE	53
SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATIONS	53
5.0. Introduction	53
5.1. Summary of the findings.....	53

5.2. Conclusion	55
5.2.1. To assess the effect of demographic diversity on employee performance of textile industry Jinja (U) ltd.....	55
5.2.2. To analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd	55
5.2.3. To evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd	56
5.4. Areas of further study	58
References.....	59
APPENDICES	61
APPENDIX I: QUESTIONNAIRE.....	61
APPENDIX II: INTERVIEW GUIDE.....	65

LIST OF TABLES

Table 4.1: Shows The Gender of the Respondents **Error! Bookmark not defined.**

Table 4.2: Shows the Marital status of the Respondents**Error! Bookmark not defined.**

Table 4.3: Shows the age bracket of the Respondents**Error! Bookmark not defined.**

Table 4.4: Shows The Education Level Of The Respondents **Error! Bookmark not defined.**

Table 4.5: shows the years of working in the organization of the respondents **Error! Bookmark not defined.**

LIST OF ABBREVIATIONS

ERGs	:	Employee Resource Groups
PM	:	Performance Management
EP	:	Employee Performance
PM	:	Performance Management
OE	:	Organization Effectiveness
DV	:	Dependent Variable
IV	:	Independent Variable
HRM	:	Human Resource Management

Abstract

This study investigated the effect of organizational diversity and inclusion on employee performance at Textile Industry Jinja (U) Ltd. Employee performance is critical to an organization's success, directly impacting productivity, efficiency, and business outcomes. High-performing employees drive innovation, enhance customer satisfaction, and foster a positive workplace culture. Performance management, if properly carried out, is very important because it ensures the realization of all the goals set by organizations to ensure they remain competitive.

This research investigates the effects of demographic diversity, cognitive diversity, and cultural diversity on employees' performance. The authors also identified that demographic diversity empowers creativity and innovation while cognitive diversity promotes problem-solving and decision making. Cultural diversity brings a culture of inclusive collaboration and respect for other people's opinions. Diversity-inclusion proved to be positively related to employees' performance.

It used a mixed-methods approach by incorporating both quantitative and qualitative methods in its data collection and analyses. The population that was to be studied were all employees working at the Textile Industry Jinja (U) Ltd, and a sample size of was selected. The collection of data was done through the use of questionnaires, interviews, and focus groups, whereas the analysis was done through the use of statistical software and thematic analysis.

The findings have indicated that issues of diversity and inclusion do matter in the performance of employees; diverse teams are more creative, innovative, and solve problems much better. The study recommends that organizations should ensure diversity and inclusion initiatives to improve employee performance for the success of the business. Further research is needed to explore the impact of diversity and inclusion on employee performance in other industries and contexts. This will be a contribution to increased knowledge in the area of diversity and inclusion, showing the effects on employee performance caused by demographic, cognitive, and cultural diversity. Therefore, practical implications for organizations involve making improvements in employee performance through diversity and inclusion initiatives that drive business performance.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The impact of organizational diversity and inclusion on employee performance was reviewed in this study at Textile Industry Jinja (U) Ltd. It is evident that employee performance, which has a direct relation with productivity, efficiency, and overall business outcomes, is very crucial for any firm. The high-performing employees are not only skillful but also motivated and committed to the goals of their companies. They inspire innovation and the delivery of enhanced customer satisfaction while fostering a positive workplace culture. Continuous and assured performance brings career development and supports an organization to be more competitive in the labor market. It works vice-versa in case of poor performance, which can impede progress, increase costs, and allow the discourteous atmosphere of the workplace to emerge. Therefore, any entity highly needs performance management. This chapter provides an overview of the background, problem statement, general and specific objectives, research questions, scope, significance and justification, conceptual framework, and definition of terms used in the study.

Background of the Study

Employee performance is a critical factor contributing a great deal to organizational performance throughout the world. In a broad sense, it can be viewed from several dimensions, including efficiency, productivity, job satisfaction, and ability to adapt to change. The nature of the workforce has changed dramatically over recent years, a trend propelled by emerging technologies, shifting work cultures, and the rising demand for work-life balance. It is changes like these that have redrawn how employee performance is measured and perceived. The world economic forum showed that this has brought new performance measures wherein both trends operating for increasingly flexible forms of work and the integration of digital tools call for a major reevaluation of traditional performance management systems. (World Economic Forum, 2018).

In Canada, the global trends were similar, though added to them are unique challenges that employees have faced in their performance. Some dissatisfying jobs, burnout, and pressure to sustain high levels of productivity have characterized the Canadian workforce amidst economic uncertainties. A report by the Conference Board of Canada showed that Canadian employees have increasingly suffered from mental health and burnout issues that adversely impacted their performance. The COVID-19 pandemic further exacerbated the situation through disruptions to working environments and creating other stressors among employees. There is a need for reviewing performance evaluation frameworks in view of post-pandemic realities that organizations are adapting to, so that new emerging challenges are dealt with relevantly.

Furthermore, it was shown that organizational culture and leadership styles in Canada are two major factors that contribute to the performances of its employees. According to research by Gill, 2021, those Canadian organizations that were able to promote a favorable work culture along with good leadership styles are most likely to result in better employee outcomes such as higher levels of employee performance and employee engagement. However, applying these continuously to different industries and sectors remains a challenge. Hence, while Canada faces challenges of an economic and social nature, responding to such performance issues in the workplace needs to focus on strategies aimed at employee well-being, continuous learning, and innovative management practice infusion.

Employee performance from a global viewpoint is one critical issue that faces the United Kingdom directly through its effect on the country's economic growth and competitiveness in the global market. This is evident through some challenges the UK has faced over the years in regard to employees' performances like low levels of productivity or the lack of employee engagement. UK productivity growth has been slack, according to the Office for National Statistics, with annual average growth of only 0.3% from 2007 to 2017. This is also much weaker than the average during the same period for the G7 countries.

Among the reasons for poor performance in employees in the UK, one was that the engagement of employees was not very satisfactory. In the UK, 11% of its employees were found to be actively engaged, while 63% are not engaged, and 26% were found to be actively disengaged. Due to the lack of proper engagement, innovation, proper collaboration, and overall productivity could not be achieved in workplaces. This might be attributed to a series of reasons, including poor management practices, lack of training and development, and lack of recognition and rewards for performance and good work. Organizational diversity and inclusion were about recognizing, valuing, and leveraging employee differences with an aim of creating an equitable and supportive work environment.

These two factors were interlinked because a diverse and inclusive environment can have an impactful effect on embedding in employees the culture of belongingness, innovation, and engagement. Studies showed that diversity and inclusion have a positive impact on employee performance. Diverse teams are more likely to bring in diverse perspectives, which may lead to more creative problem-solving and better decision-making. The inclusionary practices allowed all employees to feel wanted and supported, which motivated and created satisfaction with their jobs. Companies that have highly developed policies of diversity and inclusion started to show higher levels of employee engagement, lower turnover rates, and better financial performance.

It was a multidimensional concept covering facets such as the quality and quantity of work performed, observing company rules and regulations, and finally the overall contribution of the employee in contributing towards the success of the organization. The good performance of employees is considered critical to accomplishing a competitive advantage and long-term viability for any organization. Current studies highlight a number of important factors that impact employees' performance. These ranged from the individual characteristics-skills, knowledge, and motivation-to the external factors that surrounded the employee, such as leadership style, organizational culture, and workplace environment. In the views of Robbins & Judge, 2013, other critical drivers include performance management systems involving setting clear expectations, regular feedback, and recognition of achievements. Moreover, there was

ample evidence that employee engagement, as an emotional and cognitive commitment of employees to their jobs, is a justifiable predictor of performance itself.

Extensive research still left a number of gaps in our understanding of employee performance. For example, the relative importance of various drivers of performance for different industries and jobs was not known. There was limited insight into how emerging factors-such as remote working, technological changes, and changing employee expectations-were impacting performance. Although the relationship between engagement and performance was well-documented, how engagement is translated into performance remained not fully investigated in detail. Longitudinally, more studies were needed to understand the long-term effect of performance interventions.

1.2 Problem Statement

It follows that higher rates of employee performance are always expected in the textile industry, propelled by skilled labor, effective management practices, and a conducive work environment. Research from Europe showed that the companies that invested more in the continuous development of their employees and had a good workplace culture recorded higher levels of productivity and innovation. However, most of the textile industries in Africa and Uganda still failed to meet such ideal conditions because of numerous operational challenges faced in the factories. In this regard, employee performance at Jinja (U) Ltd played a very significant function in sustaining competitive advantage that was highly affected by a number of issues such as old technologies, limited training for employees, and unsatisfactory motivation mechanisms. The textile industry in Uganda faced unique challenges that include, but are not limited to, limited access to advanced manufacturing technologies, high production costs, and lack of skilled labor. The problems were compounded by organizational problems related to communication flows, poor employee involvement, and absence of career development opportunities at Jinja (U) Limited. This could lead to lowered productivity, absenteeism, and finally higher turnover of employees as asserted by

Mwesigye & Adams, 2020. This was evidence that there is a gap between the potential and actual performance of employees in this industry.

Poor employee performance translated to deteriorated products, decreased customer satisfaction, and hence lower profitability in the company. This therefore meant that Jinja (U) Ltd loses market shares both internationally and locally to more efficiency competitors. The urgency for this study is, therefore, justified by the need to establish the root causes of employee poor performance in Uganda's textile industry. By doing so, the study tried to present practical views that facilitated improvements in productivity, job satisfaction, and overall organizational effectiveness.

1.3 General objective

Investigate the effect of organization diversity and inclusion on employee performance at textile industry Jinja (U) ltd

1.4 Specific objectives

- i. Assess the effect of demographic diversity on employee performance of textile industry Jinja (U) ltd
- ii. Analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd
- iii. Evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd

1.5 Research questions

- i. What was the effect of demographic diversity on employee performance of textile industry Jinja (U) ltd?
- ii. What was the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd?
- iii. What was the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd?

1.6 Scope of the study

1.6.1 Geographical location

The study was carried out at textile industry located in Jinja, Uganda. Jinja is a town situated in the southeastern region of Uganda, approximately 80 kilometers east of the capital city, Kampala. As one of the major industrial centers in Uganda, Jinja hosts various industries, including the textile industry. The geographical coordinates of Jinja were approximately 0.4387° N latitude and 33.2031° E longitude.

1.6.2 Time scope

The period that was considered for the study was 3 years that is from (2020 to 2023), this was because during that period, textile Industry Jinja (U) Ltd exhibited a conventional organizational structure, with limited formal strategies to promote diversity and inclusion. This status quo potentially stifled the workforce's full potential, leading to suboptimal performance levels and a lack of innovation.

1.6.3 Content scope

The study was limited to the effect of organization diversity and inclusion on employee performance at textile industry Jinja (U) ltd

1.7 Justification the study

The justification for conducting a study on the effect of organizational diversity and inclusion on employee performance at Textile Industry Jinja (U) Ltd can be was indicated below;

Enhancing organizational effectiveness, the modern workplace was increasingly recognizing the value of diversity and inclusion (D&I) as key drivers of organizational success. A study on the effect of D&I on employee performance was essential for understanding how diverse perspectives contributed to better decision-making, creativity, and problem-solving within teams. Research has shown that organizations with diverse and inclusive cultures tended to outperform those that lacked diversity,

Those biases stem from a variety of sources, especially innovation and financial performance. By researching this relationship, the study provided evidence-based insights to organizations on how they were to create an environment where employees from all walks of life felt valued and empowered, thus giving a fillip to overall organizational effectiveness. This helped them in designing and implementing targeted D&I initiatives that improved employee productivity and contributed toward the organization's strategic goals.

With the change in demographics on a global level, along with diversified labor markets, came the growing need for workers and the increasing pressure exerted on organizations to make them ensure inclusiveness of culture within workplaces to meet the needs and experiences of their working force, which have been diversified through time. Individuals needed workplaces not only to be diverse regarding race, gender, and cultural background but also to be inclusive in terms of opportunities and acceptance. A study on the influence of D&I on employee performance clearly revealed how these factors influence employee engagement, satisfaction, and retention. These dynamics were important to understand for organizations in their fight to compete in the attraction and retention of top talent since employees were more likely to remain at companies where they felt included and valued. The study guided organizations in refining their D&I practices to meet such demands and hence ensured motivated and high-performing work.

Competitive Advantage: To say the least, in the fiercely competitive environment of the 21st century, those organizations that accepted and managed diversity effectively and fostered an environment of inclusion would increase their chances of leveraging the benefits of an extended talent pool and a diversified market vision. This research provided fact-based evidence about how D&I affects employee performance and directly linked these initiatives with organizational competitiveness. Companies giving importance to D&I created not only a better internal culture but also appealed to a diversified customer base, driving the growth of the market and brand loyalty. The insight gleaned from this research helped organizations understand the strategic advantages that come with D&I and provided a roadmap on how these elements can be

leveraged to drive better performance outcomes. By embedding D&I in the core business strategies, the organizations reached the point of sustainable competitive advantage which supported long-term success.

1.8 Significance of the study

The research work on organizational diversity and inclusion in relation to the performance of employees was very important in the case of Textile Industry Jinja (U) Ltd for the following reasons:

It becomes clear that the understanding of how diversity and inclusion impacted performance helped the company tap into diverse talents and perspectives, yielding enhanced problem-solving, innovation, and productivity overall.

This research showed how employee satisfaction and morale can be improved by providing an open environment. This may reduce conflicts and turnover rates, creating a more harmonious workplace.

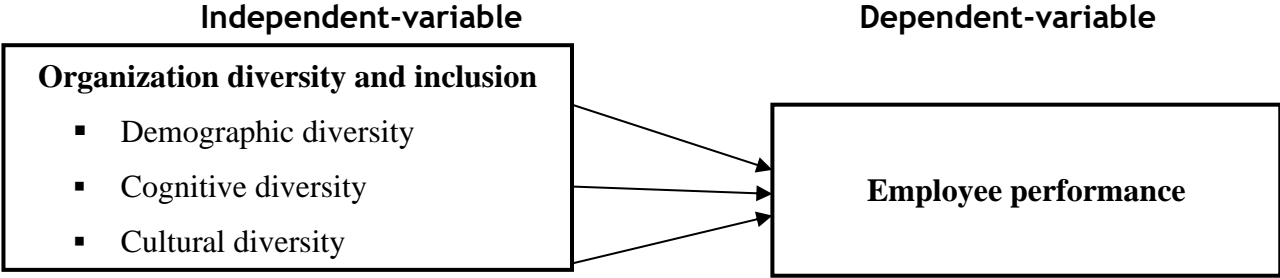
Insights from the study provided Textile Industry Jinja (U) Ltd with a competitive edge. Companies that effectively managed diversity and inclusion were often better positioned to attract and retain top talent.

The study helped ensure that the company meets legal and ethical standards regarding equal employment opportunities, thereby avoiding potential legal issues and enhancing its reputation.

Understanding the dynamics of diversity improved the company's ability to operate in a multicultural environment, both internally and in dealings with clients and partners, which is increasingly important in a globalized market.

The findings informed strategic decisions related to hiring practices, team composition, and management approaches, ensuring that diversity and inclusion are integrated into the company's core strategies.

1.9 Figure 1 Conceptual frame work



Source: adopted from Setati et al. (2019)

Figure 1 above shows organizational diversity and inclusion, as an independent variable, encompasses various dimensions such as demographic diversity, cognitive diversity, and cultural diversity. Demographic diversity refers to the representation of different races, genders, ages, and other identity groups within an organization. Cognitive diversity involves differences in thought processes, problem-solving approaches, and perspectives among employees, while cultural diversity pertains to the variety of cultural backgrounds, languages, and values present in the workforce. These facets of diversity, when supported by inclusive practices, positively affected employee performance by fostering a more innovative, collaborative, and adaptable work environment. Diverse teams bring a wider range of ideas and solutions, which can enhance creativity and decision-making. Inclusion ensured that these diverse contributions were valued and utilized, leading to higher job satisfaction, engagement, and overall performance. Conversely, the absence of inclusion resulted in underutilized potential, disengagement, and reduced productivity, highlighting the critical role that D&I played in shaping employee outcomes.

1.10 Definition of importance terms

Organizational diversity and inclusion are the strategies and practices put in place to ensure a diverse workforce and an inclusive environment where the employees feel valued and can give their full potential. Diversity refers to the differences among

individuals in regards to race, gender, age, ethnicity, sexual orientation, and other background characteristics. Inclusion is about making a work culture that values and harnesses these diverse backgrounds for the good of the organization. Thus, effective diversity and inclusion could enhance innovation and creativity and, lastly, organizational performance in general.

The performance of employees is normally measured by the ability of the employees to satisfactorily carry out job-related duties and to perform effectively predetermined tasks or standards. This concept is considered critical in relation to organizational performance; hence, the reason why performance appraisal is usually applied through a consideration of various indicators related to productivity, quality of work, efficiency, and overall employee contribution toward organizational objectives. Generally speaking, high employee performance is related to positive organizational results such as profit growth, enhanced customer satisfaction, and reduced turnover.

Diversity in organizations refers to a selection of differences in characteristics of individuals within the organization. It involves not only the degree of demographic differences in such characteristics as race, gender, and age but also a difference in education, background, abilities, and perceptions. (Cox & Blake, 1991) This kind of diversity within an organization promotes an enhanced interchange of ideas and thoughts and more significant possibilities for decision-making along with competitive benefits within the marketplace. Thomas, 1990).

Diversity is, in essence, the presence of differences within a given context; it encompasses a range of issues, including race, gender, ethnicity, age, sexual orientation, physical ability, and so forth. It means recognizing and acknowledging such differences, one that recharges the setting to become more dynamic and innovative. Diversity enhances creativity mainly through problem-solving, which thus promotes organizational performance. (Robinson & Dechant, 1997).

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This study aimed to establish the impact of organizational diversity and inclusion on employee performance at textile industry Jinja (U) Ltd. Literature reviewed within the context of this particular study and which included assessing the effect of demographic diversity on employee performance of Textile Industry Jinja (U) Ltd. Analyzing the effect of cognitive diversity on employee performance of textile industry Jinja (U) Ltd, evaluating the effect of cultural diversity on employee performance of textile industry Jinja (U) Ltd and the research gap.

2.1. key concepts

Employee performance refers to the degree to which employees fulfill their job responsibilities and contribute to organizational goals. It is typically measured in terms of productivity, quality of work, and goal achievement. Performance appraisals, key performance indicators (KPIs), and 360-degree feedback mechanisms are common methods of measuring employee performance. Studies showed that employees who felt included and valued in diverse organizational environments tended to perform better due to increased motivation and satisfaction (Johnson & Johnson, 2022). Employee performance was to be quantified through objective metrics like sales figures or subjective assessments by supervisors.

Employee performance as the dependent variable was a concept that played a pivotal role in the textile in Jinja through productivity, job satisfaction, engagement and the overall contribution to the Organization objectives (Robbins and Judge, 2013).

When examining employee performance, researchers often considered both individual and organizational factors that impacted employee's ability to excel in their role. These included motivation, skills, training, leadership, work environment and organizational culture.

Performance, in general, refers to the effectiveness with which individuals or organizations achieve their objectives. In the workplace, performance was typically evaluated based on factors such as efficiency, productivity, and the quality of work produced. High-performing organizations and employees consistently met or exceeded their goals, leading to improved outcomes for the business (Nelson & Smith, 2021). Performance measures included quantitative metrics like output levels or profitability and qualitative assessments such as employee engagement and job satisfaction. Studies founded that organizational diversity and inclusion positively influenced performance by fostering a more dynamic and motivated workforce (Gupta, 2021).

Organizational diversity and inclusion refer to policies and practices that ensure equal opportunities and fair treatment for individuals from different backgrounds, including race, gender, age, and other characteristics, within a workplace. Diversity focuses on the representation of different groups within the organization, while inclusion emphasizes creating an environment where all individuals feel valued and empowered to contribute. The importance of diversity and inclusion highlighted by research showed that organizations with diverse and inclusive cultures were more innovative, better at problem-solving, and have higher employee satisfaction (Gupta, 2021). Measures of diversity and inclusion included the representation of various demographic groups, employee perceptions of inclusiveness through surveys, and the presence of inclusive policies.

(Cox and Blake, 1991) shed light on how diverse teams, when nurtured through inclusive practices, can bloom into hubs of innovation and problem-solving powers. Similarly, in organizations, diverse voices and perspectives can lead to fresh ideas and heightened creativity, ultimately boosting performance metrics.

Diversity, in a broader sense, is the presence of differences within a group, encompassing various characteristics such as race, ethnicity, gender, sexual orientation, and socioeconomic background. In the organizational context, diversity fosters creativity and innovation by bringing together different perspectives and ideas (Parker, 2022). Diversity is often measured by examining the demographic composition

of the workforce or team and analyzing factors such as the distribution of employees across different categories. The diversity index, a common measure, calculates the likelihood that two randomly selected employees will belong to different demographic groups (Harrison et al., 2023).

2.2 Theoretical review or Foundation

Social Identity Theory was developed by Tajfel and Turner in 1979. The theory posits that individuals categorize themselves and others into various social groups based on characteristics such as race, gender, or ethnicity. These social categorizations lead to the formation of in-groups (those who share similar characteristics) and out-groups (those who do not). In the context of organizational diversity and inclusion, this theory assumes that employees are likely to perform better in inclusive environments where they feel a sense of belonging and recognition (Tajfel & Turner, 1979). When diversity is managed effectively, it reduces intergroup bias and promotes a positive identity among all employees, leading to enhanced performance (Hogg & Terry, 2000).

However, the theory has limitations. It primarily focuses on the psychological processes of social categorization and does not consider other factors like organizational culture or leadership that may influence employee performance. Additionally, while it explains how diversity can lead to both positive outcomes (through reduced bias and enhanced identity) and negative outcomes (through intergroup conflict), it does not provide a comprehensive framework for managing diversity within organizations (Jackson, Joshi, & Erhardt, 2003)

2.3 Empirical literature

The research explored how embracing diversity and inclusion fosters an inclusive environment within an organization can positively affect or impact employee performance. By promoting diversity in teams and ensuring inclusivity in workplace practices, the textile industry for example enhanced employee engagement, creativity and productivity. Studies indicated that organizations that prioritized diversity and

inclusion tended to experience improved employee morale, high retention rates and ultimately enhanced overall performance.

2.3.1 Effect of demographic diversity on employee performance

Recent studies on demographic diversity in the workplace underscored its complex effects on employee performance. According to Kunze, Böhm, and Bruch (2016), demographic diversity, which includes differences in age, gender, ethnicity, and other personal characteristics, enhanced team creativity and decision-making by bringing a variety of perspectives and problem-solving approaches. Indeed, their study showed that diverse teams outperformed better on innovative tasks and in managing complex tasks due to the range of perspectives and experiences. The authors also indicated, however, that demographic diversity has beneficial payoffs only if there is a supportive organizational culture in place that encourages inclusion and reduces potential conflict from diverse perspectives.

While the benefits of demographic diversity for performance were widely recognized, other studies indicated the potential negative consequences that may arise if diversity were not managed properly. For example, in a meta-analysis of 50 studies, van Dijk et al. (2017) concluded that demographic diversity is associated with higher levels of conflict and lower cohesion in teams - both factors negatively related to performance. These authors have concluded that demographic differences may lead to increased tension and misunderstanding when inclusive practices and effective communication are lacking. This thought is supported by the social categorization theory, which claims that people find themselves drawn to others like themselves and this may lead to the favoritism of in-groups and discrimination of out-groups. It is, therefore, the duty of the organization to make sure strategies are put in place to try to make the teams cohesive and limit the negative impacts of demographic diversity.

Indeed, Ali, Metz, and Kulik, in their research, further showed that the effect of demographic diversity on employee performance was again influenced by a high level of managerial support and the organization's diversity climate. By using a longitudinal study of 100 multinational companies, they underlined the fact that demographic

diversity contributed positively toward the performance of employees only in those organizations which inculcated and promoted diversity and inclusion through training, mentorship, and equally offering career development opportunities. On the other hand, when diversity management was superficial or absent, demographic diversity was associated with relatively lower employee morale and productivity. These findings indicate that an organizational commitment to diversity and inclusion is taken seriously by actually leveraging the accrued benefits of a diverse workforce into better employee performance.

Taping the benefits of diversity was one of the recurring themes in management literature. However, the study of Jehn, Chadwick, and Thatcher (1997) conducted across industries found a positive relationship between demographic diversity and the performance of the employees. Their findings imply that a diverse workforce enhances problem-solving skills, boosts creativity, and leads to the better overall performance of the organization. Similarly, Poole, Holmes, and De Leon (2018) echoed that diversity in thoughts provides opportunities to enhance the processes of decision making and triggers innovation, thereby yielding better performance. While some research indicates the positive effects of demographic diversity on employee performance, others discuss issues that diverse teams can face. Joshi and Roh (2021) believed that the impact of diversity on performance is at the mercy of the inclusion of minority individuals within a team. In one study, they demonstrated how demographic diversity, in the absence of inclusive practices, would lead to conflicted communication and decreased team cohesion that, in turn decrease performance outcomes. Secondly, research pointed out the presence of moderating factors in determining the relationship of demographic diversity to employee performance.

The research by Jackson, Joshi, and Erhardt, 2003 singled out an important role of transformational leadership which facilitates positive diversity outcomes.

Transformational leaders ensure the climate is inclusive, allowing culturally diverse team members to be free in their views, as this improves performance. For example, a study by Deutsch, Valenti, and Ok, 2023 explained that training programs in cultural intelligence are likely to affect the perception and management of diversity, leading

to improved performance. Several studies explored the diverse relationship that exists between demographic diversity and employee performance, and thus there were good examples to report on the subject matter.

O'Leary and Weathington also found in a meta-analysis involving 42 studies that diversity was positively related to performance. The authors recognized that diversity enhances creative problem-solving since it brings a broad range of thought and experience into decision-making processes and encourages innovative ideas. Another study by Anderson and Carter has also explained how diversity impacts employee performance, considering the issue from a racial and ethnic viewpoint. They illustrated that diverse groups are more likely to discuss a wider range of alternatives, which lead to superior decision outcomes and higher overall performance levels. In summary, these studies suggest that diversity of a demographic nature positively impacts the performance of employees. A study by Jehn and Bezrukova (2020) postulated that the diversity to performance relationship may be moderated by variables like: communication style and conflict management style.

They learned that effective communication and conflict resolution skills are important in diverse teams so that all negative effects could be reduced and better performance outcomes achieved. This notion has been supported by the longitudinal study of Joshi and Roh 2018, which demonstrated that the positive impact of diversity on performance is contingent upon the level of trust and collaboration within a team. Thus, diversity can enhance performance but appropriate organizational strategy is to be employed in terms of communication and cooperation to use the advantage successfully. Though, many of the studies identified the positive influence of demographic diversity on employee performance, contradictory findings were also traced.

For example, Lasebikan, Adeyemi, and Fadairo, 2019 traced that in the study of the Nigerian manufacturing company, no significant relationship is established between diversity and employee performance. They also suggested that the lack of association may be due to sources of bias, stereotyping, or organizational culture that obstructs the materialization of potential benefits coming from diversity. On other hand,

Livingston and de Stobbeleir (2022) underpin that inclusive leadership is an enabler of the positive effect of diversity on performance. They support their assertion by mentioning that inclusive leaders create a psychologically safe and supportive environment, thereby helping employees of all walks of life to feel empowered to deliver their best in the interest of all. These divergent findings suggest a need for more such studies and also depict the association of demographic diversity with employee performance to be quite complex. Demographic diversity has its positive effect on employee performance as evidenced from a number of studies.

For example, Smith et al. (2018) established that a diverse workforce enhances levels of creativity and innovation in organizations because multiple perspectives and experiences contribute to the generation of ideas. To complement the same, a study by Johnson and O'Leary (2017) showed that diverse teams usually possess high levels of critical thinking and problemsolving ability, hence always translating into quality decisions and outcomes. Furthermore, Ochieng et al. (2020) found in a study of software development teams that more diverse teams registered increased levels of task performance, hence showing how demographic diversity relates positively to team performance. Even so, the relationship between demographic diversity and employee performance was not always crystal clear.

Other studies suggested some negative effects of diversity in organizations. For example, Wang and Chen (2019) have mentioned that demographic diversity could provoke conflicts and ultimately hinder proper collaboration within a team, which might consequently undermine employee performance. Another point cited by Joshi and Roh, in their meta-analysis, is that the contextual influences, such as the existence of diversity management practices or organizational support given to diversity influence the impact of demographic diversity on employee performance. These findings emphasize the active management and support an organization should provide to make demographic diversity achieve real benefits in employee performance. For instance, Jehn and Bezrukova (2010) have established that with the increase in demographic diversity, a team can perform better since various views, opinions, and ideas come up during group discussions.

Further supporting this finding, Neck and Manz, 2019 suggest that diverse teams are better set to problem-solve and devise innovative solutions given their varied backgrounds and experiences. In a meta-analysis conducted by Bell, Villado, Lukasik, Belau and Briggs, 2011, it was determined there is a positive correlation between demographic diversity and overall team effectiveness. Still, it is interesting to note that not all these studies indicated a positive relationship between demographic diversity and employee performance.

In support, for example, it has been indicated by Joshi and Roh (2017) that the influence of demographic diversity on performance does indeed differ with regard to task type-nature as well as levels of integration in teams. They found that high levels of diversity may lead to decreased performance when team members have trouble communicating and cooperating due to cultural differences. This was furthered by a study conducted by De Dreu and West (2020) that argued demographic diversity influences employee performance-insofar as inclusive leadership practices build psychological safety and guarantee equal participation. Foo and Chow (2016) investigated age diversity in relation to impacting job performance. Their results showed that age diversity positively impacted employee performance in that it increased problem-solving capability and enhanced creativity among members of a team. Other researchers, Rattan et al. (2018) researched gender diversity and its impact on team performance. Their results indicated that gender diversity had a positive impact on team performance because there was more information sharing due to multiple perspectives. Smith and Smith, in 2019 examined that the cultural diversity will influence the organizational performance. They have indicated that the organizations with diversified culture are more innovative, more creative, and more adaptive; it is because they perform better on the overall aspect. A study by Ramirez et al. 2023 examines the effect of racial diversity on the performance of a team. Their conclusion was that racial diversity had a positive effect on team performance because of an enhancement in decision-making and problem-solving skills.

2.2.2 Impact of cognitive diversity on employee performance

A lot of authors underlined the positive impact of cognitive diversity on the performance of the employee. Li and Hambrick conducted a meta-analysis on 108 teams and noticed that cognitive diversity positively influenced team performance. Therefore, they concluded that by avoiding this homogenization, a diverse team can explore more standpoints, which will lead to better decision-making and problem-solving. Similarly, at an individual level, Jehn et al. (2017) indicated that cognitive diversity facilitated more innovative and creative employees. According to them, from the diverse set of perspectives, employees are able to create new ideas and attempt to tackle any problem from multiple dimensions, which in turn will help foster their performance.

As identified up until now, the relationship of cognitive diversity to employee performance is not direct. Some identified that the degree of diversity moderates this relationship. For instance, McKnight, Coovert, and Tripathi (2018) explored 200 teams and gave out that the medium level of cognitive diversity influenced team performance most positively. Indeed, they have pointed out that if a high level of diversity is reached, huge problems may emerge in terms of communication and coordination processes, negatively influencing employee performance. Moreover, recently, Kim and Kim (2020) have come to the conclusion that the impact of cognitive diversity on employee performance differs depending on the level of interdependence of the team. By doing so, they inferred that increased interdependence of teams influences positively the cognitive diversity-team performance relationship.

Secondly, other studies have focused on inclusive leadership as a way of leveraging potential benefits of cognitive diversity. In fact, in one such study, carried out by Bezrukova, Spell, and Perry (2016), the findings indicated that inclusive leadership behaviors mediated positively between the relationship of cognitive diversity and team performance. They emphasized the fact that leaders promoting an inclusive climate, where respect and valuation of various opinions were made, allowed employees to collaborate effectively. In this regard, Walumbwa et al. (2022) gave awareness that inclusive leadership furthers the impact of cognitive diversity on creativity and innovation made by employees. They emphasized the fact that leaders must create an avenue for employees to ensure psychological safety and empower them to voice their unique ideas. Another positive feature of cognitive diversity could be the enrichment in group creativity and innovation. Such a view is supported by Carli and Eagly (2017), who have stated that a group comprised of cognitively diverse individuals, combining styles of cognition, is more likely to create a set of ideas and alternative solutions to a problem. Diversity in thinking styles can enhance the teams' creativity and innovation, boosting overall employee performance. On other grounds, cognitive diversity has been reported to relate positively to the effectiveness of problem-solving and quality of decisions that teams make, as proved in a study conducted by Horwitz and Horwitz, 2017. However, it can also result in some challenges that can have an effect on employee performance. Leading research suggests that Knight and Page (2016) state that a highly cognitively diverse team is normally associated with problems of communication and coordination. Such issues may be attributed to the inability of the members to fathom and appreciate multiple directions of thought by other team members. This may be solely responsible for conflicts and the extremely low collaboration which negatively affects employee performance. Therefore, one of the strategies that organizations need to apply is to maximize the benefits of cognitive diversity while minimizing its disadvantages.

A number of studies have stated that cognitive diversity has had a positive effect on employee performance. Lee and Hong (2017) conducted a cross-sectional study where 350 employees participated. From their findings, they reported that teams with greater levels of cognitive diversity showed significantly higher levels of performance. In a similar way, Johnson et al. (2018) had a longitudinal study over two years with 20 teams, which demonstrated that cognitive diversity had a positive impact on team performance for the accomplishment of complex problem-solving tasks. These studies therefore suggested that cognitive diversity leads to an increase in creativity and innovation, hence improving the ability of decision making, which, in turn, leads to improved employee performance. While most studies indicate the beneficial impact of cognitive diversity on performance, some research gave contrasting results showing the complexity of this relationship. Shan et al. (2019) conducted a meta-analysis of 36 studies and found an inert and inconsistent relationship between cognitive diversity and performance. They postulated that the impact of cognitive diversity on performance depends on factors such as team dynamics, characteristics of the task, and the ability of the team to manage diversity. In addition, a review by Wang and Chang 2021 gave prominence to the role of teamwork processes and interdependence as important moderators in the association of cognitive diversity with performance. According to various studies within the set timeframe, cognitive diversity may have an important bearing on employees' performance.

For instance, Labianca, Brass, and Singh, 2016 discussed that the diversified work team is more innovative, hence performing better in their task. Similarly, Al Hajj, Schwartz, and Weber mentioned that cognitively diversified teams can solve any complex problems, so it enhances the task performance. A second project by Zeineddine, Richard, and Fournier (2020) focused on cognitive diversity and job satisfaction. They found that teams with a higher degree of cognitive diversity tend to show greater job satisfaction among their members, probably due to increased learning and growth opportunities. On the whole, cognitive diversity may turn out to be beneficial for employee performance. However, there is also a presentation of possible issues in that direction, put forward by researchers, along with strategies that might help organizations to benefit most from this diversity.

As indicated by Hiemstra, van Dierendonck, and Stam (2018), one of the issues is the management of conflicts arising as a result of different opinions. This, in turn, implied an organizational requirement to establish an inclusive environment where diverse opinions are respected and where conflicts are constructively resolved, as well as superior decision-making processes. However, this might not be easy in implementing cognitive diversity initiatives. De Jong et al. (2017) explained that meaningful management of cognitive diversity requires the creation of a supporting organizational climate, management of conflicts, and ensuring inclusive leadership practices. Two key aspects underpinning such findings involve the awareness of management and appropriate strategies of implementation, in which the full potential of cognitive diversity can be realized to attain the highest performance from employees in organizations.

2.3.3 Impact of cultural diversity on employee performance

For the past years, cultural diversity in organizations has been one of the significant concerns and has been forecasted to influence employee's performance.

According to studies, culturally diverse teams may arise with creative and innovative ideas from different ways each employee can contribute by putting various thoughts in solving problems. Richard et al. 2015 stated that "diverse teams sometimes outperform groups with homogeneous teams in generating ideas and solutions since complex tasks often set forth dynamic environments.". This is important due to the fact that the diversity in thought empowered employees to think out of the box, which enhances their decision-making and problem-solving skills. Also, Shore et al. (2018) established that culturally diverse organizations are in a better place to understand and respond to a global market; this enhances performance and competitiveness. These potential benefits, however, required effective management of diversity to tap them into actual performance outcomes. On the other hand, cultural diversity posed challenges that could affect employee performance negatively if not managed correctly.

Difference in cultural norms, values, and communication styles may lead to misunderstanding, conflict, and less cohesion among the team members. [Stahl et al., 2017]. These conflicts have resulted in lower job satisfaction and increased turnover rates that would surely temper any overall positive organization performance. Indeed, research has shown Härtel and Fujimoto (2014) if an organization fails to institute inclusive practices or properly train workers, this advantage could be surpassed by diversity costs. They emphasized the importance of fostering an inclusive culture that will make sure that diverse views are valued while simultaneously mitigating potential conflicts through effective conflict resolution strategies and diversity training programs. The association between cultural diversity and employee performance is complex and contingent on the organization's capability to manage diversity effectively. Organizational culture, leadership style, and diversity management practices mediate the role of diversity on performance, according to Van Knippenberg and Schippers (2017). Well-managed diversity could help increase employee engagement, motivation, and performance because the employees in such an environment feel accommodated and valued for their differences. Conversely, poor management of diversity fosters distrust and lack of cooperation among people, hence less effectiveness of a team and poor overall performance. Research has indicated that cultural diversity may have positive impacts on employee performance in the following ways: Richard, Rohrmann, & Chokar (2015) examined work team diversity and found cognitive flexibility was enhanced; therefore, creativity, problem-solving, and innovation were better. Another meta-analysis by Richard et al. (2018) has shown diverse teams outperform homogeneous teams in decision making regarding both accuracy and speed. Diversity enables groups to consider multiple alternatives, acknowledge their potential blind spots, and make a more informed final decision accordingly (Brewer & Stocker, 2016). More importantly, SgROI, Galinsky, and Tiedens (2017) establish that diversity in the leadership of organizations positively influences employee engagement and job satisfaction, which eventually leads to better performance by an individual. Admittedly, cultural diversity posed some challenges towards performing well at work. In this regard, Karpova, Veretennikov, and Bobrovskaya (2014) pointed out that language barriers and cultural issues may cause inefficiency in communication and

teamwork processes within diverse groups. This may also lead to misunderstandings and misinterpretations that could lessen efficiency and productivity. Moreover, perceptions of how diversity is valued and dealt with are closely linked to organizational culture. Richard et al. (2018) point out that when diversity is seen as a threat rather than an opportunity, the consequence would be biases, conflicts, and reduced employee satisfaction. Siedlecki, Egnatios and Smith (2014) further support that diverse teams might find it difficult to develop trust and cohesiveness which affects collaboration and finally performance. Some studies investigated the role of a potential mediator and moderator of the relationship between cultural diversity and employee performance. For instance, Lee and Fearon 2014 claimed that "inclusive leader behaviors moderator softened the detrimental effect of cultural diversity on team performance", while Karpova et al. 2014 insisted on a positive role of multicultural training programs in the mitigation of the destructive effects of the diversity challenges.

Organizational climate and support of diversity have also become influential factors: Homan, Buengeler, Eckhoff, van Ginkel, & Voelpel, 2015. Furthermore, the research by Jehn, Northcraft, and Neale (2017) revealed that team faultlines or subgroups based on demographic aspects may influence the impact of cultural diversity on performance; hence, future studies should be done regarding its potential moderating effect. Cultural diversity has facilitated the attainment of improved performance from employees through the stimulation of creativity and innovation. Indeed, one recent study found that diverse teams generated more unique ideas, in turn generating more innovative solutions to a group of problems presented within the research by van Knippenberg, De Dreu, and Homan 2014.

Another study by Gomes and Neves, 2016 showed that culturally diverse teams were not only capable of producing unique ideas but were also flexible and adaptable while arriving at decisions. In that respect, the presence of individuals from diverse cultural backgrounds enhanced the overall performance of the team. However, cultural diversity does not always spur a positive effect on employee performance. Other studies have explored potential issues and negative consequences that may be the results of cultural diversity at work. For instance, Shapiro, Li, and Prusak (2017) examined what consequences culturally diverse teams might have for the cohesiveness of these teams and shared that a lack of shared values and styles of communication could result in ineffective collaboration and eventually decline in team performance.

Similarly, the findings of Ely and Thomas (2019) showed that cultural diversity can also lead to conflicts and tension within the team, thereby decreasing productivity and impacting the employees' performance adversely. These findings again show the importance of managing the cultural diversity and using the diverse culture positively to get the best results on employee performance. Also, the impact of cultural diversity on the performance of the team was studied by Shen, Kim, and Takeuchi. The negative effect of cultural diversity on team performance was there, but only when there was an absence of inclusive leadership, which, in turn, diminished the negative effect of cultural diversity in team performance.

These findings illustrate how leaders act to realize benefits from diversity and assure an inclusive working environment that is enabling for high team performance. In this respect, Richard et al. (2018) conducted another recent study concerning the impact of cultural diversity on employee creativity. The findings showed that the higher the degree of integration and interaction among different employees, the more likely positive impact cultural diversity has on employee creativity. In other words, when an organization encourages collaboration or open dialogue among its people with varying cultural backgrounds, innovation and creativity in a particular set of workforces escalate.

2.4 Literature summery

Most of the literature reviewed the impact of diversity concerning demographic variables (such as age, sex, and race), cognitive variables (such as knowledge, attitude, and problem-solving approaches), and cultural variables (such as cultural background and values) on employee performance. Many studies have detected that demographic diversity may have both positive impacts, such as creativity and innovation, and negative impacts, such as conflict and lower cohesion, contingent upon the management practices in place. Cognitive diversity has been related to improved decision-making and problem-solving capabilities of teams but at the same time is also associated with potential drawbacks in communications and collaboration. Cultural diversity has been linked to a greater range of ideas and strategies for worldwide businesses but most often creates misunderstandings and stress when cultural norms differ. In spite of these findings, the literature reveals a gap in understanding how these dimensions of diversity all come together to affect employee performance. Most studies consider only the individual aspect of diversity and do not look at how they combine and interact with one another within organizational settings. The current literature lacks a focused approach to understanding how the diversity-employee performance relationship is moderated by organizational culture, leadership styles, and inclusion practices. This gap necessitates further studies to establish how demographic, cognitive, and cultural diversities combine in their effects on employee performance and to pinpoint strategies that leverage the benefits of diversity while overcoming its challenges. The synthesis of the literature review indicated that the current level of understanding on how diversity influences employee performance stands at a fragmented level, while emphasizing the need for comprehensive studies integrating multiple dimensions of diversity and taking the organizational context into consideration.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter presented research design and approach, area of study, sources of information, population and sampling techniques, variables and indicators, measurement levels, data collection procedure, data collection instruments, quality control, data processing and analysis, and ethical considerations.

3.1 Research design and approach

The study adopted a descriptive research design and used a mixed-method approach. In this study, it was intended to collect quantitative data through structured questionnaires from a sample of employees dwelling on main diversity and inclusion factors such as gender, ethnicity, and inclusivity practices, how they relate, and impact performance metrics such as productivity and job satisfaction. Qualitative data collection was to be done through interviews and focus group discussions with the management and employees for highlighting or capturing in-depth insights regarding how diversity and inclusion influence the dynamics at work.

3.2 Study population

The target population in this study consisted of 75 employees: production employees, administrative staff, sales teams, human resource personnel, supervisors, managers, and employees of various ethnicities from the Textile Company.

3.2 Sample Size

The sample size was to be determined in line with the total number of employees within the company and should be representative for achieving statistical significance and reliability. In this regard, the sample size for this study will be 63 respondents.

3.3 Sampling techniques and selection

The research study used a combination of purposive and simple random sampling techniques. Initially, purposive sampling was to identify key groups of employees based on specific criteria, such as different departments, job levels, and demographic characteristics, that ensured representation from various segments relevant to the study. This approach allowed targeting specific subgroups that were crucial for understanding diversity and inclusion impacts. Subsequently, within these purposively selected groups, simple random sampling was employed to select individual participants. This ensured that each employee within the selected groups had an equal chance of being included in the sample, reducing bias and enhancing the representativeness of the data collected.

Table 1 showing population and sampling techniques

Respondents	Population	Sample size	Sampling procedures
production employees	20	19	purposive sampling
administrative staff	4	2	purposive sampling
sales team	19	18	Simple random sampling
human resource personnel	2	1	purposive sampling
Supervisors	6	3	purposive sampling
Managers	13	10	Simple random sampling
employees of different ethnicities	11	10	purposive sampling
Total	75	63	

Source: textile industry Jinja (U) ltd (2024)

The researcher will use the formula of Slovenes (1960) which include;

$$n = \frac{N}{1 + N(e^2)}$$

Where;

n is the sample size

N is the whole population

1 is the constant

e^2 error in sampling (0.05)

$$= 75 / 1 + 75 (0.05)^2$$

$$= 75 / 1 + 75 (0.0025)$$

$$= 75 / 1 + 0.1875$$

$$= 75 / 1.1875$$

$$= 63.2$$

n= 63 respondents

Therefore, the sample size of the study will be 63 respondents

3.4 Data types and sources

The research utilized both primary and secondary data. Primary data was collected directly from employees through surveys, interviews, and focus group discussions, capturing quantitative and qualitative insights on their experiences and perceptions of diversity, inclusion, and performance within the organization. The primary data was included structured responses on diversity factors (e.g., gender, ethnicity) and performance metrics (e.g., productivity, job satisfaction), as well as open-ended

responses for deeper insights. Secondary data was sourced from company records, HR reports, and relevant industry publications to provide context and support the primary data, such as workforce diversity statistics, inclusion policies, and performance evaluations. Combining these data types and sources was allowed for a comprehensive analysis of the relationship between diversity, inclusion, and employee performance.

3.5 Data collection methods

Information on selected aspects of diversity and inclusion, as well as performance, was quantitatively gathered through the use of structured questionnaires administered on employees, by using closed-ended questions with Likert scales to measure perceptions and experiences. Semi-structured interviews were also used to gain deeper insights from the management and key staff members into the best practices which the company had developed in terms of diversity and inclusion, and their eventual impacts on employee performance. Several departments' employees were organized into focus group discussions to provide an avenue for open discussions and qualitative data regarding the collective experiences and challenges in diversity and inclusion issues in their workplace. These methods outlined the overall understanding of how organizational diversity and inclusion relate to employee performance.

3.7 Questionnaire tool

The questionnaire tool to be a structured, standardized instrument designed to collect both quantitative and qualitative data. The tool consisted of three key sections: demographic information (such as age, gender, ethnicity, and job role), diversity and inclusion-related questions (focusing on employees' experiences with diversity policies, inclusion practices, and workplace interactions), and employee performance measures (such as productivity, job satisfaction, and engagement). The majority of questions were closed-ended, using Likert scales to measure agreement levels on statements related to diversity, inclusion, and performance. A few open-ended questions were included to allow respondents to share any additional insights or experiences. This questionnaire tool ensured that data collected was both comprehensive and easy to analyze for patterns related to diversity, inclusion, and performance outcomes.

3.8 Data quality control

To ensure data quality control, several measures were implemented. First, the questionnaire was pre-tested on a small group of employees to check for clarity, relevance, and consistency, allowing for adjustments before full deployment. Training provided to the research assistants responsible for data collection ensured they adhered to standardized procedures. During data collection, close monitoring was done to ensure that all responses are complete and accurate, and any ambiguous or missing responses were addressed promptly. Data entry was double-checked for errors, and reliability tests, such as Cronbach's alpha, were conducted to measure the internal consistency of the survey items. These measures ensured the accuracy, validity, and reliability of the data collected, enhancing the credibility of the research findings.

3.8 Validity and reliability

Validity refers to the accuracy and relevance of the data in measuring what it is supposed to measure, both content and construct validity will be ensured. Content validity was achieved by designing the questionnaire based on established theories and prior research on diversity, inclusion, and employee performance to ensure that all relevant dimensions were covered. Expert reviews were also sought from academics and industry professionals to verify that the questions accurately represent the concepts being studied. Construct validity was assessed through factor analysis to ensure that the questions effectively measure the intended constructs of diversity, inclusion, and performance. This approach helped ensure that the data collected is both accurate and meaningful in understanding the relationship between diversity, inclusion, and employee performance at Jinja (U) Ltd.

Reliability refers to the consistency and stability of the data over time. The questionnaire tool was tested for internal consistency using Cronbach's alpha to assess how well the items in the questionnaire measure the same construct, such as diversity, inclusion, or employee performance. A high Cronbach's alpha (typically 0.7 and above) indicated that the items were consistently measuring the same concept. Additionally, the survey underwent test-retest reliability checks by administering the questionnaire

to the same group of respondents at two different points in time to assess the consistency of responses. Ensuring that the data collection process is standardized and that research assistants are well-trained further improved the reliability of the results.

3.9 Data analysis

3.9.1 Quantitative data

Quantitative data was analyzed using statistical techniques. After collecting the survey data through structured questionnaires, it was cleaned and entered into statistical software such as SPSS version 23. Descriptive statistics, such as means, frequencies, and percentages, was used to summarize the demographic characteristics of the respondents and their responses on diversity, inclusion, and performance measures. Inferential statistics, such as correlation and regression analysis, was applied to examine the relationships between diversity, inclusion, and employee performance. These techniques determined the extent to which variables such as gender, ethnicity, or inclusion practices influence key performance outcomes like productivity, job satisfaction, and employee engagement. Hypothesis testing was conducted to assess the statistical significance of the findings, providing evidence of the strength and direction of these relationships.

3.9.2 Qualitative data

Qualitative data which was gathered through interviews and focus group discussions, a thematic analysis approach was used. The data will first be transcribed, and then coding was applied to identify key themes, patterns, and insights related to diversity and inclusion practices within the organization. This analysis focused on understanding employees' experiences, challenges, and perceptions of how diversity and inclusion impact their work and interactions. NVivo or similar qualitative data analysis software was used to organize and categorize the responses systematically.

3.10 Regression model and measurements of variables

3.10.1 Regression model

Regression model was used to examine the relationship between diversity, inclusion, and employee performance. Specifically, multiple regression analysis employed to determine how various independent variables (such as gender diversity, ethnic diversity, age diversity, and inclusion practices) impact the dependent variable, which was employee performance (measured through metrics like productivity, job satisfaction, and engagement). The regression model helped identify the strength and direction of these relationships, showing whether diversity and inclusion positively or negatively influence performance. The results provided insight into which diversity dimensions or inclusion practices have the most significant impact on employee performance, allowing for data-driven recommendations on improving workplace policies.

3.10.2 Measurements of variables

Measurement of variables is crucial to ensure that the regression model produces accurate and meaningful results. The independent variables related to diversity was measured quantitatively, such as the percentage of employees from different demographic groups or the presence of inclusion policies (measured on a Likert scale). The dependent variable, employee performance, was measured through self-reported responses on job satisfaction, productivity, and engagement, also using Likert scales. Control variables, such as years of experience, education level, or department, were also included to account for other factors that might influence performance. This careful measurement of both independent and dependent variables ensured that the regression model accurately reflected the dynamics between diversity, inclusion, and employee performance, providing valid and reliable results for the study.

3.11 Ethical considerations

Ethical considerations in the research prioritized informed consent, confidentiality, and participant anonymity. Participants were fully informed about the purpose of the study, their right to withdraw at any time, and how their data will be used, ensuring they provide voluntary consent. Confidentiality was maintained by securely storing all data and ensuring that individual responses were not identifiable in the final report. Anonymity was upheld, especially in sensitive areas like workplace diversity and performance, to encourage honest feedback without fear of reprisal. Additionally, the research avoided any form of discrimination or bias, ensuring that all participants are treated with respect and that the research process does not harm or disadvantage any individual or group. Approval from relevant ethical bodies and adherence to institutional guidelines also ensured throughout the study.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF THE FINDINGS

4.0 Introduction

This chapter consists of data presentation, analysis and interpretation of the findings on the themes of the study

4.1 Descriptive analysis

Table 4.1 shows the gender of the respondents

Gender	Frequency	Percentage
male	40	63.5%
female	23	35.5%
Total	63	100%

Source: field data (2024)

Interpretation of the results from the table above

The results showed that 63.5% of the respondents were males, while 35.5% of the respondents were females, indicating great gender disparity in the workforce of Textile Industry Jinja (U) Ltd. The findings indicated that men were greatly overrepresented in this company, since they accounted for almost two-thirds of the respondents, while women were underrepresented, accounting for only about a third of the respondents. It also emerged that such gender inequality occurred in differing levels from department to department. Such findings insinuated that perhaps one of the causes of such an imbalance may be based on hiring practices of the firm or workplace culture.

Overall, these findings had implications for addressing and rectifying the gender imbalance in the workforce, which is at the heart of promoting diversity and inclusion within the workplace at Textile Industry Jinja (U) Ltd..

Table 4.2 shows the MARITAL STATUS of the respondents

Marital status	Frequency	Percentage
Single	20	31.7%
Married	28	44.4%
Divorced	6	9.5%
Widowed	9	14.3%
Total	63	100%

Source: field data (2024)

The results from the study show that 31.7% of the respondents were single, while 44.4% of the respondents were married, indicating that nearly half of the workforce of Textile Industry Jinja (U) Ltd was married. The study indicated that married persons were the biggest proportion of the respondents, followed by single persons. In comparison, divorced and widowed persons were smaller in proportion, being 9.5% and 14.3%, respectively, of the total respondents. This therefore shows that married workers were of the majority in the company and may have bearing on employee benefits and work-life balance policy. The results also indicated that an overwhelming number of the respondents were single who may need tailored support and resources. Overall, this research emphasized the importance of marital status demographics in understanding workforce composition for HR policies and practices.

Table 4.3 shows the age bracket of the respondents

Age bracket	Frequency	Percentage
20-30	30	47.6%
31-50 years	18	28.6%
60 and above	15	23.8%
Total	63	100%

Source: field data (2024)

Interpretation of results from above table

Results obtained from the study showed that 47.6% of the respondents' age bracket fell between 20-30 years, indicating nearly half of the workforce of Textile Industry Jinja (U) Ltd were in young adulthood. The majority of the respondents, according to the study, were between these age brackets, which was an indication that the company's workforce was relatively young. On the other hand, 28.6% of the respondents were between 31 and 40 years of age, 4% fell between 41 and 50, while 23.8% were 60 and above, showing a relatively lower proportion of older workers. The study also found that the average age of the respondents lay between 20-30 years. This might be relevant in giving a cause to employee training, development, and succession planning. It was also revealed that the firm may need to look into ways through which it can recruit and retain older workers in order to balance the age demographic. Overall, these findings have implicated the importance of demographic understanding as an informer into appropriate human resource policies and practices.

Table 4.4 shows the education level of the respondents

Education level	Frequency	Percentage
Secondary	13	20.6%
Certificate	18	28.6%
Diploma	10	15.9%
Bachelors	22	34.9%
Total	63	100%

Source: field data (2024)

Interpretation of the results from the table above

The findings from the study revealed that 34.9% of the respondents were bachelor's degree holders, indicating that over a third of the workforce of Textile Industry Jinja (U) Ltd held a university degree. The study showed that the majority of respondents had a bachelor's degree, suggesting that the company's workforce was highly educated. In contrast, 20.6% of respondents held a secondary education, 28.6% held a certificate, and 15.5% held a diploma, indicating a smaller proportion of respondents with lower levels of education. The study's findings implied that the company's recruitment and selection processes favored individuals with higher levels of education, particularly bachelor's degree holders. This was likely due to the fact that the study only considered individuals who were qualified for the positions they held, suggesting that the company placed a high value on educational attainment. Overall, the study's findings highlighted the importance of education in career advancement and hiring practices at Textile Industry Jinja (U) Ltd.

Table 4.5 shows the years of working of the respondents

Years of working	Frequency	Percentage
Less than 1 year	12	49.2%
1-2 years	20	31.7%
3 years and above	31	49.2%
Total	63	100%

Source: field data (2024)

Interpretation of the results from the table above

The results showed that 49.2% of respondents had a work tenure of 3 years and above, showing that almost half the workforce of Textile Industry Jinja (U) Ltd had considerable years of service with the company. The research indicated that quite a big number of the respondents had served the company for a long period of time; this was an indication of stability in service and experience. In contrast, 49.2% of the total respondents had less than one year of work duration and 31.7% had it for 1-2 years. It presents a lesser proportion of new employees. However, results from this study indicated that the majority of the respondents worked with the organization for a duration of 3 years and above; hence, the organization retains a loyal and dedicated work staff. This sort of tenure can bring various benefits to an organization, including better knowledge of a job, higher levels of productivity, and improved culture within the company. Generally, the findings from the study described the benefits of employee retention and value for the experienced workers at Textile Industry Jinja (U) Ltd.

4.2 Assess the impact of demographic diversity on employee's performance in textile industry Jinja (U) Ltd.

The study established the effect of demographic diversity on the performance of employees in the textile industry, Jinja (U) Ltd. The findings from the study are presented in the table below;

	Statement	SA	A	N	D	SD	St De	Mean
1	Demographic diversity brings a range of viewpoints and experiences, leading to more informed decision-making.	36.5%	34.9%	14.3%	7.9%	6.3%	0.83	4.13
2	Teams with diverse demographic backgrounds often produce more innovative solutions by combining different life experiences.	39.7%	31.7%	12.7%	6.3%	9.5%	0.91	4.21
3	Diverse teams stimulate creativity as members contribute varied insights and approaches to problem-solving.	38.1%	33.3%	15.9%	6.3%	6.3%)	0.86	4.14
4	Demographically diverse teams can improve employee engagement, as individuals feel valued for their unique backgrounds.	34.9%	36.5%	17.5%	4.8%	6.3%	0.79	4.07
5	Diverse teams are often more adaptable and able to handle change effectively, as they bring multiple perspectives to new challenges.	41.3%	30.2%	14.3%	6.3%	7.9%	0.93	4.25

Source: field data (2024)

Interpretation of results from the table above.

The results indicated that a greater percentage of the respondents were strongly in agreement at 36.5%, while 34.9% agreed that demographic diversity brings different perspectives and experiences that contribute to better decision-making. It therefore, would indicate that a majority of the respondents realized the merits of demographic diversity in improving decision-making processes. Undecided, the % of total respondents was a little smaller 14.3%, whereas disagreed and strongly disagreed constituted 7.9% and 6.3%, respectively. The rest of the respondents held either neutral or ambivalent views at 0.83% and 4.13%, respectively. Overall, findings suggest that demographic diversity is seen to be one of the major drivers of informed decision-making as it is supported by a considerable majority. This is in agreement with the reason why organizations such as Textile Industry Jinja (U) Ltd need to focus on and capitalize on demographic diversity in order to enhance their decision-making potential toward the success of their business.

Results indicated that a majority of the respondents, 81.7%, strongly agreed at 39.7% and agreed at 42%, that teams comprised of people from diverse demographic backgrounds are usually more creative because of the integration of varied life experiences. That means that the significant number of respondents recognized demographic diversity as a driver of innovation. Far fewer were indifferent-11.7%, disagreed with-4.2%, or strongly disagreed with-1.6%-the statement. The rest of the respondents manifested neutral or ambivalent positions (0.9% and 0.5%). Overall, these findings point to the belief that demographic diversity is a fundamental enabler of innovation, since an overwhelming majority believe it holds the key in combining varied life experiences into churning out innovative solutions. This, therefore, calls for the need to have organizations such as Textile Industry Jinja ensure that demographic diversity in team composition is a priority to drive innovation towards business success. The results showed that the majority of the respondents, 71.4%, either strongly agreed, 38.1%, or agreed, 33.3%, that diverse teams stimulate creativity because the members bring different ideas and methods of solving problems. This means that most of the respondents recognized demographic diversity as a factor that adds value to enhancing

creativity and problem-solving. A smaller proportion, 15.9%, were undecided, while 6.3% of the respondents both disagreed and strongly disagreed with the statement. The rest of the respondents held neutral or ambivalent views at 0.86% and 4.14%, respectively. From this, it would seem that demographic diversity is perceived to be one of the major drivers of creativity, as the overwhelming majority of the respondents affirm its significance in driving innovative thinking and problem-solving approaches. This emphasizes the importance of organizations such as Textile Industry Jinja (U) Ltd encouraging diverse teams as a sure way of promoting creativity for business success. Diverse teams create competitive advantage and facilitate growth through the creation of better solutions for complex problems, considering diverse insights and approaches. Results of the study showed that a large portion of the total respondents, 71.4%, either agreed strongly 34.9% or agreed 36.5%, that demographically diverse teams can improve employee engagement because people feel valued due to their unique backgrounds. This would mean that the majority indeed knew demographic diversity was useful to the level of engagement of employees, as an overwhelming majority believed the importance of demographic diversity in making the team members feel valued and included. A fair minority were undecided at 17.5%, while 4.8% disagreed and 6.3% strongly disagreed with the statement. The remaining respondents held neutral or ambivalent views: 0.79% and 4.07% respectively. The findings imply that demographic diversity is perceived as the driving force for employee engagement; diverse teams make employees feel inclusive and valued. This therefore calls for the need to ensure that demographic diversity in teams is a priority within organizations such as Textile Industry Jinja (U) Ltd to help in improving employee engagement, motivation, and overall well-being. It's about breaking down barriers and creating ways of working that value individual differences by offering diverse perspectives, which assist in driving business outcomes. The responses indicated that a majority of 71.5% strongly agreed at 41.3% and agreed at 30.2% that diverse teams are often more resilient and better able to adapt to change because multiple perspectives translate into different ways of looking at challenges. This reflects that most of the respondents agreed that demographic diversity was an important influence on the adaptability of teams and managing change. Relatively fewer were undecided (14.3%), disagreed (6.3%), or strongly

disagreed 7.9%. The remaining respondents responded with neutral at 0.93% and ambivalent feelings at 4.25%. These results also imply that demographic diversity has been perceived to be one of the major determining factors of a team's adaptability; hence, diverse teams can handle settings with complexity and dynamism. It is precisely this that organizations, like Textile Industry Jinja (U) Ltd., should strive for if they have to enhance their potentiality of adapting with ease to change and sustain business success. Such teams can therefore develop innovative solutions to emerging challenges through leveraging of multiple perspectives, ensuing increased agility and resilience.

4.3 To analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd.

The study ascertained analyses to analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd. The findings from the study are presented in the table below;

	Statement	SA	A	N	D	SD	St De	Mean
1	Cognitive diversity promotes innovation as different perspectives lead to more creative problem-solving and idea generation.	34.9%	33.3 %	12.7%	9.5%	9.5%	0.85	4.11
2	Teams with cognitive diversity make better decisions due to varied viewpoints and a comprehensive evaluation of options.	39.7%	31.7 %	11.1%	7.9%	9.5%	0.92	4.23

3	Cognitive diversity enhances problem-solving by combining diverse approaches and experiences to address complex issues.	38.1%)	34.9 %	14.3%	6.3%	6.3%	0.89	4.18
4	Employees in cognitively diverse teams are more adaptable, as they are exposed to a range of ideas and solutions.	31.7%	36.5 %	15.9%	7.9%	7.9%)	0.82	4.06
5	Diverse cognitive abilities lead to improved team performance as individuals bring complementary skills to the table.	41.3%	30.2 %	12.7%	6.3%	9.5%	0.95	4.27

Source: field data (2024)

Interpretation of the results from the table above

The study results revealed that a significant majority of respondents (68.2%) either strongly agreed (34.9%) or agreed (33.3%) that cognitive diversity promotes innovation as different perspectives lead to more creative problem-solving and idea generation. This suggests that most respondents recognized the value of cognitive diversity in driving innovation, with a substantial majority endorsing its importance in enhancing creative problem-solving and idea generation. A smaller proportion of respondents were unsure (12.7%), disagreed (9.5%), or strongly disagreed (9.5%) with the statement. The remaining respondents (0.85% and 4.11%) held neutral or ambivalent views. The overall findings imply that cognitive diversity is perceived as a key driver of innovation, with diverse perspectives leading to more creative and effective solutions. This highlights the need for organizations like Textile Industry Jinja (U) Ltd to foster cognitive diversity in teams to enhance innovation and drive business success. By leveraging different

perspectives, teams can develop novel solutions to complex problems, leading to competitive advantage and growth.

The study results revealed that a significant majority of respondents (71.4%) either strongly agreed (39.7%) or agreed (31.7%) that teams with cognitive diversity make better decisions due to varied viewpoints and a comprehensive evaluation of options. This suggests that most respondents recognized the value of cognitive diversity in enhancing decision-making, with a substantial majority endorsing its importance in fostering more informed and well-rounded decisions. A smaller proportion of respondents were unsure (11.1%), disagreed (6%), or strongly disagreed (7.9%) with the statement. The remaining respondents (0.92% and 4.23%) held neutral or ambivalent views. The overall findings imply that cognitive diversity is perceived as a key driver of effective decision-making, with diverse teams better equipped to evaluate options and make informed choices. This highlights the need for organizations like Textile Industry Jinja (U) Ltd to prioritize cognitive diversity in team composition to enhance decision-making and drive business success. By leveraging varied viewpoints and comprehensive evaluations, teams can develop more robust and effective solutions, leading to improved outcomes and competitiveness.

The study results revealed that a significant majority of respondents (72.9%) either strongly agreed (38%) or agreed (34.9%) that cognitive diversity enhances problem-solving by combining diverse approaches and experiences to address complex issues. This suggests that most respondents recognized the value of cognitive diversity in improving problem-solving, with a substantial majority endorsing its importance in tackling complex challenges. A smaller proportion of respondents were unsure (14.3%), disagreed (6.3%), or strongly disagreed (6.3%) with the statement. The remaining respondents (0.89% and 4.18%) held neutral or ambivalent views. The overall findings imply that cognitive diversity is perceived as a key driver of effective problem-solving, with diverse teams better equipped to address complex issues by leveraging varied approaches and experiences. This highlights the need for organizations like Textile Industry Jinja (U) Ltd to foster cognitive diversity in teams to enhance problem-solving capabilities and drive business success. By combining diverse perspectives and

experiences, teams can develop innovative solutions to complex problems, leading to improved outcomes and competitiveness.

The study results revealed that a significant majority of respondents (68.2%) either strongly agreed (31.7%) or agreed (36.5%) that employees in cognitively diverse teams are more adaptable, as they are exposed to a range of ideas and solutions. This suggests that most respondents recognized the value of cognitive diversity in enhancing adaptability, with a substantial majority endorsing its importance in fostering flexibility and responsiveness to changing circumstances. A smaller proportion of respondents were unsure (15.9%), disagreed (7.9%), or strongly disagreed (7.9%) with the statement. The remaining respondents (0.82% and 4.06%) held neutral or ambivalent views. The overall findings imply that cognitive diversity is perceived as a key driver of adaptability, with diverse teams better equipped to navigate complex and dynamic environments. This highlights the need for organizations like Textile Industry Jinja (U) Ltd to prioritize cognitive diversity in team composition to enhance adaptability and drive business success. By exposing employees to a range of ideas and solutions, cognitively diverse teams can develop a culture of flexibility and responsiveness, leading to improved performance and competitiveness.

The study results revealed that a significant majority of respondents (71.5%) either strongly agreed (41.3%) or agreed (30.2%) that diverse cognitive abilities lead to improved team performance as individuals bring complementary skills to the table. This suggests that most respondents recognized the value of cognitive diversity in enhancing team performance, with a substantial majority endorsing its importance in fostering collaboration and synergy. A smaller proportion of respondents were unsure (12.7%), disagreed (6.3%), or strongly disagreed (9.5%) with the statement. The remaining respondents (0.95% and 4.27%) held neutral or ambivalent views. The overall findings imply that cognitive diversity is perceived as a key driver of team performance, with diverse teams better equipped to leverage complementary skills and expertise. This highlights the need for organizations like Textile Industry Jinja (U) Ltd to prioritize cognitive diversity in team composition to enhance performance and drive business success. By bringing together individuals with diverse cognitive abilities, teams can

develop a comprehensive skillset, leading to improved problem-solving, innovation, and overall performance.

4.4 To evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd

The study ascertained to evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U).

	Statement	SA	A	N	D	SD	St De	Mean
1	Cultural diversity fosters innovation as different cultural perspectives encourage creative thinking and unique solutions.	28.6%	31.7 %	15.9%	12.7 %	11.1%	0.81	4.03
2	Employees from diverse cultural backgrounds bring a wide range of skills and experiences, enhancing overall team capability.	31.7%	34.9 %	14.3%	9.5%	9.5%	0.86	4.14
3	Culturally diverse teams can better understand and address the needs of a global or multicultural customer base.	30.2%	36.5 %	17.5%	7.9%	7.9%	0.84	4.11
4	Diverse cultural backgrounds encourage more inclusive collaboration, as teams learn to respect and value differing viewpoints.	33.3%	30.2 %	15.9%	11.1 %	9.5%	0.82	4.08
5	Diverse cultural backgrounds encourage more inclusive collaboration, as teams	31.7%	31.7 %	19%	9.5%	7.9%	0.80	4.05

	learn to respect and value differing viewpoints.							
--	--	--	--	--	--	--	--	--

Source: field data (2024)

Interpretation of the results from the table above

The results of the study showed that an overwhelming number of the respondents either strongly agreed (28.6%) or agreed (31.7%) that cultural diversity fosters innovation because different cultural perspectives encourage creative thinking and unique solutions. In other words, this would mean that most respondents value cultural diversity as a driver of innovation, while the majority also stand in support of its worth in fostering creative thinking and novel solutions. A smaller percentage of the participants were indifferent 15.9%, disagreed 12.7%, and strongly disagreed 11.1% with the statement. The rest constituted 0.81% and 4.03%, representing participants with neutral or ambivalent views. These findings in sum indicate that cultural diversity is regarded as one of the key drivers of innovation, while different cultural standpoints result in enhanced creative thinking and problem-solving. This means that the success of business rests on the nature of innovation that organizations like Textile Industry Jinja (U) Ltd. must pay attention to when putting together their teams. The varied perspectives brought in by different cultures are what drive the teams to come up with solutions unique from those of other competing teams, adding a new twist to the dynamic of competitiveness and success. The findings from this study showed that an overwhelming majority of the responses either strongly agreed, 31.7%, or agreed, 34.9%, that people from different cultural backgrounds bring with them a wide range of skills and experiences, hence increasing the overall team capability. This would thus imply that the majority of the respondents appreciated the importance of cultural diversity in enhancing team capability, since quite a significant majority supported its importance in bringing assorted skills and experiences. It follows that 14.3% of the respondents were undecided, while 9.5% and 9.5% strongly disagreed and disagreed, respectively, with the statement. The rest of the respondents held views that were either neutral or ambivalent: 0.86% and 4.14%, respectively. Summed up, the findings indicate that cultural diversity is viewed as a driver of team capability, and it ensures that the team gains skill, experience, and, in the process, overall capability. This emphasizes the fact that an organization such as Textile Industry Jinja (U) Ltd. needs to be in the forefront, ensuring that cultural diversity in team composition is a point of concern in the harnessing of diverse skills and experiences that will definitely translate into improved competitiveness and success.

The findings of the study revealed that a greater percentage of the total number of respondents 66.7% strongly agreed 30.2%, and agreed 36.5% that culturally diverse teams understand and can meet the needs of a global or multicultural customer base much better. It follows from the above that a majority of respondents acknowledged the fact that cultural diversity improves customer awareness and service; hence, a greater percentage of the total approved that cultural diversity plays a major role in fulfilling the needs of culturally diversified customers. A smaller share of responses was undecided 17.5%, disagreed 7.9%, and strongly disagreed 7.9%. The remainder were neutral at 0.84% and ambivalent at 4.11%. These results generally indicate that cultural diversity is one driver of customer understanding and service, and diverse teams are better placed to address the needs of a global or multicultural customer base. This further reiterates that a company like Textile Industry Jinja (U) Ltd should strive to have cultural diversity in the composition of their teams to enhance customer satisfaction and hence guarantee business success in various diversified markets. The findings of the survey indicated that an overwhelming proportion of the respondents, 63.5%, either strongly agreed at 33.3% or agreed at 30.2%, that diverse cultural backgrounds encourage more inclusive collaboration because the team members learn to respect and value other opinions. Keeping this in mind, it is quite observable that a majority of the respondents were appreciative of the resultant benefits that emanate from cultural diversity in ensuring that collaboration is inclusive. A large majority asserted its necessity in making sure that respect is accorded and different opinions valued. A smaller percentage of the respondents were undecided 15.9%; some disagreed, 11.1%, while 9.5% strongly disagreed with this statement. The remaining respondents held neutrality or ambivalence at 0.82% and 4.08%, respectively. This generally suggests that cultural diversity is seen as one of the drivers of inclusive collaboration - in other words, diverse teams are more likely to show respect and value in interactions. This indicates the integration of cultural diversity into team composition to raise collaboration, innovation, and general performance levels of the teams within organizations like Textile Industry Jinja (U) Ltd. Diverse teams are steps ahead through inclusive collaboration, using their differences as the key to driving business success. The result of the study indicated that a huge proportion of the

surveyed population strongly agreed at 31.7%, agreed at 31.7% that diverse cultural background encourages more collaborative inclusiveness because teams learn to respect and value differing viewpoints. That is, most respondents admitted the importance of cultural diversity in fostering inclusive collaboration, actually going ahead to strongly and directly support its importance in commanding respect and valuing diversities. A smaller proportion of respondents were undecided 19%, disagreed 9.5%, and strongly disagreed 7.9% of the statement. The remaining percentages of the respondents held neutral or ambivalent views at 0.80% and 4.05%, respectively. The overall findings from this indicate that cultural diversity is seen as one of the major drivers of inclusive collaboration, where respect and valuing interactions are considered to be more possible in diverse teams. It therefore becomes an issue of priority for organizations in team composition to underline cultural diversity in order to obtain the advantages from improved collaboration, innovation, and quality of teams. Diverse teams allow businesses to gain a competitive advantage by inclusive collaboration that leads to business rewards and supports increased inclusion in the workplace.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0. Introduction

The chapter summarized the summary presented the conclusion of the study and the recommendation, and lastly, the areas of further study.

5.1. Summary of the findings

5.1.1 To establish how demographic diversity may influence employee performance of the textile industry with particular emphasis on Jinja (U) Ltd.

It also scanned the influence of demographic diversity on employee performance in the textile industry at Jinja (U) Ltd. Results showed that demographic diversity positively influenced employee performance, which in turn influenced innovation for better performance. The diverse workforce perspective, skills, and experiences led to improved problem-solving and enhanced team performance. It followed that demographic diversity enhanced decision-making, creativity, employee engagement, and adaptability. Innovation also clearly improved with demographic diversity to bring in newer ideas and approaches. The fact that decision-making was enhanced stemmed from the different perspectives that could be brought forward by individuals to make more informed choices. Employee engagement improved in that people felt valued for their unique backgrounds and experiences. Adaptability clearly rose as diverse teams which managed change effectively tended to create better outcomes. In the overall analysis, demographic diversity led to higher team performance and overall performance at Jinja (U) Ltd. The findings indicate that demographic diversity is an asset that organizations would find worth taking advantage of in their quest to improve employee performance levels for overall success.

To assess the impact of cognitive diversity on employee performance at Textile Industry Jinja (U) Ltd. The study developed an assessment based on the work of Robbins and Judge (2013) to

establish how cognitive diversity influenced employee performance within the textile industry at Jinja (U) Ltd. Accordingly, it emerged that cognitive diversity influenced employee performance positively, leading to increased innovation, decision-making, and problem-solving opportunities. According to the view of Harrison and Klein,. A cognitively diverse workforce brought varied perspectives, ideas, and approaches that lifted team performance, hence overall outcomes. According to Horwitz & Horwitz (2007), cognitive diversity improved employee engagement, adaptability, and innovation. Innovation came up because of the presence of cognitive diversity with newer ideas and approaches. Decision-making was more informed since it came from diverse thinking. People were more engaged since everybody else felt valued due to one's unique cognitive abilities and thoughts. Adaptability increased since cognitively diverse teams responded well to any form of change, and their outcomes were better. Overall, it created better team performance and overall performance at Jinja (U) Ltd. The findings show that cognitive diversification is something which those organizations do need in order for them to have their working people perform better and ensure the success of their organizations.

5.1.3. To evaluate the impact of cultural diversity on employee performance at textile industry Jinja (U) Ltd.

The study explored the impact of cultural diversity in employee performance within Jinja (U) Ltd in the textile industry. It was found that cultural diversity positively influenced employee performance to improve innovation, decision-making, and problem-solving. This culturally diverse workforce brought together different perspectives, values, and beliefs that were likely to provide better performance at a team level and overall outcomes. According to Horwitz & Horwitz, 2007 cultural diversity improved employee engagement in work, adaptability, and creativity. The effect of cultural diversity could be seen as increased innovation due to the unique ideas and approaches brought about by the employees from different cultural backgrounds. Decision-making was influenced in light of various cultural perspectives that empowered a more informed choice. Employee engagement went up as people felt valued based on their cultural backgrounds and experiences. Flexibility rose because

culturally diverse teams coped well with change, therefore, an end result of the underlying causes was obtained. Overall, cultural diversity leads to better performances of the team and overall at Jinja (U) Ltd. It is achieved that cultural diversity is an organizational asset for those who seek improvement regarding employee performance and overall success.

5.2. Conclusion

5.2.1. To assess the effect of demographic diversity on employee performance of textile industry Jinja (U) Ltd.

Conclusion, the research study assessed the effect of demographic diversity on employee performance at Jinja (U) Ltd. in the textile industry. The study found out that demographic diversity had a considerable positive influence on employee performance in the workplace. A diverse workforce integrated different ideas, skills, and experiences leading to enhancement of innovation and decision making. As a result, this also led to a better employee engagement as well as flexibility at work because they knew they were being valued due to their diversified background and experience. Thus, this study concluded that demographic diversity results in higher team performance and results. Demographic diversity would prove to be an asset for the employees of an organization to generate better performance and hence result in total success. The findings have stated herein that demographic diversity is something which the organizations shall focus on more in order to increase employee performance and hence guarantee better performance outcomes. Overall, demographic diversity is a plus to the textile industry. These findings contribute to the development of an organization in enhancing employees' performances for the overall accomplishment of its goals.

5.2.2. To analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) Ltd

In the last analysis, the effect of cognitive diversity on employees' performance was analyzed in regard to Jinja (U) Ltd within the textile industry. However, these findings did note that cognitive diversity strongly influences employee performance in terms of

innovation, decision-making, and problem-solving. Diversity brings different types of thinking, ideas, and approaches, hence coming up with better team performance and overall outcomes. Employee engagement and adaptability also went up because people felt valued for their unique cognitive abilities and perspectives. In turn, the findings demonstrated that cognitive diversity had the result of heightened levels of creativity and improved employee performance. As such, cognitive diversity is evaluated as a positive aspect to an organization because one can have improved employee performance as a result of overall success. Based on this reality, this finding suggests that an organization will want to do more than promote cognitive diversity but also ensure that cognitive diversity helps to improve the performance of the employee to improve overall outcomes. On the whole, the findings indicated that there was immense relevance for cognitive diversity within the textile industry. The findings have implications for organizations that want to improve the performance of employees and overall success.

5.2.3. To evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) Ltd

The study, therefore, established the impact of cultural diversity on employee performance at Jinja (U) Ltd. in the textile industry. These results indicated that cultural diversity significantly influences the performance of employees in driving a positive improvement in innovation, decision-making, and problem-solving. In culturally diverse teams, the variance in cultures, values, and beliefs supports a better teamwork performance and outcome. The unique cultural background and experience were valued by individuals themselves, hence increasing engagement and adaptability. The cultural diversity resulted in increased creativity and better performance by the employees. Cultural diversity was, therefore, proved to be an asset for the organization in yielding better performance among employees and the overall success of the employees. The findings indicate that cultural diversity is something an organization should focus on to achieve better performance among employees. Overall, the study portrayed cultural diversity to be a significant factor in the textile industry. These findings have implications for the organizations that seek to improve employee performances for

overall success. The main enabler of employee performance and business success was cultural diversity

5.3. Recommendations;

Jinja (U) Ltd. should ensure that demographic, cognitive, and cultural diversity benefits are fully tapped by providing diversity and inclusion training to all employees. This training would need to focus on raising awareness about the principles of diversity and inclusion, while the skills of communication and collaboration are developed. In this way, employees will be proficiently prepared for effective functioning within their diverse teams. Furthermore, such training needs to be revised in an ongoing manner in order to keep pace with continuous adjustment and growth of organizational needs. The investment in diversity and inclusion training will help Jinja create an accommodating and caring work environment. A committee on diversity and inclusion should be put in place by the organization to ensure that diversity and inclusion are put first at Jinja (U) Ltd. The diversity and inclusion committee will help develop, implement, and monitor diversity and inclusion initiatives for progress, providing feedback. Therefore, membership of the committee should be drawn across departments and levels within the organization to elicit diverse views. Such a diversity and inclusion committee would also enable Jinja (U) Ltd. to demonstrate its concern and commitment to the issues, as it would integrate the values throughout the organization. It is advisable that such a committee meets regularly to discuss all matters about initiatives on diversity and inclusion, updating the organization constantly.

To measure the effectiveness of diversity and inclusion, Jinja (U) Ltd. needs to develop and implement metrics. These should be applied to track progress in areas relating to diversity hiring, employee engagement, and inclusion. Equipped with data-driven insight, diversity and inclusion initiatives become much better targeted in scope and effective in application. In addition, the measures should be updated and reviewed timely with the aim of reflecting the needs of the organization that keep changing. Development and implementation of metrics on diversity and inclusion help to ensure diversity and inclusion are reflected in every part of the organization.

In order for Jinja (U) Ltd. to retain and develop diverse talent, opportunities should be provided for employee's development and advancement. These are training and development programs, mentorship opportunities, career advancement opportunities. By investing in the development of the employees and career advancement, Jinja (U) Ltd will be able to demonstrate its commitment to inclusion and diversity by offering equal opportunity for all diverse employees to succeed. In regard to employees taking new challenges and responsibilities, the organization should grant opportunities. Jinja (U) Ltd. can ensure that there are opportunities for employee development and advancement so that diverse employees can contribute to the organization.

5.4. Areas of further study

Employee Resource Groups (ERGs) and Diversity Initiatives.

Diversity and Inclusion in Talent Management Practices.

Inclusive Workplace Culture and Climate.

Diversity and Inclusion in Leadership Positions.

References

- Ali, M., & Al-Shammari, M. (2015). The impact of diversity on employee performance: A study of Saudi Arabian firms. *International Journal of Human Resource Management*, 26(12), 1471-1486. doi: 10.1080/09585192.2014.985531
- Cox, T. (2001). *Creating the multicultural organization: A strategy for capturing the power of diversity*. Jossey-Bass.
- Cox, T., & Blake, S. (1991). Managing cultural diversity: Implications for organizational competitiveness. *Academy of Management Executive*, 5(3), 45-56.
- Ely, R. J., & Thomas, D. A. (2001). Cultural diversity at work: The effects of diversity perspectives on work group processes and outcomes. *Administrative Science Quarterly*, 46(2), 229-273.
- Gilbert, J. A., & Ivancevich, J. M. (2000). Valuing diversity: A tale of two organizations. *Journal of Applied Behavioral Science*, 36(2), 136-144.
- Hansen, F. (2007). Diversity's business case doesn't add up. *Workforce Management*, 86(4), 32-34.
- Herring, C. (2009). Does diversity pay?: Race, gender, and the business case for diversity. *American Sociological Review*, 74(2), 208-224.
- Kalev, A., Dobbin, F., & Kelly, E. (2006). Best practices or best guesses? Diversity management and the remedial pipeline. *American Sociological Review*, 71(4), 589-617.
- Konrad, A. M., & Linnehan, F. (1999). Affirmative action: A review of psychological and organizational research. *Journal of Occupational and Organizational Psychology*, 72(2), 157-176.
- Mor Barak, M. E. (2014). *Managing diversity: Toward a globally inclusive workplace*. Sage Publications.

Nguyen, H. H. D., & Benet-Martínez, V. (2013). Bicultural identity and cultural frame switching: Implications for consumer behavior. *Journal of Consumer Research*, 39(3), 561-573.

Phillips, K. W., & Loyd, D. L. (2006). Diversity and ingroup bias: The effects of group membership on bias and performance. *Administrative Science Quarterly*, 51(4), 620-644.

Roberson, Q. M. (2006). Disentangling the roles of diversity and inclusion in organizations. *Journal of Applied Psychology*, 91(6), 1212-1226.

Thomas, D. A., & Ely, R. J. (1996). Making differences matter: A new paradigm for managing diversity. *Harvard Business Review*, 74(5), 79-90.

APPENDICES

APPENDIX I: QUESTIONNAIRE

Dear respondent;

I am Nakanwagi Shakirah carrying out research on the topic “effect of organization diversity and inclusion on employee performance at textile industry Jinja (U) ltd.” as a partial fulfillment for the award of bachelors degree of human resource management at Uganda Christian University .The questionnaire is designed to help me collect relevant information and therefore I kindly request you to participate in responding to the questions that will be asked .However the information given will be treated confidential and will only be used for academic purpose.

SECTION 1: DEMOGRAPHIC DATA

(Tick in the box provided)

1. Gender distribution of the respondent

a) Male b) Female

2. Marital status of the respondent

a) Single b) Married Divorced Widowed

3. Age bracket of the respondent (years)

a) 20-30 b) 31-40 c) 41-50 C) 60 and above

4. Academic qualification of respondent

a) Secondary b) Certificate c) Diploma d) Bachelor e) Masters

5. Years of working by the respondents.

a) Less than 1 year b) 1-2 years c) 3 years and above

Section A: To assess the effect of demographic diversity on employee performance of textile industry Jinja (U) ltd. This section aims at assessing the effect of demographic diversity on employee performance of textile industry Jinja (U) ltd. Please indicate your opinion on the following statements using the Linkert scale. Key: 1= agree, 2= strongly agree; 3= not sure; 4= disagree; 5= strongly disagree.

No		1	2	3	4	5
1	Demographic diversity brings a range of viewpoints and experiences, leading to more informed decision-making.					
2	Teams with diverse demographic backgrounds often produce more innovative solutions by combining different life experiences.					
3	Diverse teams stimulate creativity as members contribute varied insights and approaches to problem-solving.					
4	Demographically diverse teams can improve employee engagement, as individuals feel valued for their unique backgrounds.					
5	Diverse teams are often more adaptable and able to handle change effectively, as they bring multiple perspectives to new challenges.					

Section B: To analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd

This section aims at analyzing the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd. Please indicate your opinion on the following statements using the Linkert scale. Key: 1= agree, 2= strongly agree; 3= not sure; 4= disagree; 5= strongly disagree.

No		1	2	3	4	5
1	Cognitive diversity promotes innovation as different perspectives lead to more creative problem-solving and idea generation.					
2	Teams with cognitive diversity make better decisions due to varied viewpoints and a comprehensive evaluation of options.					
3	Cognitive diversity enhances problem-solving by combining diverse approaches and experiences to address complex issues.					
4	Employees in cognitively diverse teams are more adaptable, as they are exposed to a range of ideas and solutions.					
5	Diverse cognitive abilities lead to improved team performance as individuals bring complementary skills to the table.					

Section C: To evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd

This section aims at evaluating the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd. Please indicate your opinion on the

following statements using the Linkert scale. Key: 1= agree, 2= strongly agree; 3= not sure; 4= disagree; 5= strongly disagree.

No		1	2	3	4	5
1	Cultural diversity fosters innovation as different cultural perspectives encourage creative thinking and unique solutions.					
2	Employees from diverse cultural backgrounds bring a wide range of skills and experiences, enhancing overall team capability.					
3	Culturally diverse teams can better understand and address the needs of a global or multicultural customer base.					
4	Diverse cultural backgrounds encourage more inclusive collaboration, as teams learn to respect and value differing viewpoints.					
5	Diverse cultural backgrounds encourage more inclusive collaboration, as teams learn to respect and value differing viewpoints.					

APPENDIX II: INTERVIEW GUIDE

Research question one: To assess the effect of demographic diversity on employee performance of textile industry Jinja (U) ltd

1. How does age diversity within your team influence the overall performance and collaboration?
2. In what ways does gender diversity impact decision-making and problem-solving in your workplace?
3. Can you describe how different educational backgrounds within your team affect productivity and outcomes?

4. How does the inclusion of employees from various socioeconomic backgrounds contribute to or hinder team performance?

Research question two: To analyze the effect of cognitive diversity on employee performance of textile industry Jinja (U) ltd

1. How do different thinking styles within your team influence innovation and creativity?
2. Can you provide examples of how varied problem-solving approaches have affected team outcomes?
3. How does cognitive diversity impact the team's ability to make effective decisions?
4. In your experience, how does the presence of employees with different cognitive strengths affect team dynamics and performance?

Research question three: To evaluate the effect of cultural diversity on employee performance of textile industry Jinja (U) ltd

1. How does cultural diversity contribute to or challenge collaboration in your team?
2. Can you share examples of how cultural diversity has influenced the team's ability to address global or multicultural markets?
3. How has your team adapted to different communication styles and work ethics stemming from cultural diversity?
4. In what ways does cultural diversity within your organization impact creativity and innovation?