

## **DIVERSITY, INCLUSION AND EMPLOYEE PRODUCTIVITY**

### **ABSTRACT**

This study was set out to determine the impact of Diversity and Inclusion, and Employee productivity. The specific focus include to examine the impact of demographics, Inclusion strategies, and pay equity on employee productivity. Also, there was the need to unveil the challenges of workplace diversity and inclusion. The survey research design was employed with a total population size of 100 and a sample size of 44. The primary instrument used for data collection in this study was a structured questionnaire designed to obtain relevant information from transport staff regarding diversity, inclusion, and employee productivity. Both descriptive and inferential statistic were employed in analysing the data. The study found that there is a positive and significant relationship between demographic factors, inclusion strategies, and pay equity and employee productivity.

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**CHAPTER ONE**  
**INTRODUCTION**

**1.1 BACKGROUND TO THE STUDY**

In today's globalized and diverse work environment, organizations recognize the importance of diversity and inclusion in enhancing employee productivity. Diversity refers to the presence of different groups or individuals with unique characteristics, experiences, and perspectives within an organization, while inclusion refers to the creation of an environment where all individuals feel valued, respected, and empowered to contribute (Rohwerder, 2017). Research has shown that organizations that promote diversity and inclusion experience higher employee engagement, job satisfaction, and productivity.

Studies have consistently demonstrated the positive impact of diversity and inclusion on employee productivity. For instance, a study by Goswami and Goswami (2018) found that workforce diversity and managerial support significantly influenced workplace inclusion, which in turn affected employee engagement. Similarly, Makudza, Muchongwe & Dangoiso(2020) found that workforce diversity was a significant predictor of employee

productivity. However, other studies have highlighted the challenges and limitations of implementing diversity and inclusion initiatives, including the potential for negative outcomes. Given the importance of diversity and inclusion in enhancing employee productivity, this study aims to investigate the relationship between diversity, inclusion, and employee productivity in a specific organizational context. The study will examine the impact of demographics, inclusion strategies, pay equity, and challenges of diversity and inclusion on employee productivity. By exploring these issues, this study seeks to contribute to the existing body of knowledge on diversity, inclusion, and employee productivity, and provide insights for organizations seeking to improve their diversity and inclusion practices.

## **1.2 STATEMENT OF THE RESEARCH PROBLEM**

In today's diverse and globalized work environment, organizations face the challenge of managing a diverse workforce and creating an inclusive culture that fosters employee productivity. Despite the growing recognition of the importance of diversity and inclusion, many organizations struggle to implement effective diversity and inclusion initiatives that positively impact employee productivity. According to a study by McKinsey (2021), diverse companies are more likely to outperform their less diverse peers, highlighting the importance of diversity and inclusion in driving business outcomes.

Managing diversity is a complex issue that requires organizations to create an inclusive culture that values and respects differences (Goswami & Goswami, 2018). Research has shown that employees who feel included and valued are more likely to be productive and engaged, highlighting the importance of creating an inclusive work environment (Nwosu, Amoke, Kinikanwo & Ikeotuonye, 2025). However, many organizations struggle to create an inclusive culture, with research suggesting that unconscious bias and microaggressions can negatively impact employee productivity (Krieger, 2019).

Inclusion strategies are critical in creating an inclusive culture that fosters employee productivity (Tongo, Amomailo, Ajose & Aderemi, 2023). Research has shown that organizations that implement effective inclusion strategies, such as diversity training and mentorship programs, are more likely to experience positive business outcomes (Hunt, Leyton & Prince, 2018). However, more research is needed to understand the impact of inclusion strategies on employee productivity, particularly in diverse work environments.

Pay equity is another critical factor that can impact employee productivity (Nwosu et al., 2025). Research has shown that pay disparities can negatively impact employee morale and productivity, highlighting the importance of fair and equitable compensation practices (Krieger, 2019). Organizations that prioritize pay equity are more likely to experience positive business outcomes, including increased employee productivity and retention.

Implementing diversity and inclusion initiatives can be challenging, particularly in organizations with entrenched cultures and biases (Rohwerder, 2017). Research has shown that organizations that prioritize diversity and inclusion are more likely to experience positive business outcomes, but more research is needed to understand the challenges of implementing these initiatives in diverse work environments (Tongo et al., 2023).

### **1.3 RESEARCH QUESTIONS**

The following research questions are formulated:

1. Is there a significant relationship between demographics (gender and cultural background) and employee productivity?
2. Is there a significant relationship between inclusion strategies and employee productivity?
3. Does pay equity have a significant impact on employee productivity?
4. What are the major challenges faced by organizations in implementing diversity and inclusion initiatives?

### **1.4 OBJECTIVES OF THE STUDY**

The main objective is to determine the impact of Diversity and Inclusion, and Employee productivity.

The following specific objectives include:

1. Examine the Influence of Demographics on Employee Productivity
2. Investigating the Impact of Inclusion Strategies on Employee Productivity
3. Determine the Influence of Pay Equity on Employee Productivity
4. Identify the Challenges of Workplace Diversity and Inclusion

## **1.5 RESEARCH HYPOTHESES**

1. H<sub>0</sub>: There is no significant relationship between demographics (gender and cultural background) and employee productivity.
2. H<sub>0</sub>: Inclusion strategies have no significant impact on employee productivity.
3. H<sub>0</sub>: Pay equity has no significant influence on employee productivity.
4. H<sub>0</sub>: Challenges of workplace diversity and inclusion have no significant impact on employee productivity.

## **1.6 SCOPE OF THE STUDY**

This study focuses on the relationship between diversity, inclusion, and employee productivity. The scope of the study is limited to examining the impact of demographics (gender and cultural background), inclusion strategies, pay equity, and challenges of diversity and inclusion on employee productivity. The analysis of this study took effect in May 2025, and this was with the territory of God is Good Motors (GIGM) – a fore-leading transportation and logistics company in Nigeria which have one of her branches in Benin City, Edo State. Also, Muyi Line Transport Company is also included in the analysis of this study.

## **1.7 SIGNIFICANCE OF THE STUDY**

The findings of the study will contribute to both academic knowledge of the student and practical applications in the field of employee productivity in organizations. From the student perspective, this research contributes to existing knowledge, develops research skills, provides practical implications for organizations, and can lead to career opportunities in academia, research, or industry.

Practically, the study has significant implications for various stakeholders, including managers of the organization, who can benefit from improved decision-making, increased employee engagement, better talent management, and enhanced reputation. Employees can experience an increased sense of belonging, improved job satisfaction, career advancement opportunities, and better work-life balance.

The study's findings can inform organizational practices and policies related to diversity and inclusion, providing insights into the strategies and interventions that are most effective in enhancing employee productivity. Organizations can use the findings of this study to develop

evidence-based diversity and inclusion initiatives that promote employee engagement, retention, and productivity.

By exploring the relationship between diversity, inclusion, and employee productivity, this study provides valuable insights for students, managers, employees, and organizational practices, contributing to the development of more inclusive and productive work environment.

### **1.8 LIMITATIONS OF THE STUDY**

In the course of this research work, there were a few problems which the researcher centred with. Some factors tried to affect the project work. To this effect the researcher cannot say that the work has been done without obstacles. Lack of available information was one of the obstacles as most of the information available does not directly treat the topic under study. Financial constraint also posed a great limitation in the research work therefore the researcher was unable to get some of the information and staff approached were sceptical about the exercise because most of them attached different meanings to it and such were reluctant about giving the necessary information needed.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

The relationship between diversity, inclusion, and employee productivity has garnered significant attention in recent years. Research has consistently shown that organizations that promote diversity and inclusion experience higher employee engagement, job satisfaction, and productivity (Goswami & Goswami, 2018; Makudza et al., 2020). This study will review existing literature on the impact of demographics, inclusion strategies, pay equity, and challenges of diversity and inclusion on employee productivity, providing a foundation for this study's investigation.

The literature review will examine theoretical frameworks and empirical studies that underpin the concepts of diversity, inclusion, and employee productivity. By synthesizing existing research, this study tries to identify gaps in current knowledge and understanding, informing the development of evidence-based diversity and inclusion initiatives.

This review will contribute to the study's objectives, including examining the influence of demographics on employee productivity, investigating the impact of inclusion strategies on employee productivity, determining the influence of pay equity on employee productivity, and identifying the challenges of workplace diversity and inclusion.

#### **2.2 CONCEPTUAL REVIEW**

##### **2.2.1 Employee Productivity**

Productivity is consistently accomplishing essential tasks while balancing all production elements to achieve the highest output with minimal effort (Stewart, 2020). It involves adopting a mindset that prioritizes progress and continually enhances existing processes (Locke & Latham, 2019). In essence, it's an attitude of mind that requires a deliberate attempt to achieve. Productivity is a performance measure that essentially compares the output of a product with the resources and input that were needed to create the output (Davenport, 2018). Employee productivity, or workforce productivity, is the quantifiable measure of an employee's output or efficiency in completing their assigned tasks or responsibilities within a specific period (Bersin, 2020). This can be measured in terms of the work's quantity, quality or timeliness.

Employee productivity measures how efficiently and effectively a worker or a group of workers contribute to accomplishing organizational goals (Huselid, 2018). It is a key performance

indicator (KPI) that measures the output of work in relation to the inputs of time, effort and resources. Improving employee productivity is a critical component of organizational success (Manyika, Woetzel, Bission, Chui, Wong & Damales, 2017). Improved productivity enables employees to achieve objectives faster, in a more efficient manner, leading to cost savings and enhanced profitability (Goleman, 2020). It also contributes to employee satisfaction.

An organization's success hinges on its workforce (Davenport, 2018). Even with ample business opportunities, investments, or strategic planning, the execution and innovation ultimately depend on the employees (Stewart, 2020). This is why companies strive to enhance workers' productivity and enable them to perform at their best. The sustainable success of any organization is dependent on the efficiency of employees in completing their assigned tasks and responsibilities at a high quality and within a specific timeframe (Huselid, 2018). As companies continue to evolve, measuring and improving employee productivity is becoming increasingly important.

The correlation between employee productivity and business outcomes (both in the short and long term) and return on investment (ROI) is pertinent for considering activity as productive (Manyika et al., 2017). Without such a correlation, an action cannot be deemed effective. A company's employees are the driving force that sustains its growth through its collective skills, employee experience, knowledge, attitudes, and motivations (Goleman, 2020). Productivity, however, cannot be achieved spontaneously. It requires a conscious effort to implement practices that promote it (Locke & Latham, 2019). By deliberately prioritizing it, companies can bring about significant positive changes that will benefit their business in the long run (Stewart, 2020).

## **2.2.2 Measures of Employee Productivity**

### **2.2.2.1. Quantitative Measures**

#### **1. Output per Hour Worked**

Output per hour worked is one of the most direct and widely used metrics for measuring employee productivity (Kaplan & Norton, 2016). It quantifies the amount of work an employee produces relative to the time they spend working. For example, in a manufacturing setting, it could refer to the number of units assembled per hour, while in a call center, it might be the number of calls handled per hour (Tangen, 2016). This measure allows managers to assess individual and team efficiency, identify high-performing staff, and spot potential areas of workflow inefficiency. Beyond just measuring raw output, this metric enables organizations to

benchmark productivity across different departments, time periods, or even industry standards (Neely, 2016). It also plays a crucial role in capacity planning and workforce optimization. However, it should be used with caution in environments where quality is equally or more important than quantity. Solely focusing on output can incentivize speed over accuracy, so it's often best when used alongside quality-based measures (Hackman & Oldham, 2016).

## **2. Revenue per Employee**

Revenue per employee is a strategic metric that reflects how much income each employee contributes to the organization (Stewart, 2016). It is particularly useful at the organizational or departmental level, offering a high-level view of how efficiently a company is utilizing its human capital. This metric is commonly used in financial reports and productivity analyses to compare different businesses, identify trends over time, or evaluate the impact of workforce investments (Bassi & McMurrer, 2016). Although it doesn't capture individual performance directly, it provides insight into overall workforce effectiveness and can help justify staffing levels, payroll spending, or automation initiatives. For example, if a company's revenue per employee is significantly lower than competitors, it may indicate inefficiencies, overstaffing, or the need for better employee training (Pfeffer, 2016).

## **3. Time to Complete Tasks**

Time to complete tasks refers to the duration it takes for an employee to finish a particular assignment, project, or set of responsibilities (Gersick, 2016). It is a useful measure in project-based roles where meeting deadlines is critical, such as in software development, consulting, or design. Tracking this metric helps identify bottlenecks, overburdened employees, or task mismatches. It also enables better project planning and resource allocation (Kerzner, 2016). However, speed should not be the sole focus. A shorter completion time is only beneficial when quality remains high. Therefore, this measure is often most effective when used in combination with quality metrics to ensure that productivity gains don't come at the expense of performance standards (Hackman & Oldham, 2016).

### **2.2.2.2. Qualitative Measures**

#### **1. Quality of Work**

Quality of work is a critical qualitative measure that assesses how well an employee performs their tasks in terms of accuracy, completeness, and adherence to standards (Cascio, 2016). Unlike output quantity, which focuses on volume, quality examines the depth and value of that output. High-quality work reduces the need for corrections, enhances customer satisfaction, and builds a strong professional reputation for both the employee and the organization.

Evaluating work quality typically involves supervisory reviews, peer feedback, or client evaluations (London, 2016). It may include factors such as error rates, rework frequency, attention to detail, and compliance with policies or standards.

## **2. Teamwork and Collaboration**

Teamwork and collaboration measure how effectively an employee works with others to achieve shared goals (Katzenbach & Smith, 2016). This includes communication, cooperation, conflict resolution, and the ability to contribute to group problem-solving. Employees who excel in this area are valuable not only for their individual contributions but also for their ability to boost team cohesion and productivity. This measure is often evaluated through 360-degree feedback, peer assessments, and manager observations (London, 2016). Strong collaborators are typically proactive in offering help, receptive to feedback, and willing to compromise for the team's success.

## **3. Initiative and Innovation**

Initiative and innovation refer to an employee's willingness and ability to go beyond assigned duties, suggest improvements, and take proactive steps to solve problems (Amabile, 2016). Employees with high initiative often identify inefficiencies and propose solutions without being prompted, making them invaluable assets to organizations striving for growth and competitiveness. Innovation goes hand-in-hand with initiative, involving creativity in developing new ideas, processes, or products that add value (*Drucker, 2016*). This measure is typically assessed through supervisor evaluations, performance reviews, and examples of behavior such as volunteering for extra projects or spearheading new initiatives.

### **2.2.3 Consequences/ Implications of Employee Productivity**

Employee productivity has significant implications for organizational performance and overall business success. High productivity enhances profitability, operational efficiency, and competitiveness, as employees contribute more effectively toward achieving corporate goals (*Deloitte, 2022*). Productive employees enable organizations to deliver higher-quality outputs at lower costs, which strengthens their market position and customer satisfaction levels. Conversely, low productivity can lead to missed deadlines, reduced output quality, and increased operational costs, ultimately undermining an organization's growth potential (*McKinsey & Company, 2021*).

Another major consequence of employee productivity is its direct impact on organizational culture and morale. When employees are highly productive, it fosters a positive work

environment characterized by motivation, teamwork, and engagement (*Gallup, 2023*). Productivity improvements often stem from supportive leadership, effective communication, and recognition, all of which enhance job satisfaction. However, consistently low productivity may reflect disengagement or burnout, leading to dissatisfaction and high turnover rates (*SHRM, 2022*). Thus, maintaining balanced workloads and fair reward systems is essential for sustaining morale and long-term productivity.

Employee productivity also influences innovation and adaptability within organizations. Productive employees often demonstrate higher creativity and problem-solving capabilities, enabling firms to respond swiftly to market changes and technological advancements (*World Economic Forum, 2023*). Organizations that cultivate productivity through skills development and inclusive workplace practices benefit from greater innovation and resilience in dynamic environments. In contrast, low productivity may limit innovation capacity, making it harder for firms to adapt to competitive pressures or economic fluctuations (*PwC, 2021*).

Finally, productivity has broader economic and social implications. At a macro level, high employee productivity contributes to economic growth, improved living standards, and sustainable development (*OECD, 2022*). For individual organizations, it enhances reputation and stakeholder confidence, attracting investors and skilled talent. On the other hand, persistent productivity challenges can lead to financial instability and job insecurity, affecting both employees and the wider economy. Therefore, investing in employee well-being, training, and engagement remains vital for sustaining productivity and ensuring organizational longevity.

#### **2.2.4 Diversity and Inclusion**

Diversity refers to the presence of differences among individuals within an organization, encompassing characteristics such as race, gender, age, ethnicity, religion, disability, sexual orientation, education, and cultural background (*Roberson, 2019*). It reflects the variety of unique experiences, perspectives, and identities that people bring to the workplace. Diversity is not only about representation but also about recognizing and valuing these differences as a source of innovation and organizational strength (*Shore, Cleveland & Sanchez, 2018*).

Inclusion, on the other hand, is the practice of creating an environment in which all individuals feel respected, accepted, and valued for who they are (*Deloitte, 2020*). It involves actively engaging diverse individuals in decision-making processes, ensuring equal opportunities, and fostering a sense of belonging where everyone can contribute their full potential. Inclusion

transforms diversity from mere representation into meaningful participation, enhancing collaboration and employee well-being (*Ferdman & Deane, 2020*).

Both aspects of diversity and inclusion (D&I) are essential in building a healthy and effective workplace culture. Diversity without inclusion can result in a toxic environment where employees feel isolated, while inclusion without diversity may lead to groupthink and a lack of innovation. Although many companies are beginning to prioritize diversity, they often overlook the inclusion component. However, without a strategic commitment to both, employees, especially those from underrepresented groups—may feel unsupported or alienated within the organization (*Harvard Business Review, 2017*).

Diversity in the workplace refers to the presence of different groups or individuals with unique characteristics, experiences, and perspectives (*Rohwerder, 2017*). Research has shown that diverse workforces can lead to increased creativity, innovation, and problem-solving (*Goswami & Goswami, 2018*). A study by *Makudza et al. (2020)* found that workforce diversity was a significant predictor of employee productivity.

Inclusion strategies are critical in creating an inclusive culture that fosters employee productivity. Organizations that implement effective inclusion strategies, such as diversity training and mentorship programs, are more likely to experience positive business outcomes. Research has shown that employees who feel included and valued are more likely to be productive and engaged (*Nwosu et al., 2025*).

Implementing diversity and inclusion initiatives can be challenging, particularly in organizations with entrenched cultures and biases (*Rohwerder, 2017*). Research has shown that unconscious bias and microaggressions can negatively impact employee productivity (*Krieger, 2019*). Organizations must prioritize creating an inclusive culture that values and respects differences. The social exchange theory provides a framework for understanding the relationship between diversity, inclusion, and employee productivity. According to this theory, employees who feel valued and respected are more likely to engage in productive behaviors. Diversity and inclusion are an organization's effort, policies, and practices that ensure different groups or individuals of different backgrounds are culturally and socially accepted and integrated into the workplace. An organization that focuses on diversity and inclusion will employ a diverse team of people that reflects the society in which it operates.

## **2.2.5. Measure of Diversity and Inclusion**

### **2.2.5.1. Demographic and Diversity / Inclusion**

Demographics refer to the various characteristics that define a population, including factors such as age, race, sex, and socioeconomic status. These statistics, often gathered in the form of demographic data, provide critical insights into the composition and needs of specific populations (*Pew Research Center, 2019*). Examples of demographic data include age ranges, race and ethnicity, education levels, income, employment status, occupation, homeownership, birth and death rates, religious and political affiliations, languages spoken, geographic locations, and even hobbies or interests (United Nations Department of Economic and Social Affairs [UN DESA], 2021).

In the context of organizations, demographic diversity and inclusion (D&I) encompass not only these varied characteristics but also the cultivation of a workplace culture in which every individual feels respected and empowered to contribute regardless of their background (*Catalyst, 2020*). D&I strategies are designed to tap into the broad range of employee experiences and perspectives, thereby fostering innovation, improving productivity, and promoting organizational success (*McKinsey & Company, 2020*). In practice, this means creating inclusive environments that accommodate differences and actively work to eliminate bias and systemic barriers.

Organizational D&I efforts often begin with evaluating workplace diversity using biological and demographic indicators. Key demographic dimensions such as age, gender, race, and work experience significantly influence how inclusive an environment feels for different groups (*Roberson, 2019*).

### **Age as a Factor in Workplace Diversity**

Age diversity brings significant advantages to the workplace. Older employees often contribute institutional knowledge, experience, and stability, particularly beneficial for start-ups and growing businesses. Research has shown that older workers tend to exhibit higher commitment and lower turnover intentions than younger employees (OECD, 2020). This makes age diversity a valuable asset in long-term workforce planning and training, especially when onboarding younger recruits.

### **Gender Diversity in the Workplace**

Gender diversity alone does not always correlate directly with productivity, gender-balanced teams are more likely to experience improved collaboration and problem-solving. However, employees with caregiving responsibilities, especially parents, often face challenges in balancing work and family life. Providing flexible work arrangements or childcare support is key to retaining talent and promoting gender inclusion (*World Economic Forum, 2021*).

### **Race and Ethnicity in Workforce Diversity**

Racial and ethnic diversity not only promotes a sense of belonging but also fosters innovation by integrating multiple perspectives. According to a 2020 study, diverse teams outperform their counterparts in creativity and problem-solving tasks (*McKinsey & Company, 2020*). Additionally, employees from similar cultural backgrounds tend to build stronger interpersonal relationships, which can enhance team dynamics. Companies with a diverse racial composition are also better equipped to penetrate new or underserved markets. For example, an organization aiming to target the Latino-American demographic may benefit from having Latino employees who understand that market's cultural context.

#### 2.2.5.2. Inclusion Strategies

An effective inclusion strategy involves creating organizational policies, practices, and cultures that actively embrace diversity and ensure equitable participation and opportunity for all employees. This includes fostering psychological safety, addressing unconscious bias, implementing equitable recruitment and promotion processes, and providing diversity and inclusion training. Recent studies emphasize that organizations with strong inclusion strategies not only improve employee engagement and innovation but also achieve higher financial performance and retention rates, as employees are more likely to feel valued and empowered to contribute their unique perspectives (*Bourke & Espedido, 2020; Deloitte, 2023; Gallup, 2023*). Inclusive environments can lead to increased innovation, improved employee morale, and a stronger sense of belonging, which can contribute to overall organizational success. Below are some Inclusion Strategies.

- a) **Listen to employees:** Employees can inform leaders about existing biases and stereotypes in the workplace (*Smith, 2022*). They can also share ideas on eliminating them and making the environment more inclusive. If you work in a leadership role, you can develop employee surveys that ask open-ended questions to understand their experiences and include closed questions to determine how many employees experience a lack of inclusivity (*Johnson, 2023*). These surveys can show a company the level of inclusivity and demonstrate the need for more inclusive measures.
- b) **Use inclusive language:** Consider using inclusive language that addresses people of all genders, ages, and backgrounds (*Williams, 2021*). For example, when addressing a group, you could use words like people, folks, colleagues, team, associates, workforce,

parents, caregivers, and guardians. This eliminates any gendered language and promotes inclusivity. Consider creating an office policy discouraging gendered terms or distributing a list of acceptable words and phrases (*Brown, 2022*).

- c) **Hold leaders accountable:** Educating company leaders and holding them accountable can set a standard for inclusivity in the workplace (*Davis, 2020*). Companies can hold inclusive training sessions for managers to show them how to manage diverse working groups. Managers can take responsibility for inclusive measures within their departments to hold themselves accountable and ensure that employees practice inclusivity (*Lee, 2021*).
  
- d) **Practice inclusive leadership:** Inclusive leadership shows employees that leaders value their opinions, feedback, and contributions (*Patel, 2022*). Leaders can practice inclusivity by analyzing whether they have biases, so they can work towards eliminating them. They may also encourage employees to speak out and share their thoughts during meetings (*Taylor, 2021*).
  
- e) **Measure progress:** The first step to measuring progress on inclusion in the workplace is to analyze a company's goals (*Garcia, 2023*). This helps you know which metrics to use to determine if there's progress. For example, if a company's goal was to recruit and retain more employees from various backgrounds, you can determine how many new employees the company recruited that meet this goal (*Martin, 2020*).

### 2.2.5.3. Pay Equity

Pay equity refers to the principle of compensating employees fairly and equally for work of equal value, regardless of gender, race, ethnicity, or other personal characteristics (*International Labour Organization [ILO], 2023*). It ensures that employees performing similar roles with comparable skills, effort, and responsibility receive equitable compensation. Pay equity goes beyond simple wage comparison—it addresses systemic inequalities that influence salary decisions, such as unconscious bias or discriminatory practices in recruitment, promotion, and evaluation processes (*World Economic Forum [WEF], 2023*).

In the modern workplace, pay equity is increasingly recognized as a cornerstone of diversity, inclusion, and organizational fairness. Studies show that equitable pay enhances employee

engagement, trust, and retention while reducing turnover and workplace conflict (*Mercer, 2021*). Moreover, organizations that prioritize pay equity are more likely to attract diverse talent and comply with global labor standards and legal frameworks promoting fair compensation (*OECD, 2022*). Ultimately, pay equity fosters a culture of transparency and equality, strengthening both organizational performance and social responsibility. Below are some of the ways to pay equity contributions to diversity and inclusion:

- a) **Fosters a Culture of Fairness:** When compensation is based on job role and performance rather than personal characteristics, it builds trust and a shared sense of fairness within the organization (*Catalyst, 2022*). Employees are more likely to feel safe, valued, and respected in such environments, which strengthens organizational commitment and collaboration (*McKinsey & Company, 2021*).
- b) **Promotes Diversity:** Organizations that address pay disparities are more successful at attracting and retaining diverse talent. Research shows that underrepresented groups are more likely to remain in workplaces that practice equitable pay and demonstrate inclusive values (*World Economic Forum, 2023*). Pay transparency and equity create conditions where diverse professionals feel empowered to pursue leadership roles (*Deloitte, 2021*).
- c) **Enhances Inclusion:** Equal pay signals that all contributions are valued, regardless of identity or background. This enhances inclusion, as employees feel encouraged to share ideas and collaborate in a psychologically safe environment (*SHRM, 2022*). Inclusive pay practices demonstrate an organization's genuine commitment to equality, promoting a culture where everyone feels they belong (*Harvard Business Review, 2023*).
- d) **Addresses Bias:** Through pay audits, organizations can identify patterns of unconscious bias in salary decisions and correct inequalities, ensuring compensation is determined based on objective criteria (*Mercer, 2021*). Regular reviews of pay structures help mitigate systemic discrimination and create more equitable workplaces (*PwC, 2022*).

- e) **Legal Compliance:** Many countries have enacted laws mandating equal pay for equal work, such as the U.S. Equal Pay Act and similar legislation worldwide. Proactively implementing pay equity policies helps ensure compliance and reduce legal risks (*OECD, 2022*). This also reinforces corporate integrity and public trust in the organization's fairness (*ILO, 2023*).
  
- f) **Improved Employee Morale:** Fair pay contributes significantly to employee engagement and motivation. Workers who feel fairly compensated are more productive and show higher job satisfaction (*Gallup, 2023*). Pay equity promotes a sense of recognition and reduces turnover caused by perceived unfair treatment (*Mercer, 2021*).
  
- g) **Attracts and Retains Talent:** Companies that prioritize pay equity often build stronger employer brands, attracting high-caliber candidates who value fairness and equality (*LinkedIn Talent Solutions, 2023*). This leads to a more robust and sustainable talent pipeline and enhances the organization's competitiveness in the labor market (*Deloitte, 2021*).

### 2.2.6. Challenges of Workplace Diversity and Inclusion

Challenges of workplace diversity and inclusion often arise because organizations bring together people with different backgrounds, experiences, values, and communication styles. While diversity can fuel creativity and innovation, it also comes with potential obstacles if not well managed. Workplace diversity and inclusion (D&I) face several challenges despite growing awareness and organizational efforts to promote equity. One major challenge is unconscious bias, which affects hiring, promotion, and team dynamics. Even when organizations adopt inclusive policies, implicit stereotypes and prejudices often influence decision-making processes, leading to unequal opportunities for minority employees (*Roberson, Ryan & Ragins, 2021*). Such biases can undermine efforts to create a fair and inclusive environment, especially when leaders are unaware of their own prejudgments. Another significant challenge is communication and cultural barriers among employees from diverse backgrounds. Differences in language, cultural norms, and communication styles can lead to misunderstandings and conflict, ultimately affecting teamwork and productivity (*Gupta,*

2021). When employees do not feel understood or respected, it reduces engagement and collaboration, thereby weakening inclusion efforts. Organizations often underestimate the importance of cultural intelligence training to address these issues effectively.

Furthermore, resistance to change remains a major obstacle to diversity and inclusion. Some employees or managers perceive D&I initiatives as threats to established norms or favoritism towards certain groups, creating tension within the workplace (*Olsen & Martins, 2022*). This resistance can manifest in passive non-compliance or active opposition, which hinders the success of inclusion programs. Without strong leadership commitment and continuous education, these negative perceptions persist and weaken organizational culture.

Lastly, lack of accountability and measurement limits progress in D&I implementation. Many organizations fail to track diversity metrics or evaluate the real impact of their initiatives, resulting in superficial compliance rather than meaningful change (*Bourke & Espedido, 2020*). Sustainable inclusion requires setting clear goals, monitoring progress, and holding leaders responsible for outcomes. Without data-driven accountability, diversity efforts risk becoming symbolic rather than transformative.

## **2.3 THEORETICAL REVIEW**

### **Review of the Theories Relating to Employee Productivity**

#### **Social Exchange Theory**

Social exchange theory is one of the most powerful models to understand workplace behavior. This theory is derived from the early works of the German Sociologist, George Simmel who emphasized on the importance of reciprocity into day life and how all human interactions involved some forms of exchange. The theory was later advanced by the American Sociologist, George Homans in 1961 who contended that the expectation of a reward, such as social endorsement, better way of life or freedom is influential to workplace behavior (*Levine & Kim, 2010*).

Social exchange is the specific kind of behavior between two individuals, where, if one person behaves in a particular way, he/she is punished or rewarded by the behavior of the other person and not just by some third party (*Homans, 1961*). Cost was perceived essential as opportunities foregone or alternative activities by those involved. Reinforcement principles derived from the kind of behaviorism widespread in the early sixties (notably the work of B. F. Skinner) were applied by Homans to describe and illuminate the persistence of exchange relations. Behavior

is thus a function of payoffs, whether these payoffs are from a nonhuman environment or provided by other humans. Emerson afterwards developed a psychological motive for the exchange based on these reinforcement principles (*Cropanzano & Mitchell, 2005*).

### **Maslow's Theory of Hierarchy Needs**

Abraham Maslow developed a need-based theory of motivation. People are extraordinarily complex creatures with many motives for behaviors on and off the job. Maslow (1954) identified and analyzed five basic needs which he believed underlay all human behaviors, these needs relate to physiology (the needs for food water, air, shelter, clothing and sex) security (safety, the absence of illness), society or affiliation (friendship, interaction, love) esteem (respect and recognition), and self-actualization (the ability to reach one's potentials). These are perceptions for higher performance and productivity of individuals.

Before Maslow, most managers assumed that money primarily motivated people. With Maslow's work, managers can evaluate their own actions, their companies conduct and their individual philosophies about people. Maslow's theory presented a workable motivation framework for managers.

### **Affective Events Theory**

Affective Events Theory was developed by research, Howard Weiss and Russell Cropanzano to explain responses to the affective events in the workplace, and the relationship between those work events and the employees' well-being (*Phua, 2012*). Weiss & Cropanzano suggested that events in most organizations are usually the proximal causes resulting from affective reactions. Occurrences and events that happen to people in work surroundings, frequently results to the individuals responding emotionally to them (events and occurrences) which in turn directly influence the attitudes and behaviors of individuals. Further, (*Weiss & Cropanzano, 2013*) described this as the relationship of evaluative judgment and emotion that exists between one's behaviors to his or her experiences.

In a stable office environment will influence the manifestation of either positive or negative affective events. Therefore, undergoing any of these events will cause a matching affective state, and this process may influence one's personality (*Golu, 2005*). Affective situations thereby result into an affect-driven performance, forming a definite type of job-related attitudes; the latter may be impacted by a stable working environment. Individuals' work attitudes can also dictate judgement-driven actions. Having a tense assignment (environment feature) can give rise to an employee being criticized by the superiors (negative event and these

actions may cause sadness, anger or disappointments (affective states) which in turn contribute to the employee's job frustration (attitude) and yield a conflict between the superiors and their employees (affect-driven behavior) (Diener, Oishi & Lucas, 2003).

## **Review of Theories Relating to Diversity and Inclusion**

### **Contact Theory**

Gordon Allport's Contact Theory, also known as the Contact Hypothesis, proposes that increased contact between members of different social groups can reduce prejudice and improve intergroup relations. This theory, first introduced in Allport's 1954 book "The Nature of Prejudice," suggests that interpersonal contact can lead to positive attitudes, decreased stereotypes, and increased acceptance between individuals from different groups under certain conditions. The Contact Theory outlines specific conditions that are necessary for effective contact to occur. These conditions include equal status between groups, common goals, intergroup cooperation, support of authorities, law, or custom, positive contact norms, personal accountability, and empathy and perspective-taking. When these conditions are met, contact between groups can lead to improved relationships and reduced prejudice.

The benefits of Contact Theory are numerous. By fostering positive interactions and collaborations among diverse individuals, it can reduce prejudice and improve intergroup relations. It can also increase empathy and understanding between groups, encourage positive attitudes and behaviors, and be applied to various settings, including workplaces, schools, and communities. By promoting positive contact between groups, individuals can develop more favorable attitudes towards one another.

In the workplace, Contact Theory can be applied by fostering positive interactions and collaborations among diverse employees. This can be achieved through team-building activities and projects that promote intergroup cooperation, diversity and inclusion training programs, mentorship programs that pair employees from different backgrounds, and encouraging open communication and feedback. By applying the principles of Contact Theory, organizations can promote better understanding, decrease stereotypes, and improve teamwork among diverse employees.

### **Cultural Intelligence (CQ) Theory**

Cultural Intelligence (CQ) Theory, developed by Soon Ang and Linn Van Dyne in 2008, emphasizes the ability to function effectively in culturally diverse settings. CQ is a multidimensional construction that enables individuals and teams to adapt to diverse cultural perspectives, promoting a more inclusive and globally competent work environment.

According to Ang and Van Dyne, CQ is essential for effective leadership and teamwork in today's globalized business world.

The CQ framework consists of four components: CQ Drive (motivation), CQ Knowledge (cognitive), CQ Strategy (metacognitive), and CQ Action (behavioral). CQ Drive refers to an individual's motivation to learn about and engage with different cultures. CQ Knowledge involves understanding cultural norms, values, and practices. CQ Strategy refers to the ability to plan and adapt to cultural differences. CQ Action involves exhibiting culturally appropriate behaviors.

Research has shown that individuals with high CQ tend to perform better in culturally diverse settings, build stronger relationships with people from different cultures, and are more effective in leading and working in multicultural teams. By assessing CQ in the workplace, organizations can identify areas for improvement and develop targeted training programs to enhance employees' cultural intelligence.

By applying CQ Theory, organizations can promote a more inclusive and globally competent work environment. This can be achieved by providing training and development programs that enhance employees' cultural intelligence, promoting diversity and inclusion initiatives, and encouraging cross-cultural interactions and collaborations. By doing so, organizations can leverage the benefits of cultural diversity, improve teamwork and communication, and enhance their global competitiveness.

### **Social Identity Theory**

Social Identity Theory (SIT), developed by Henri Tajfel and John Turner in the 1970s and 1980s, posits that individuals categorize themselves and others into social groups based on shared characteristics, such as demographics, interests, or affiliations. According to Tajfel and Turner (1979), individuals derive a sense of identity and belonging from their group memberships, which can influence their attitudes, behaviors, and interactions with others.

In the workplace, understanding how employees identify with different social groups can shed light on the impact of diversity on group dynamics, communication, and collaboration. Research has shown that social identity can influence employee behavior, motivation, and performance (*Ashforth & Mael, 1989*). For instance, employees who strongly identify with their workgroup or organization tend to exhibit higher levels of cooperation, commitment, and job satisfaction.

SIT also suggests that individuals tend to favor their in-group (the group they identify with) over out-groups (groups they do not identify with), which can lead to biases and conflicts in

diverse workplaces (*Tajfel & Turner, 1979*). However, by promoting intergroup contact, cooperation, and inclusive practices, organizations can reduce these biases and foster a more positive and inclusive work environment.

By applying SIT, organizations can develop strategies to promote diversity, equity, and inclusion. For example, organizations can encourage cross-functional teams, diversity training programs, and inclusive leadership practices to foster a sense of shared identity and belonging among employees (*Brewer & Miller, 1984*). By understanding and addressing social identity dynamics, organizations can create a more inclusive and collaborative work environment where diverse employees can thrive.

## **2.4. THEORETICAL FRAMEWORK**

The theoretical framework is developed from the integration of Cultural Intelligence (CQ) Theory and Social Exchange Theory (SET). It illustrates how diversity and inclusion (independent variables) affect employee productivity (dependent variable).

Developed by Ang and Van Dyne (2008). Cultural Intelligence refers to the ability to effectively understand, adapt to, and work across different cultural contexts, a skill that is central to authentic inclusion. As organizations become more diverse, the presence of CQ enables individuals and teams to bridge cultural gaps, reduce misunderstandings, and foster trust, making inclusion a natural, everyday reality rather than a checkbox. This inclusive atmosphere promotes collaboration and cohesion, which are essential for optimizing employee productivity. Research also demonstrates that leaders with higher CQ drive better team performance, especially in culturally diverse environments, its predictive validity surpassing that of emotional intelligence in such contexts. Further, employee development of CQ enhances perceived inclusion and belonging, which both directly feed into improved engagement and productivity. Transforming diversity into productive strength thus hinges on cultivating CQ throughout the organization.

Social Exchange Theory emphasizes that workplace relationships are shaped by a dynamic of reciprocity and a subjective cost–benefit analysis: employees weigh what they invest against what they receive in return. When organizations demonstrate inclusive behaviors, for instance, by recognizing diverse contributions and maintaining fairness, employees experience a positive return on their engagement, fostering higher loyalty, trust, and motivation. This, in turn, enhances their willingness to perform at their best and boosts overall productivity. Moreover,

empirical studies have confirmed that inclusive leadership grounded in SET leads to elevated work engagement and innovative behaviors—critical aspects of productivity, particularly through strengthened leader-member exchanges and increased psychological safety. Thus, when employees perceive equitable exchanges and inclusive support, their engagement and performance rise a clear pathway from diversity-sensitive practices to improved productivity.

## **2.5. EMPIRICAL REVIEW**

Nwosu et al., (2025) investigates the relationship between diversity management, inclusion, and employee productivity among bank employees in Lagos Metropolis. Specifically, it examines four key areas: the effect of diversity team building, the impact of diversity recruitment, the role of diversity training, and the influence of workplace inclusivity on employee productivity. Using a survey questionnaire, the study collected data from 120 participants, with 115 complete responses returned. The data was analyzed using SPSS software, employing frequency and percentage distributions for descriptive statistics, and multiple regression analysis for hypothesis testing at a 0.05 significance level. The findings from the study revealed that organizations that promote diversity and inclusion experience higher employee engagement, job satisfaction, and productivity. Employees in inclusive work environments, where diverse perspectives are valued, reported increased motivation and commitment to their roles.

The study highlights that diversity team-building activities encourage collaboration among employees from various backgrounds, fostering a culture of mutual respect and creativity, which ultimately enhances productivity. Moreover, the research found that diversity training programs positively influence employee productivity by improving cultural competence, reducing biases, and enhancing interpersonal communication. The study also emphasized the importance of workplace inclusivity in driving productivity, where employees feel valued and have equal opportunities for career advancement.

In light of these findings, the study recommends that organizations implement structured team-building programs, strengthen their recruitment practices to ensure diversity, and invest in continuous diversity training to maximize employee productivity.

Tri Suparyanto, Rizal Ula Ananta Fauzi, Aat Ruchiat Nungraha, Dewanto Dewanto, Rasyid Tarmizi (2025) explored the impact of diversity and inclusion in the workplace on employee performance and innovation in organizations. In the context of increasing globalization,

companies are faced with the challenge of creating an inclusive work environment, where different cultural backgrounds, genders, and experiences can contribute to the maximum. This research methodology uses a quantitative approach with a survey involving 20 respondents from various industrial sectors.

The data was analyzed using multiple regression techniques to identify the relationship between diversity, inclusion, employee performance, and level of innovation. The results showed that there is a significant positive relationship between team diversity and improved individual performance as well as collaboration between team members. In addition, an inclusive work environment was shown to encourage creativity and new product innovation. The research also found that companies that actively implement diversity policies experience increased job satisfaction among their employees.

Deborah Chiamaka Odazie, Samuel Takyi, Franklin Ekene Nwachukwu, Adedoyin Oyewole, and Oladapo Ajayi (2024) Examined diversity and inclusion technology on organizational performance in the USA. The primary objective was to find out the level of D&I tech tools used in US organizations and the relationship between the use of D&I technology and the organization's performance. The survey design was adopted, and purpose sampling was used to sample 550 respondents across public and private organizations in America. Descriptive analysis was performed on the data using Excel and SPSS. The findings suggest a connection between organizational performance and the perceived contribution of technology to D&I initiatives. The high agreement percentages in the organizational performance survey suggest that respondents who reflect technology can help D&I outcomes also tend to be more confident in the organization's capacity to achieve its goals.

Dodi Ria Atmaja and Novelia Tyas Dewi (2024) explored diversity management to achieve employee engagement and determine the mediating role of organizational trust and motivation in the relationship between diversity management and employee engagement in e-commerce companies who provide fresh vegetables and fruits. The sampling method is purposive sampling by distributed questionnaires online to 135 respondents and analytical method used Partial Least Square-Structural Equation Modeling (PLS-SEM). The results of the research prove that there is a positive and significant influence of Diversity Management on Employee Engagement, Diversity Management has a positive and significant influence on Organizational Trust, Organizational Trust has a positive and significant influence on Employee Engagement, Diversity Management has a positive and significant influence on Motivation, Motivation has a positive and significant influence on Employee Engagement, and there is a positive and significant influence of the mediating effect of Organizational Trust and Motivation on

Diversity Management and Employee Engagement. This research is limited because it was only conducted in one of the e-commerce companies, future researchers can explore service or manufacturing companies. Suggestions for future researchers are to use this research model by adding several other moderating and mediating variables to see the extent to which these variables affect the relationship between Diversity Management and Employee Engagement.

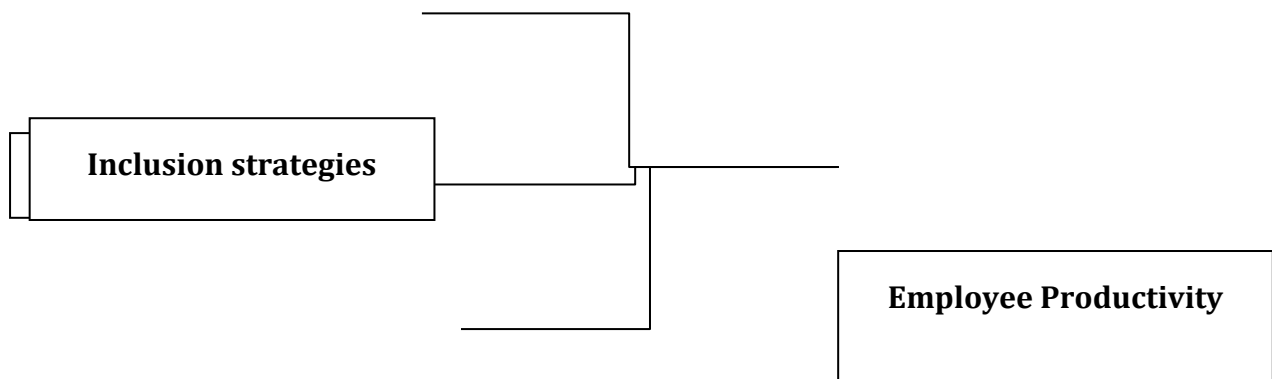
Forbes Makudza, Nevermind Muchongwe, Phillip Dangaiso (2020) examined the differential effect of workforce diversity on employee productivity and its subsequent impact on customer experience. A once-off cross-sectional research design was used in this study where the Zimbabwean civil service was targeted. Randomization was used to collect 324 validated responses. The study focused on both primary (age and gender) and secondary (education and political affiliation) dimensions of workforce diversity. Results: The results were confirmatory that workforce diversity is a significant predictor of employee productivity ( $\beta = 0.668$ ,  $P < 0.05$ ), at the same time employee productivity holds explanation to customer experience by 37%. Results also revealed that gender diversity, educational diversity and political diversity were significant determinants of workforce diversity ( $P < 0.05$ ). However, the study established that age diversity was not a significant factor in enhancing employee productivity ( $P > 0.05$ ). The study concluded that workforce diversity is a powerful tool in enhancing both customer experience and employee productivity. As such, the latter can be augmented through shrewd workforce diversity practices as championed by management. To that end, the study recommends the development of a workforce diversity framework which promotes inclusivity.

Sushmita Goswami, Brijesh Kishore Goswami (2018) analyzed the relationship between workplace inclusion (WI) and employee engagement (EE) and the effect of workplace diversity, managerial support and trust in leader on workplace inclusion. The study has used a survey to collect data from employees working in the private telecom companies in India, using a structured questionnaire ( $n = 383$ ) of National Capital Region (NCR), India. To identify the factors which determine workplace inclusion and employee engagement multiple regression model has been used and further, Karl Pearson correlation has been used to establish the correlation between variables. This paper found three factors which determined workplace inclusion: workforce diversity; managerial support, and trust in leaders. The results point out that the workforce diversity has a significant positive relationship with workplace inclusion ( $\beta = 0.20$ ,  $p < 0.05$ ), managerial support on workplace inclusion ( $\beta = 0.18$ ,  $p < 0.05$ ), trust in the leader on workplace inclusion ( $\beta = 0.28$ ,  $p < 0.05$ ). Similarly, there is also positive and significant effect of trust in leader on workplace inclusion ( $\beta = 0.17$ ,  $p < 0.05$ ) and finally, workplace inclusion also effects positively and significantly on employee engagement ( $\beta =$

0.29,  $p < 0.05$ ). Study on inclusive workplace and employee engagement is critical as it provides an understanding that how organizations can encourage and facilitate the full participation of employees. This study also provides practical interventions for human resource development professionals to assist individuals and organizations towards increasing more workplace inclusion and more employee engagement.

## 2.6 CONCEPTUAL FRAMEWORK

The illustrated below highlights the relationship between diversity and inclusion variables and employee productivity. Specifically, it identifies three key components: demographics, inclusion strategies, and pay equity, each of which has a direct influence on employee productivity. Demographics refer to the varied characteristics of employees, such as age, gender, ethnicity, and cultural background. Inclusion strategies involve deliberate efforts to create a workplace environment where all employees feel valued, respected, and supported. Pay equity focuses on ensuring fair compensation across all employee groups, regardless of demographic differences. Together, these elements form a foundational structure that drives employee motivation, engagement, and overall productivity in the workplace.



Source: Researcher's construction (2025)

Pay equity

The conceptual framework demonstrates that fostering diversity and inclusion through attention to demographics, inclusion strategies, and equitable pay is essential for enhancing employee productivity. Organizations that invest in these areas are more likely to build a cohesive and motivated workforce, leading to improved performance and competitive advantage. This framework provides a basis for examining how inclusive practices translate into tangible organizational outcomes.



## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 INTRODUCTION**

This chapter shows a detailed account of how this research work was carried out, while revealing the research methods that are used in the research study. This study focuses on the diversity, inclusion, and employee productivity (Transport companies) in Benin City. There are several sections that make up its divisions, including research design, population and sampling, sources of data collection, model specification and operationalisation of variables, techniques of data analysis, research instruments and reliability of the instrument.

#### **3.2 RESEARCH DESIGN**

In order to gather information and describe the phenomena as they are at the time, this study uses a survey research approach. A survey entails posing written questions to a sample of the population at a specific point in time. The employment of a survey research design is justified by the fact that it is employed when it is necessary to study the link that exists between two or more variables. Based on the above, the use of survey research design has enabled the researcher to assess the impact of diversity and inclusion on employee productivity in selected transport companies in Benin City.

#### **3.3. POPULATION AND SAMPLE**

The population of this study comprises the selected transport staff members across the various departments in God is Good Motors, and Muyi Line transport company in Benin City, Edo State. These include Logistics manager, Transport manager, Fleet manager, Dispatchers, Warehouse manager, Logistics analyst, Logistics coordinator, International logistics manager. The choice of transport companies was used based on the research topic in question and the prominence of the transport companies.

Their work environment often involves interactions with colleagues, departmental policies, and hierarchical structures, making them suitable for investigating how Diversity and Inclusion have a significant impact on Employee Productivity. As such, the population of 100 provides a rich source of data to examine variations in Diversity and Inclusion and Employee Productivity. A total sample size of 88 respondents from a total population of 100 was drawn through the use of Yaro Yamane formula (1967) to calculate the sample size for each company.

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

Where:

n = sample size

N = population (50)

e = margin of error (0.05)

$$n = 50 / (1 + 50(0.05)^2)$$

$$= 44.44 \sim 44$$

The formula ensured that the different companies were adequately represented in the study. Within each stratum, respondents were randomly selected to minimize bias and to enhance the reliability and validity of the findings.

S/N	Name of Transport Company	Total Employee	Yaro Yamane Formula
1	God is Good Motors	50	44
2	Muyi Line transport company	50	44
3	Total population	100	88

Based on the total population above, a total number of 88 questionnaires was administered to the respondents.

### 3.4. SOURCES OF DATA

This study made use of primary data as the main source of information. Primary data refers to original data collected firsthand by the researcher for the specific purpose of the study. In this research, data was obtained directly from Transport staff members through the administration of a structured questionnaire. No secondary data (such as institutional records, published statistics, or archived reports) were used in the empirical phase of this study. However, existing literature, journal articles, and theoretical frameworks were consulted in the literature review and theoretical background to support the research design and interpretation of findings.

### 3.5. OPERATIONALISATION AND MEASUREMENT

Operationalization refers to the process of defining abstract concepts or theoretical constructions in measurable and observable terms to facilitate data collection and analysis. In this study, key constructions such as organizational silence and job engagement, as well as

demographic characteristics of the respondents, have been systematically operationalized using a structured questionnaire.

The questionnaire comprises two sections. The first section captures demographic variables including sex, age, job status, education obtained, and geopolitical zone. These variables were measured using nominal, ordinal, and interval scales which allows for classification of responses into clear, mutually exclusive categories for descriptive and comparative analysis.

The second section of the questionnaire measures the Four core constructs of the study: Employee Productivity (EP), Inclusion Strategies (IS), Pay Equity (PE) and Challenges of Workplace Diversity. Each of these variables were measured using a 5-point Likert scale, ranging from Strongly Disagree (1) to Strongly Agree (5) on a scale.

**Table 1: Operationalization Of Variables**

S/N	VARIABLES	MEASURING SCALE	QUESTIONS
1	Gender	2 - point categorical scale	Q1
2	Age	4 - interval scale	Q2
3	Job status	2 – point categorical scale	Q3
4	Education Obtained	4 – point categorical scale	Q4
5	Geographic Zone	6 – point categorical scale	Q5
6	Employee Productivity (EP)	5 – point likert scale	Q6 – Q10
7	Inclusion Strategies (IS)	5 – point likert scale	Q11 – Q15
8	Pay Equity (PE)	5 – point likert scale	Q16 – Q21
10	Challenges of Workplace Diversity	5 – point likert scale	Q22 – Q27

**Source: Researcher’s Compilation, 2025**

### **3.6. THE RESEARCH INSTRUMENT**

The primary instrument used for data collection in this study was a structured questionnaire designed to obtain relevant information from transport staff regarding diversity, inclusion, and employee productivity. The questionnaire was developed based on previously validated instruments and adapted to suit the context of employees in God is Good Motors, and Muyi Line Transport Company, Benin City, Edo State. The questionnaire was divided into two major sections.

#### **Section A: Demographic Information**

This section collected data on the personal and professional background of the respondents, including variables such as sex, age, job status, education obtained, and geopolitical zone.

#### **Section B: Main Constructs of the Study**

This section focused on the four core variables of the research — Employee Productivity (EP), Inclusion Strategies (IS), Pau Equity (PE) and Challenges of Workplace Diversity.

### **3.7. METHOD OF DATA COLLECTION**

The researcher administered the questionnaires directly to the respondents, with the support of departmental heads to facilitate effective distribution. Adequate time was provided for participants to fill out the questionnaires before they were retrieved. This method enhanced the response rate and minimized the occurrence of incomplete or missing responses.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.1 Introduction

In this chapter, the presentation, analysis, and interpretation of the data collected from the respondents are provided. It precisely covers the descriptive analysis, interpretation, and presentation of personal information of the respondents and data received from the respondents on questions related to the diversity, inclusion and Employee productivity. Also, in this chapter, the correlation and regression analyses and their interpretation with respect to the hypothesized relationships between workplace diversity, pay equity, inclusion strategies, and Employee productivity among the sampled respondents are also presented.

#### 4.2 Retrieval Rate and Description of Respondents' Socio-Demographics

##### 4.2.1 Retrieval Rate

From the survey carried out, 88 copies of the questionnaire were retrieved out of the 88 copies of questionnaires distributed.

The retrieval rate is calculated as follows:

$$\begin{aligned}
 \text{Retrieval Rate} &= \frac{\text{Total retrieved}}{\text{Total Distributed}} \times 100 = \frac{88}{88} \times 100 \\
 rr &= 1 \times 100
 \end{aligned}$$

Retrieval rate  $\approx$  100%

##### 4.2.2 Description of Respondents' Personal Information

This section contains a descriptive analysis of the demographic information data drawn from the sampled respondents. The personal information variables include gender, age, job status, Education obtained and geopolitical Zone of the respondents. In conducting the field survey, 88 copies of questionnaire were distributed, 88 copies of questionnaire were retrieved and found usable. This shows that 100 percent collection rate was achieved as all copies distributed were also found usable and this was used in the analysis of the responses gotten.

**Table 4.1: Personal Information Characteristics of the Respondents**

S/N	Categories

		Frequency	%
1.	<b>Gender</b>		
	Male	51	58
	Female	37	42
	<b>Total</b>	<b>88</b>	<b>100.0</b>
2.	<b>Age</b>		
	Less than 20 years	9	10.2
	20-40yrs	69	78.4
	41-60yrs	10	11.4
	60yrs and above	-	-
	<b>Total</b>	<b>88</b>	<b>100.0</b>
3.	<b>Job Status</b>		
	Employee	88	100
	Self-Employed	-	-
	<b>Total</b>	<b>88</b>	<b>100.0</b>
4.	<b>Education Obtained</b>		
	SSCE	25	28.4
	B.Sc	39	44.3
	MSc	21	23.9
	Ph.D	3	3.4
	<b>Total</b>	<b>88</b>	<b>100.0</b>
5.	<b>Geopolitical Zone</b>		
	North Central	1	1.1
	North East	17	19.3
	North West	7	8
	South East	14	15.9
	South South	25	28.4
	South West	24	27.3
	<b>Total</b>	<b>88</b>	<b>100.0</b>

*Source: Field Survey, 2025.*

**Gender**

The table indicates that a slightly higher proportion of the respondents were male. Specifically, 51 respondents, representing 58% of the sample, were male, while 37 respondents (or 42%) were female. This shows that the sample is fairly balanced, although males constitute a modest majority.

### **Age**

The age distribution shows that the vast majority of respondents fall within the 20–40 years age bracket. A total of 69 respondents (representing 78.4%) fall into this category, making it the dominant age group in the sample. This suggests that most participants are within their active working-age period.

Additionally, 10 respondents (or 11.4%) are between 41–60 years, while only 9 respondents (10.2%) are less than 20 years old. No respondents were aged 60 years and above. This distribution reflects a youthful and economically active population.

### **Job Status**

The table reveals that all the respondents (100%) identified as employees. This means that there were no self-employed individuals in the sample. This uniformity suggests that the study focuses entirely on employed persons, which may reflect the nature of the target population surveyed.

### **Educational Qualification**

Regarding educational attainment, the table shows that the largest proportion of respondents hold a B.Sc degree, with 39 individuals, representing 44.3% of the sample. This is followed by those with SSCE qualifications (25 respondents, or 28.4%). 21 respondents (23.9%) possess an M.Sc, while a smaller group of 3 respondents (3.4%) hold a Ph.D. This distribution indicates that most participants have tertiary-level education, with a significant proportion holding postgraduate degrees.

### **Geopolitical Zone**

The geopolitical distribution reveals that the respondents come from diverse regions of Nigeria. The largest representation is from the South-South region, with 25 respondents (28.4%). This is closely followed by the South-West, which contributed 24 respondents (27.3%). The North East accounted for 17 respondents (19.3%), while the South East had 14 respondents (15.9%).

Smaller proportions came from the North West (7 respondents, or 8%) and the North Central (1 respondent, or 1.1%). This distribution demonstrates a wide geographical spread among the participants, with the southern regions contributing the majority of the respondents.

### 4.3 Description of Research Variables

The variables were described using simple percentage, mean and standard deviation. The independent variable is the work diversity while the dependent variable is employee productivity.

#### 4.3.1 Description of Inclusion Strategies

In realising this objective, we, first of all, computed the mean scores and standard deviation of responses to each factor of work diversity which are assessed on a five-point Likert scale in which one represents a strong level of disagreement and five represents a strong level of agreement.

*Table 4.2* below showed the description of diversity and inclusion and Employee productivity.

**Table 4.2: Description of Inclusion Strategies**

*N.B: 1, 2, 3, 4 and 5 denote strongly disagreed, disagreed, neutral, agreed, strongly agreed response rate respectively.*

S/N	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean
<b>Inclusion Strategies (IS)</b>							
11.	My organization promote diversity and inclusion strategies very well	6 (6.8%)	9 (10.2%)	27 (30.7%)	36 (40.9%)	10 (11.4%)	3.40
12.	My contributions are valued and recognized	-	13 (14.8%)	12 (13.6%)	48 (54.5%)	15 (17%)	3.74

13.	The implementation of inclusion strategies improves my productivity	3 (3.4%)	12 (13.6%)	22 (25%)	34 (38.6%)	17 (19.3%)	3.57
14.	I often receive feedback on how to improve my work in an inclusive environment	3 (3.4%)	6 (6.8%)	22 (25%)	40 (45.5%)	17 (19.3%)	3.70
15.	My organization support employees from diverse backgrounds	3 (3.4%)	8 (9.1%)	17 (19.3%)	35 (39.8%)	25 (28.4%)	3.81

***Inclusion Strategies (IS)***

The statement “My organization promotes diversity and inclusion strategies very well,” 6 respondents (6.8%) strongly disagreed, 9 (10.2%) disagreed, 27 (30.7%) were neutral, 36 (40.9%) agreed, and 10 (11.4%) strongly agreed. The mean score of 3.40 suggests a moderate level of agreement, indicating that while many employees acknowledge the presence of diversity and inclusion efforts, a notable proportion remain uncertain or unconvinced about their effectiveness. “My contributions are valued and recognized,” none of the respondents strongly disagreed, 13 (14.8%) disagreed, 12 (13.6%) were neutral, 48 (54.5%) agreed, and 15 (17%) strongly agreed. The mean score of 3.74 indicates a relatively strong perception that employees’ contributions are appreciated, showing positive recognition practices within the organization. Regarding the statement “The implementation of inclusion strategies improves my productivity,” 3 respondents (3.4%) strongly disagreed, 12 (13.6%) disagreed, 22 (25%) were neutral, 34 (38.6%) agreed, and 17 (19.3%) strongly agreed. The mean score of 3.57 reveals a moderate-to-high level of agreement, suggesting that many employees believe inclusion initiatives positively influence their productivity, though some remain undecided. For

the statement “I often receive feedback on how to improve my work in an inclusive environment,” 3 respondents (3.4%) strongly disagreed, 6 (6.8%) disagreed, 22 (25%) were neutral, 40 (45.5%) agreed, and 17 (19.3%) strongly agreed. With a mean score of 3.70, the results indicate that feedback mechanisms are generally perceived as supportive and inclusive, contributing to employee development. “My organization supports employees from diverse backgrounds,” 3 respondents (3.4%) strongly disagreed, 8 (9.1%) disagreed, 17 (19.3%) were neutral, 35 (39.8%) agreed, and 25 (28.4%) strongly agreed. The relatively high mean score of 3.81 demonstrates strong agreement, suggesting that the organization is widely viewed as supportive of diversity.

<b>Pay Equity (PE)</b>							
<i>S/N</i>	<i>Questions</i>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Mean</b>
16.	The pay structure in my organization is fair	7 (8%)	11 (12.5%)	31 (35.2%)	28 (31.8%)	11 (12.5%)	3.28
17.	The pay structure in my organization is transparent	3 (3.4%)	9 (10.2%)	28 (31.8%)	34 (38.6%)	14 (15.9%)	3.53
18.	I feel my hard work and contributions are recognized and rewarded fairly	4 (4.5%)	13 (14.8%)	26 (29.5%)	26 (29.5%)	19 (21.6%)	3.49
19.	Pay equity affects the level of my job satisfaction	4 (4.5%)	5 (5.7%)	27 (30.7%)	33 (37.5%)	19 (21.6%)	3.66
20.	Pay equity contributes to a positive organizational culture	1 (1.1%)	10 (11.4%)	24 (27.3%)	33 (37.5%)	20 (22.7%)	3.69

21.	My organization support fair compensation practices	3 (3.4%)	7 (8%)	19 (21.6%)	33 (37.5%)	26 (29.5%)	3.82
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### ***Pay Equity (PE)***

“The pay structure in my organization is fair,” 7 respondents (8%) strongly disagreed, 11 (12.5%) disagreed, 31 (35.2%) were neutral, 28 (31.8%) agreed, and 11 (12.5%) strongly agreed. The mean score of 3.28 indicates a moderate level of agreement, suggesting that while some employees perceive fairness in the pay structure, a sizable proportion remain unsure. For the statement “The pay structure in my organization is transparent,” 3 respondents (3.4%) strongly disagreed, 9 (10.2%) disagreed, 28 (31.8%) were neutral, 34 (38.6%) agreed, and 14 (15.9%) strongly agreed. The mean score of 3.53 shows a fair level of agreement, indicating that many employees perceive transparency in compensation practices, though a significant portion still hold neutral views. Regarding the statement “I feel my hard work and contributions are recognized and rewarded fairly,” 4 respondents (4.5%) strongly disagreed, 13 (14.8%) disagreed, 26 (29.5%) were neutral, 26 (29.5%) agreed, and 19 (21.6%) strongly agreed. The mean score of 3.49 suggests moderate agreement, implying that while many employees feel fairly rewarded, a notable proportion remain uncertain. For the statement “Pay equity affects the level of my job satisfaction,” 4 respondents (4.5%) strongly disagreed, 5 (5.7%) disagreed, 27 (30.7%) were neutral, 33 (37.5%) agreed, and 19 (21.6%) strongly agreed. The mean score of 3.66 indicates agreement, showing that employees generally recognize the importance of fair pay in influencing their overall job satisfaction. The statement “Pay equity contributes to a positive organizational culture,” received 1 (1.1%) strongly disagree, 10 (11.4%) disagree, 24 (27.3%) neutral, 33 (37.5%) agree, and 20 (22.7%) strongly agree responses. With a mean score of 3.69, the results show strong agreement, reflecting the belief that equitable pay practices promote a healthy and supportive work environment. The statement “My organization supports fair compensation practices,” 3 respondents (3.4%) strongly disagreed, 7 (8%) disagreed, 19 (21.6%) were neutral, 33 (37.5%) agreed, and 26 (29.5%) strongly agreed. The mean score of 3.82 indicates strong agreement, suggesting that employees generally view their organization as committed to implementing fair pay practices.

<b>Workplace Diversity</b>
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<i>S/N</i>	<i>Questions</i>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Mean</b>
22.	Diversity is valued and promoted in my organization	6 (6.8%)	10 (11.4%)	21 (23.9%)	39 (44.3%)	12 (13.6%)	3.47
23.	I often encounter communication barriers due to diversity in the workplace	11 (12.5%)	17 (19.3%)	18 (20.5%)	26 (29.5%)	16 (18.2%)	3.22
24.	Diversity in the workplace leads to innovative solutions	3 (3.4%)	13 (14.8%)	18 (20.5%)	38 (43.2%)	16 (18.2%)	3.58
25.	My organization facilitate communication among employees from diverse backgrounds	1 (1.1%)	11 (12.5%)	15 (17%)	42 (47.7%)	19 (21.6%)	3.76
26.	I feel the organizational culture is inclusive	2 (2.3%)	10 (11.4%)	21 (23.9%)	36 (40.9%)	19 (21.6%)	3.68
27.	My organization support employees from diverse backgrounds in adapting to the work environment	1 (1.1%)	6 (6.8%)	15 (17%)	39 (44.3%)	27 (30.7%)	3.97

### ***Workplace Diversity***

The statement “Diversity is valued and promoted in my organization,” 6 respondents (6.8%) strongly disagreed, 10 (11.4%) disagreed, 21 (23.9%) were neutral, 39 (44.3%) agreed, and 12 (13.6%) strongly agreed. The mean score of 3.47 indicates moderate agreement, suggesting

that most employees perceive diversity as being supported, although a significant number remain neutral. On the statement “I often encounter communication barriers due to diversity in the workplace,” 11 respondents (12.5%) strongly disagreed, 17 (19.3%) disagreed, 18 (20.5%) were neutral, 26 (29.5%) agreed, and 16 (18.2%) strongly agreed. The mean score of 3.22 suggests a mild level of agreement, indicating that some employees experience communication challenges arising from diversity, though perceptions are mixed.

For the statement “Diversity in the workplace leads to innovative solutions,” 3 respondents (3.4%) strongly disagreed, 13 (14.8%) disagreed, 18 (20.5%) were neutral, 38 (43.2%) agreed, and 16 (18.2%) strongly agreed. The mean score of 3.58 shows agreement, suggesting that respondents generally believe that diverse perspectives contribute positively to innovation. Regarding “My organization facilitates communication among employees from diverse backgrounds,” 1 respondent (1.1%) strongly disagreed, 11 (12.5%) disagreed, 15 (17%) were neutral, 42 (47.7%) agreed, and 19 (21.6%) strongly agreed. The mean score of 3.76 indicates strong agreement, reflecting employees’ belief that the organization actively supports communication across diverse groups. For the statement “I feel the organizational culture is inclusive,” 2 respondents (2.3%) strongly disagreed, 10 (11.4%) disagreed, 21 (23.9%) were neutral, 36 (40.9%) agreed, and 19 (21.6%) strongly agreed. With a mean score of 3.68, the results suggest that employees widely perceive the organizational culture as inclusive and supportive. The statement “My organization supports employees from diverse backgrounds in adapting to the work environment” had 1 respondent (1.1%) strongly disagree, 6 (6.8%) disagree, 15 (17%) neutral, 39 (44.3%) agree, and 27 (30.7%) strongly agree. The mean score of 3.97 indicates strong agreement, showing that employees feel supported in adapting to the workplace regardless of their background.

#### 4.3.2 Description of Employee Productivity

Table 4.3 showed the description of Employee productivity.

**Table 4.5 Description of Employee Productivity**

**N.B:** 1, 2, 3, 4 and 5 denote strongly disagreed, disagreed, neutral, agreed, strongly agreed response rate respectively

Q/N	Item	Frequency		Decision Rule: <3 Reject >3
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									Accept
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD	
<b>Work productivity</b>									
6.	With the current diversity and inclusion practices, I am satisfied with my current job	4 (4.5%)	17 (19.3%)	29 (33%)	23 (26.1%)	13 (14.8%)	3.34	1.154	<b>Accepted</b>
7.	The culture of the organization is supportive in completing my tasks and responsibilities	8 (9.1%)	5 (5.7%)	28 (31.8%)	33 (37.5%)	14 (15.9%)	3.45	1.113	<b>Accepted</b>
8.	I am able to manage my time and prioritize task	5 (5.7%)	8 (9.1%)	25 (28.4%)	28 (31.8%)	22 (25%)	3.61	1.129	<b>Accepted</b>
9.	With the current diversity and inclusion practices, resources are adequately and evenly provided to perform my job effectively	6 (6.8%)	8 (9.1%)	30 (34.1%)	28 (31.8%)	16 (18.2%)	3.45	1.103	<b>Accepted</b>

10	My work environment is supportive of my productivity	1 (1.1%)	10 (11.4%)	15 (17%)	39 (44.3%)	23 (26.1%)	3.83	0.985	<b>Accepted</b>
	<b>Total</b>						3.54	1.097	<b>Accepted</b>

*Source: Field Survey, 2025.*

### **Work Productivity**

The statement “With the current diversity and inclusion practices, I am satisfied with my current job,” 4 respondents (4.5%) strongly disagreed, 17 (19.3%) disagreed, 29 (33%) were neutral, 23 (26.1%) agreed, and 13 (14.8%) strongly agreed. The mean score of 3.34 indicates moderate agreement, with a standard deviation of 1.154, suggesting variability in employee perceptions. Since the mean exceeds 3, the statement is accepted, indicating that diversity and inclusion practices contribute positively to job satisfaction. For the statement “The culture of the organization is supportive in completing my tasks and responsibilities,” 8 respondents (9.1%) strongly disagreed, 5 (5.7%) disagreed, 28 (31.8%) were neutral, 33 (37.5%) agreed, and 14 (15.9%) strongly agreed. The mean score of 3.45, with a standard deviation of 1.113, indicates agreement, showing that employees generally view the organizational culture as supportive. The statement is accepted. Similarly, 5 respondents (5.7%) strongly disagreed, 8 (9.1%) disagreed, 25 (28.4%) were neutral, 28 (31.8%) agreed, and 22 (25%) strongly agreed with the statement “I am able to manage my time and prioritize tasks.” The mean score of 3.61 reflects agreement, with a standard deviation of 1.129, indicating some variability. The decision rule categorizes this item as accepted, implying that employees feel capable of managing time effectively. For the statement “With the current diversity and inclusion practices, resources are adequately and evenly provided to perform my job effectively,” 6 respondents (6.8%) strongly disagreed, 8 (9.1%) disagreed, 30 (34.1%) were neutral, 28 (31.8%) agreed, and 16 (18.2%) strongly agreed. The mean score of 3.45, with a standard deviation of 1.103, shows moderate agreement. The item is accepted, suggesting that employees generally believe resources are fairly allocated. Lastly, for the statement “My work environment is supportive of my productivity,” 1 respondent (1.1%) strongly disagreed, 10 (11.4%) disagreed, 15 (17%) were neutral, 39 (44.3%) agreed, and 23 (26.1%) strongly agreed.

The mean score of 3.83 indicates strong agreement, with a relatively low standard deviation of 0.985, showing consistency among respondents. This statement is also accepted.

Overall, the total mean score of 3.54 (SD = 1.097) indicates that respondents generally agree that diversity and inclusion practices, organizational culture, and resource availability positively influence their work productivity. The acceptance of all items suggests that the workplace environment is perceived as supportive and conducive to effective performance.

#### 4.4 Relationship between and amongst Workplace diversity and inclusion and Employee Productivity

##### 4.4.1 Correlation Analysis

Bivariate Pearson correlation coefficients were conducted on the data for all the variables in the study. Table 4.4 shows the Pearson correlation coefficients among research variables.

**Table 4.6: Pearson Correlation Coefficients among Research Variables**

Variable		EP	IS	PE	WPD
Employee Productivity	Pearson Correlation	1	.521	.446	.344
	Sig. (2-tailed)		.000	.000	.001
	N	88	88	88	88
Inclusion Strategies	Pearson Correlation	.521	1	.606	.542
	Sig. (2-tailed)	.000		.000	.000
	N	88	88	88	88
Pay Equity	Pearson Correlation	.446	.606	1	.572
	Sig. (2-tailed)	.000	.000		.000
	N	88	88	88	88
Workplace Diversity	Pearson Correlation	.344	.542	.572	1
	Sig. (2-tailed)	.001	.000	.000	
	N	88	88	88	88

Table 4.4 presents the correlation matrix showing the relationships between Employee Productivity (EP) and the three independent variables Inclusion Strategies (IS), Pay Equity (PE), and Workplace Diversity (WPD). The results reveal several significant positive correlations.

Employee Productivity (EP) has a moderate positive correlation with Inclusion Strategies (IS) ( $r = 0.521$ ,  $p < 0.001$ ), indicating that improvements in inclusion strategies are associated with

higher levels of productivity among employees. EP also shows a moderate positive correlation with Pay Equity (PE) ( $r = 0.446, p < 0.001$ ), suggesting that when employees perceive pay to be fair and transparent, their productivity tends to increase. Additionally, EP exhibits a weaker but significant positive correlation with Workplace Diversity (WPD) ( $r = 0.344, p = 0.001$ ), implying that diversity has a meaningful, though smaller, contribution to employee productivity.

The independent variables also demonstrate strong and significant positive associations among themselves. Inclusion Strategies (IS) shows a strong correlation with Pay Equity (PE) ( $r = 0.606, p < 0.001$ ), indicating that organizations with strong inclusion strategies are also likely to emphasize fair compensation. IS is also strongly correlated with Workplace Diversity (WPD) ( $r = 0.542, p < 0.001$ ), suggesting that inclusion initiatives tend to coexist with a diverse work environment.

Pay Equity (PE) has a strong positive relationship with Workplace Diversity (WPD) ( $r = 0.572, p < 0.001$ ), implying that fair compensation practices are often present in environments that embrace diversity.

Overall, the findings indicate that inclusion strategies, pay equity, and workplace diversity all significantly and positively influence employee productivity, with inclusion strategies showing the strongest relationship. The strong intercorrelations among the independent variables also suggest that these organizational practices tend to reinforce one another, collectively contributing to a more productive and supportive work environment.

#### 4.4.2 Results of Regression Analysis

The regression analysis was performed to show the relationship between determinants and career preference. Below are tables representing the output of the regression analysis.

**Table 4.7: Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.547 <sup>a</sup>	.299	.274	2.81436	1.603

a. Predictors: (Constant), Challenges of Workplace, Diversity, Inclusion Strategies, Pay Equity

b. Dependent Variable: Employee Productivity

Table 4.4 presents the model summary of the regression analysis. The model demonstrates a moderate level of explanatory power, with an R value of 0.547, indicating a moderate positive correlation between the independent variables (Workplace Diversity, Inclusion Strategies, Pay Equity, and Challenges of the Workplace) and the dependent variable (Employee Productivity). The R-squared value of 0.299 shows that approximately 29.9% of the variation in employee productivity is explained by the predictors included in the model. The adjusted R-squared value of 0.274, which adjusts for the number of predictors, confirms that the model retains a reasonable explanatory strength even after accounting for the number of variables.

The standard error of the estimate, 2.81436, represents the average distance between the actual values and the predicted values of employee productivity, indicating the level of prediction accuracy within the model.

The Durbin-Watson statistic of 1.603 suggests the presence of slight positive autocorrelation among the residuals. While it is not excessively severe, it indicates that the independence of errors assumption is only moderately met, and the model should be interpreted with this consideration in mind.

**Table 4.8: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	283.382	3	94.461	11.926	.000 <sup>b</sup>
	Residual	665.333	84	7.921		
	Total	948.716	87			

a. Dependent Variable: Employee Productivity

b. Predictors: (Constant), Challenges of Workplace Diversity, Inclusion Strategies, Pay Equity

From Table 4.8 above, the regression model is statistically significant, as indicated by an F-statistic of 11.926 with a corresponding p-value of 0.000 ( $p < 0.001$ ). This confirms that the predictors Challenges of Workplace Diversity, Inclusion Strategies, and Pay Equity jointly have a significant effect on Employee Productivity.

The regression sum of squares (283.382) represents the portion of variation in employee productivity explained by the independent variables included in the model. The corresponding mean square value (94.461) reflects the average amount of variance explained per predictor.

The residual sum of squares (665.333) captures the unexplained variation in employee productivity that the model could not account for. The total sum of squares (948.716) represents the overall variability in employee productivity before considering the predictors.

**Table 4.9: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.137	3.292		.953	.343
Inclusion strategies	.390	.120	.390	3.241	.002
Pay Equity	.184	.114	.200	1.620	.000
Challenges of work place diversity	.016	.101	.018	.156	.876

a. Dependent Variable: Employee Productivity

#### 4.5 Test of Hypotheses

The hypotheses were tested using the p-values (Sig.) presented in the regression results.

Where the p-value is greater than or equal to 0.05, the null hypothesis ( $H_0$ ) is not rejected.

Where the p-value is less than 0.05, the null hypothesis ( $H_0$ ) is rejected.

The interpretations based on Table 4.6 are presented below.

##### **Hypothesis 1**

**$H_{01}$ :** Inclusion strategies have no significant relationship with employee productivity.

Table 4.6 shows that the regression coefficient for Inclusion Strategies is 0.390, with a p-value of 0.002, which is less than 0.05.

Therefore, the null hypothesis is rejected. This implies that inclusion strategies have a significant positive effect on employee productivity.

In other words, improvements in inclusion practices are associated with higher levels of employee productivity.

##### **Hypothesis 2**

**H<sub>02</sub>:** Pay equity has no significant relationship with employee productivity.

The regression coefficient for Pay Equity is 0.184, with a p-value reported as 0.000, which is below the 0.05 threshold, the null hypothesis is rejected. This indicates that pay equity has a significant positive influence on employee productivity.

This suggests that when employees perceive compensation as fair, their productivity increases.

### **Hypothesis 3**

**H<sub>03</sub>:** Challenges of workplace diversity have no significant relationship with employee productivity.

Table 4.6 reveals that the regression coefficient for Challenges of Workplace Diversity is 0.016, with a p-value of 0.876, which is greater than 0.05.

Therefore, the null hypothesis cannot be rejected. This means that challenges associated with workplace diversity do not have a statistically significant effect on employee productivity.

This suggests that diversity-related challenges do not meaningfully influence productivity levels among the respondents.

## 4.6 Discussion of Findings

This study investigated the influence of workplace diversity variables specifically inclusion strategies, pay equity, and challenges of workplace diversity on employee productivity. Data collected from employees were analyzed using correlation and regression techniques, and the findings were interpreted in line with existing empirical studies. The results of this research align with contemporary organizational behaviour literature, which highlights the importance of fair practices, inclusive work environments, and diversity management in shaping employee attitudes and performance. The major findings are discussed below. ‘‘Inclusion Strategies and Employee Productivity’’

The study revealed a significant positive relationship between inclusion strategies and employee productivity. This indicates that when employees feel respected, valued, and actively included in organizational processes, their productivity levels increase. This finding supports the conclusions of Shore et al. (2018), who noted that inclusive workplace cultures foster higher engagement, greater job satisfaction, and improved performance outcomes. Similarly, Mor Barak (2016) emphasized that inclusion enhances employees’ sense of belonging, which in turn strengthens their willingness to contribute positively to organizational goals.

In this study, employees who experienced effective inclusion strategies such as participation in decision-making, fairness in treatment, and equal access to opportunities exhibited higher productivity. This underscores the vital role of inclusive practices in enhancing motivation and work output. ‘Pay Equity and Employee Productivity’

The study found a significant positive relationship between pay equity and employee productivity. This implies that employees who perceive fairness in compensation are more motivated and perform better in their roles. This aligns with Adams’ Equity Theory (1965), which posits that individuals compare their input–output ratios with those of others, and equitable treatment leads to positive work attitudes and improved performance.

Empirical evidence from Heneman and Judge (2019) supports this finding, arguing that equitable pay structures reduce dissatisfaction, enhance morale, and promote higher levels of productivity. In the context of this study, employees who believed that salaries, incentives, and compensation practices were fair demonstrated greater willingness to put forth effort, reinforcing the importance of transparent and equitable remuneration systems. The findings revealed that challenges associated with workplace diversity do not have a significant relationship with employee productivity. This suggests that although diversity-related issues such as cultural misunderstandings, communication barriers, or discriminatory tendencies may exist within organizations, they do not necessarily influence productivity levels directly.

This result aligns with the work of Guillaume et al. (2017), who argued that diversity challenges may not always translate into measurable performance outcomes, especially in organizations that have mechanisms to manage or mitigate such challenges. Similarly, Kochan et al. (2003) noted that the effects of diversity on productivity are often contingent on organizational context, leadership approach, and the maturity of diversity management systems.

In this study, the lack of significant influence may indicate that respondents are either accustomed to workplace diversity or that existing organizational policies help minimize potential negative effects on productivity.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION, AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the key findings of the study, examines their implications, and provides recommendations on diversity and inclusion practices and their influence on employee productivity. It offers a comprehensive overview of the results derived from the data analysis and discussions in the preceding chapters. The chapter begins with a summary of the major findings, highlighting how diversity initiatives and inclusive workplace practices relate to productivity outcomes. This is followed by a concise conclusion that reflects the overall contributions of the study. Finally, the chapter provides practical recommendations to guide organizational policy, support future research, and promote strategies for strengthening diversity and inclusion in the workplace.

#### **5.2 Summary of Findings**

Based on the analysis and evaluation of the research data, the following summary of findings was established:

- i. There is a positive and significant relationship between demographic factors and employee productivity.
- ii. There is a strong positive and significant influence of inclusion strategies on employee productivity.
- iii. There is a positive and significant impact of pay equity on employee productivity.
- iv. There is a positive but moderately significant relationship between workplace diversity and employee productivity, although certain challenges still affect its full effectiveness.

#### **5.3 Recommendations**

Based on the findings and conclusions of this study, the following recommendations are proposed for organizations, administrators, and future researchers:

- i. Organizations should strengthen their demographic management strategies by recognizing workforce differences and using them positively to improve productivity.

This includes ensuring fair representation across age groups, gender, and educational backgrounds.

- ii. Management should adopt and consistently implement inclusion strategies that promote employee involvement, respect, and a sense of belonging. Activities such as inclusive communication practices, team-building exercises, and open-door policies can significantly boost productivity.
- iii. Organizations should ensure pay equity by establishing transparent salary structures, conducting regular compensation reviews, and eliminating biases in reward and promotion systems. Fair pay practices enhance motivation and support higher employee performance.
- iv. Workplaces should address challenges associated with diversity and inclusion by providing continuous diversity training, encouraging cultural awareness, and creating channels for reporting discrimination or bias. Tackling these challenges will strengthen productivity and workplace harmony.
- v. Managers and organizational leaders should foster an environment where feedback and employee participation are encouraged to maximize the positive effects of inclusive practices.
- vi. Future researchers should consider examining additional variables that influence employee productivity, such as leadership style, organizational culture, or employee engagement. Comparative studies across different sectors or regions could also broaden the understanding of diversity and inclusion outcomes.

#### **5.4 Conclusion**

This study examined the impact of diversity and inclusion on employee productivity, with specific attention to the influence of demographic factors, inclusion strategies, pay equity, and the challenges associated with workplace diversity. The findings underscore the growing importance of inclusive practices in strengthening employee performance and improving organizational outcomes.

The study revealed that demographic characteristics have a positive and significant relationship with employee productivity, showing that workforce differences when properly managed can contribute meaningfully to overall performance. Similarly, inclusion strategies demonstrated a strong positive and significant influence on productivity, highlighting the role of supportive

workplace environments where employees feel valued, respected, and included in decision-making processes.

Furthermore, the study found that pay equity has a positive and significant impact on employee productivity, indicating that fair and transparent compensation systems encourage higher motivation, commitment, and work output. In addition, the study established that workplace diversity has a positive but moderately significant relationship with productivity, although certain challenges such as communication gaps, unconscious bias, and resistance to change limit its full potential when not adequately addressed.

Overall, the research concludes that diversity and inclusion are essential drivers of employee productivity, but their effectiveness depends on how well organizations implement supportive strategies and address existing barriers. Practices such as equitable compensation, inclusive leadership, effective communication, and continuous diversity training are crucial for maximizing the benefits of a diverse workforce. Organizations that embrace these principles are more likely to foster a productive, harmonious, and high-performing workplace capable of sustaining long-term success.

## **5.5 Contribution to Knowledge**

The study makes significant contributions to knowledge in the field of organizational behavior and human resource management by linking diversity and inclusion practices to employee productivity. Specifically, the study offers the following contributions:

- i. **Integration of Social Exchange Theory:** This study reinforces the application of Social Exchange Theory in understanding workplace behavior. It highlights that employee reciprocate inclusive and fair treatment with higher engagement and productivity, providing empirical support for the theory in the context of diversity and inclusion. Managers can leverage this understanding to design reward and recognition systems that reinforce positive workplace behaviour.
- ii. **Application of Maslow's Hierarchy of Needs:** By examining pay equity and inclusion strategies, the study demonstrates how meeting employees' physiological, safety, social, esteem, and self-actualization needs contributes to improved productivity. The research confirms that satisfying these hierarchical needs through fair policies and inclusive practices motivates employees and enhances performance.
- iii. **Support for Affective Events Theory:** The findings align with Affective Events Theory, showing that workplace experiences, such as inclusive practices, recognition, and fair

treatment, evoke positive emotional responses that directly impact productivity. Negative experiences, such as bias or inequity, can generate affect-driven behaviors that reduce performance, highlighting the importance of managing emotional aspects of the workplace.

- iv. **Empirical Evidence on Inclusion Strategies:** The study provides concrete evidence that structured inclusion strategies like team-building, participatory decision-making, and employee engagement programs have a strong and significant effect on productivity. This contribution strengthens theoretical models linking inclusive environments to higher employee output and motivation.
- v. **Insights on Pay Equity and Employee Productivity:** By focusing on pay equity, the research highlights the direct relationship between fair compensation and employee productivity. This extends existing knowledge by quantitatively demonstrating that equitable pay is a key motivator that drives commitment, performance, and organizational loyalty.
- vi. **Identification of Challenges in Diversity Management:** The study contributes practical knowledge by identifying challenges such as communication barriers, unconscious bias, and resistance to change, which can limit the effectiveness of diversity initiatives. Addressing these challenges offers managers actionable strategies to enhance productivity while promoting a harmonious and inclusive workplace.

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## APPENDIX

### APPENDICE I: QUESTIONNAIRE ON DIVERSITY AND INCLUSION AND EMPLOYEE PRODUCTIVITY

#### A. PERSONAL INFORMATION

1. Gender: Male ..... Female.....
2. Age: Less than 20 years..... 20-40yrs..... 41-60yrs ..... 60yrs and above.....
3. Job Status: Employee..... Self-Employed.....
4. Education Obtained: SSCE..... B.Sc.....MSc..... Ph.D.....
5. Geopolitical Zone: North Central..... North East..... North West..... South East.....  
South South ..... South West .....

#### B. VARIABLES OF INTEREST

##### Employee Productivity (EP)

The item scale for section B is the five-point Likert scales with 1 = strongly disagree, 2 = disagree, 3=neutral, 4=agree, 5=strongly agree.

Please indicate the extent to which you agree with the following statements by ticking		1	2	3	4	5
6	With the current diversity and inclusion practices, I am satisfied with my current job					
7	The culture of the organization is supportive in completing my tasks and responsibilities					
8	I am able to manage my time and prioritize task					
9	With the current diversity and inclusion practices, resources are adequately and evenly provided to perform my job effectively					
10	My work environment is supportive of my productivity					

### **Inclusion Strategies (IS)**

Please indicate the extent to which you agree with the following statements by ticking		1	2	3	4	5
11	My organization promote diversity and inclusion strategies very well					
12	My contributions are valued and recognized					
13	The implementation of inclusion strategies improves my productivity					
14	I often receive feedback on how to improve my work in an inclusive environment					
15	My organization support employees from diverse backgrounds					

### **Pay Equity (PE)**

Please indicate the extent to which you agree with the following statements by ticking		1	2	3	4	5
16	The pay structure in my organization is fair					
17	The pay structure in my organization is transparent					
18	I feel my hard work and contributions are recognized and rewarded fairly					
19	Pay equity affects the level of my job satisfaction					
20	Pay equity contributes to a positive organizational culture					
21	My organization support fair compensation practices					

### **Challenges of Workplace Diversity**

Please indicate the extent to which you agree with the following statements by ticking		1	2	3	4	5
22	Diversity is valued and promoted in my organization					
23	I often encounter communication barriers due to diversity in the workplace					
24	Diversity in the workplace leads to innovative solutions					

25	My organization facilitate communication among employees from diverse backgrounds					
26	I feel the organizational culture is inclusive					
27	My organization support employees from diverse backgrounds in adapting to the work environment					