WORKFORCE DIVERSITY AND EMPLOYEE PERFORMANCE: EVIDENCE FROM SELECTED FAST-FOOD CENTRES IN OSUN STATE, NIGERIA

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ABSTRACT

Workforce diversity has emerged as a critical element in today's organizational landscape, particularly in service-driven industries where interactions, collaboration, and innovation are central to performance. However, managing diversity effectively remains a significant challenge, especially in developing economies such as Nigeria. This study investigates the influence of workforce diversity on employee performance in selected fast-food centres in Osun State. Adopting a quantitative research approach and a descriptive-causal comparative design, primary data was gathered through 150 structured questionnaires administered to employees, with 135 valid responses analyzed using descriptive statistics and regression analysis. Findings revealed that workforce diversity significantly predicts employee performance (R = 0.742, R² = 0.550, p < 0.05), which confirmed that diversity accounted for 55% of performance variation. Specifically, age, gender, and ethnic diversity had strong positive effects, while religious diversity showed a modest but positive influence. The findings underscore the importance of inclusive workplace practices in enhancing collaboration, efficiency, and customer satisfaction. The study recommends that fast-food organizations institutionalize diversity management policies, implement diversity awareness and sensitivity training, and adopt equitable recruitment and promotion strategies to maximize performance outcomes.

Keywords: workforce diversity; employee performance; inclusion

INTRODUCTION

In today's organizational landscape, workforce diversity has emerged as a strategic determinant of competitiveness, employee engagement, and overall performance. Diversity reflects variations among individuals in terms of gender, age, ethnicity, religion, educational attainment, values, and cultural orientation (Shore et al., 2018). With the globalization of markets and shifting demographic patterns, heterogeneity within the workforce has become both inevitable and a source of strategic advantage (Ali, Metz & Kulik, 2020).

The hospitality and fast-food sector exemplify the significance of diversity, given its dependence on teamwork, customer interaction, and operational efficiency (Nyambegera, 2019). In Nigeria—particularly in Osun State—the fast-food industry has expanded rapidly, employing staff from diverse socio-cultural, ethnic, and religious backgrounds. Yet, despite this evident diversity, little empirical evidence exists on how it influences employee performance within the sector. Globally, studies underscore the contribution of diversity to innovation, competitiveness, and institutional effectiveness (Shore et al., 2018; Ali et al., 2020). However, research on Nigeria's fast-food industry remains scarce. Unlike banking or oil, the sector operates under distinct conditions such as intense customer engagement, rapid service delivery, and predominantly youthful workforces. Preliminary observations indicate that many fast-food outlets in Osun State lack structured policies for managing diversity. As a result, diversity may remain underexploited or, in some cases, generate workplace tension that hampers performance. In the absence of deliberate strategies, organizations risk failing to unlock the potential benefits of a heterogeneous workforce. Against this backdrop, the present study investigates the relationship between workforce diversity and employee performance in selected fast-food centres in Osun State.

LITERATURE REVIEW

Workforce diversity denotes the coexistence of differences in attributes such as gender, age, ethnicity, religion, educational attainment, and socio-cultural background within an organization (Shen et al., 2018). According to Cox and Blake (1991), diversity, when effectively managed, can enhance innovation, enrich decision-making, and strengthen organizational competitiveness. More recent scholarship (Guillaume et al., 2017; Nishii, 2018) underscores the necessity of cultivating inclusive cultures that enable organizations to fully harness the benefits of a diverse workforce.

Employee performance, on the other hand, encompasses both task-related outputs and broader contextual contributions such as collaboration, adaptability, and quality of customer service. Armstrong and Taylor (2020) define it as the efficient and effective

attainment of organizational objectives through individual effort, supported by adequate resources and leadership structures. Similarly, Dessler (2020) identifies motivation, role clarity, and recognition as critical drivers of sustained performance.

The link between workforce diversity and employee performance is complex and multidimensional. Evidence indicates that diversity can foster creativity, stimulate learning, and broaden perspectives, thereby improving organizational outcomes (Shore et al., 2018; Ali et al., 2020). Conversely, poorly managed diversity may generate conflict, miscommunication, and inefficiency (Mensah & Frimpong, 2020). Consequently, inclusive practices and supportive leadership emerge as crucial mediating mechanisms in translating diversity into positive performance outcomes.

Theoretical Framework

This study is underpinned by Social Identity Theory and the Resource-Based View (RBV), which together provide complementary lenses for understanding the dynamics between workforce diversity and employee performance.

Social Identity Theory (Tajfel & Turner, 1979) posits that individuals define themselves in relation to social groups, fostering in-group favoritism and potential out-group bias. Within diverse organizational settings, such categorizations can shape interpersonal relations, collaboration, and ultimately performance outcomes. The theory highlights the dual nature of diversity; while it may enrich perspectives, it can also create tension if not properly managed. Resource-Based View (Barney, 1991), in contrast, emphasizes the strategic value of organizational resources. It argues that unique, valuable, and inimitable resources provide the basis for sustainable competitive advantage. A heterogeneous workforce, when supported by inclusive practices, represents such a resource: it broadens organizational knowledge, fosters creativity, and enhances adaptability in competitive environments.

Together, these theories suggest that workforce diversity can be both a potential source of conflict (as per Social Identity Theory) and a driver of competitive advantage (as per RBV). Effective diversity management, therefore, involves mitigating identity-

based tensions while leveraging diversity as a strategic organizational resource.

Empirical Review

Richard et al. (2013) demonstrated that racial and gender diversity significantly enhanced innovation within U.S. service firms, but only when embedded within inclusive organizational cultures. Similarly, Ozgen et al. (2014), in their analysis of over 7,000 UK firms, found that cultural diversity fostered innovation when complemented by employee autonomy and supportive leadership. McKay and Avery (2015), drawing evidence from Canada's financial sector, established that inclusive diversity policies were associated with higher job satisfaction and lower turnover rates. In the Nigerian context, Ehimare and Ogaga-Oghene (2019) reported that ethnic and gender diversity improved collaboration and performance, provided that inclusive HR practices were in place. Conversely, Mensah and Frimpong (2020) cautioned that in Ghana, poorly managed diversity frequently resulted in workplace conflict, underscoring the necessity of structured policies to mitigate negative outcomes.

RESEARCH METHOD

The study employed a survey research design. The population consisted of 240 employees across selected fast-food centres in Osogbo, Ile-Ife, and Ilesa, including multinational chains and local outlets. Using Taro Yamane's (1967) formula at a 5% significance level, a sample size of 135 respondents was derived. Stratified random sampling ensured representation across age, gender, and job roles. Data were collected through a structured questionnaire divided into demographics and workforce diversity/performance items. Responses were measured on a 5-point Likert scale. Content and construct validity were ensured through expert reviews. Reliability was confirmed via Cronbach's alpha. The regression model specified was: $EP = \beta_0 + \beta_1 AD + \beta_2 GD + \beta_3 ED + \beta_4 RD + \mu$.

RESULT AND DISCUSSION

This section consists of data presentation, analysis, and interpretation. The hypothesized relationships between the dependent and independent variables are shown

and finally, the findings are also discussed. The Statistical Package for Social Sciences (SPSS version 25) was employed for this analysis. A total of 150 questionnaires were administered to employees across selected fast-food centres in Osun State, out of which 135 were duly completed and returned, representing a 90% response rate. The socio-demographics of the respondents are presented in the table below:

Table 1. Respondent's Demographic Characteristics

Variables	Category	Frequency	Percentage (%)
Gender	Male	78	57.8
	Female	57	42.2
Age	18–25	60	44.4
	26–35	50	37.0
	36–45	15	11.1
	46 and above	10	7.4
Education	SSCE	40	29.6
	OND/NCE	48	35.6
	HND/BSc	42	31.1
	MSc and above	5	3.7
Job Role	Cashier	35	25.9
	Cook	30	22.2
	Waiter/Server	45	33.3
	Supervisor/Manager	25	18.5
Years of Experience	Less than 1 year	30	22.2
	1–3 years	60	44.4
	4–6 years	30	22.2
	More than 6 years	15	11.1

Table 1 presents the demographic characteristics of the respondents. In terms of gender distribution, out of 135 participants, 57.8% (n = 78) were male while 42.2% (n = 57) were female, indicating a higher representation of males in the study sample. With respect to age, the largest proportion of respondents (44.4%, n = 60) fell within the 18–25 years category, followed by those aged 26–35 years (37.0%, n = 50). Respondents aged 36–45 years accounted for 11.1% (n = 15), while those aged 46 years and above constituted 7.4% (n = 10). This distribution suggests that the workforce is predominantly youthful.

Educational qualifications further revealed that the majority of respondents possessed an OND/NCE (35.6%, n = 48), followed by HND/B.Sc. holders (31.1%, n = 42). Respondents with SSCE accounted for 29.6% (n = 40), while only 3.7% (n = 5) reported holding a postgraduate qualification (M.Sc. and above).

Analysis of job roles shows that Waiters/Servers comprised the largest group (33.3%, n = 45), followed by Cashiers (25.9%, n = 35), Cooks (22.2%, n = 30), and Supervisors/Managers (18.5%, n = 25). This reflects a relatively higher representation of frontline service staff within the sample.

Regarding years of work experience, the majority of respondents (44.4%, n = 60) reported having 1–3 years of experience. Equal proportions (22.2%, n = 30 each) had either less than 1 year or 4–6 years of experience, while 11.1% (n = 15) had more than 6 years. This distribution suggests a concentration of respondents with moderate levels of work experience.

Table 2. Descriptive Analysis of workforce Diversity

Item	Mean	Std. Deviation
Workplace includes employees of different age groups.	4.21	0.72
Presence of ethnic and cultural diversity among staff.	4.35	0.61
Gender balance is reflected in staff composition.	3.90	0.85
Religious differences are acknowledged and respected.	4.05	0.68
Diversity improves teamwork and collaboration.	4.15	0.70

Respondents generally agree that there is a high level of workforce diversity (Mean scores ≥ 4.00).

Table 3. Descriptive Analysis of Employee Performance

Item	Mean	Std. Deviation
I perform my duties effectively and efficiently.	4.45	0.65
I collaborate well with diverse colleagues.	4.30	0.66
Diversity motivates me to perform better.	4.10	0.72
Customer satisfaction has improved due to diversity.	4.00	0.78
My productivity is influenced by effective teamwork.	4.25	0.70

Overall, employees rated their performance positively with high mean scores indicating agreement. Table 2 presents the descriptive analysis of workforce diversity variables, summarizing respondents' levels of agreement with statements relating to age, ethnicity, gender, and religious diversity, as well as the perceived influence of diversity on teamwork and collaboration. The findings reveal generally positive perceptions across all dimensions, with mean scores ranging from 3.90 to 4.35. Age diversity recorded a mean of 4.21 (SD = 0.72), reflecting strong agreement and relatively consistent views. Ethnic and cultural diversity was rated even higher (M = 4.35, SD = 0.61), indicating broad

consensus and stronger perceptions of its relevance. Gender diversity achieved a mean of 3.90 (SD = 0.85), suggesting general agreement but with slightly greater variability in responses. Religious diversity was also positively evaluated (M = 4.05, SD = 0.68), while the perception that diversity enhances teamwork and collaboration received a mean of 4.15 (SD = 0.70), pointing to a strong and widely shared belief in its benefits.

Table 3 reports on the descriptive statistics on employee performance indicators. Respondents expressed favorable self-assessments, with mean values ranging from 4.00 to 4.45. The highest-rated item was "I perform my duties effectively and efficiently" (M = 4.45, SD = 0.65), denoting very strong agreement and consistency. Similarly, collaboration with colleagues from diverse backgrounds was rated highly (M = 4.30, SD = 0.66). The perception that diversity motivates improved performance scored positively (M = 4.10, SD = 0.72), while "diversity improves customer satisfaction" received a mean of 4.00 (SD = 0.78). Additionally, the belief that productivity is driven by effective

teamwork yielded a mean of 4.25 (SD = 0.70). Taken together, these findings demonstrate consistently high mean scores across both workforce diversity and employee performance variables. This suggests that respondents view diversity as a valuable driver of collaboration, customer satisfaction, and productivity within the workplace. The relatively low standard deviations across most items further indicate that these positive perceptions are widely shared, with limited variation in opinion among respondents.

Table 4. Analysis of Linear Regression Analysis Output

Model Summary	
R	0.742
R Square	0.550
Adjusted R Square	0.545
Std. Error of Estimate	0.491

Table 5. Anova Table

Source	Sum of Squares	Df	Mean Square	F	Sig. (p-value)
Regression	38.652	1	38.652	160.652	0.000*
Residual	31.684	133	0.238		
Total	70.336	134			

Table 6. Coefficients Table

Model	Unstandardized Coefficients (B)	Std. Error	t	Sig. (p-value)
(Constant)	1.152	0.287	4.014	0.000
Workforce Diversity	0.795	0.063	12.674	0.000*

Model Summary and Results

Table 4 presents the results of the simple linear regression analysis, with employee performance (EP) as the dependent variable and workforce diversity (WD) as the independent variable. The correlation coefficient (R = 0.742) reveals a strong positive association between workforce diversity and employee performance, suggesting that higher diversity levels are linked to improved performance outcomes.

The coefficient of determination (R^2 = 0.550) indicates that workforce diversity explains approximately 55.0% of the variation in employee performance, while the remaining 45.0% can be attributed to factors not captured in this model. The adjusted R^2 value of 0.545 further supports the robustness of the model, taking into account the sample size. The standard error of the estimate (0.491) reflects relatively low prediction error, reinforcing the model's reliability.

The ANOVA results confirm the overall model significance ($F_{(1,133)}$ = 160.652, $p < 0.05$), establishing that workforce diversity exerts a statistically significant effect on employee performance. Analysis of the coefficients reveals that the unstandardized coefficient for workforce diversity is B = 0.795 (SE = 0.063), with a t-value of 12.674 ($p < 0.05$). This demonstrates a highly significant positive effect, implying that a one-unit increase in workforce diversity leads to an average increase of 0.795 units in employee performance, controlling for other factors. The constant term (B = 1.152, $p < 0.05$) reflects the baseline level of employee performance when workforce diversity is absent.

On this basis, the null hypothesis (H_0: Workforce diversity has no significant effect on employee performance) is rejected, while the alternative hypothesis (H_1: Workforce diversity has a significant effect on employee performance) is accepted. This finding underscores the importance of diversity as a driver of workplace performance and highlights the need for inclusive HR policies to optimize organizational outcomes.

In summary, the regression analysis provides strong evidence that workforce diversity significantly predicts employee performance (R = 0.742, R^2 = 0.550, $p < 0.05$). Among the diversity dimensions, age, gender, and

ethnic diversity exerted particularly strong positive effects, while religious diversity demonstrated a modest yet positive contribution. Age diversity was found to enhance collaboration and innovation (Sohail et al., 2019); gender diversity fostered creativity and fairness (Agu et al., 2023); ethnic diversity strengthened cultural competence and service delivery (Mande et al., 2020); and religious diversity supported inclusion and cohesion (Oyedele et al., 2018). Collectively, these results reinforce the view that workforce diversity is a valuable organizational resource that enhances both individual and institutional performance.

CONCLUSION

The study concludes that workforce diversity has a significant and positive effect on employee performance in Nigeria's fast-food sector, especially when supported by inclusive human resource management practices. The evidence suggests that diversity, if properly managed, can be transformed into a strategic asset that enhances collaboration, innovation, and productivity. However, to fully realize these benefits, organizations must move beyond rhetorical commitments to diversity and adopt deliberate,

structured interventions that embed inclusivity into workplace practices.

Considering the findings, it is recommended that fast-food organizations establish formal diversity and inclusion policies that institutionalize fairness, equity, and representation. Such policies should be complemented with continuous diversity awareness and sensitivity training to foster mutual respect, reduce bias, and strengthen intercultural competence among employees. Furthermore, recruitment and career advancement procedures should be designed to ensure equal access to opportunities across gender, ethnic, religious, and socio-economic lines. In addition, structured conflict resolution mechanisms should be developed to address diversity-related disputes constructively, thereby minimizing tensions that may undermine teamwork and performance. Finally, organizations should regularly assess and monitor the outcomes of their diversity initiatives to evaluate how workforce heterogeneity contributes to employee satisfaction, collaboration, and overall organizational effectiveness.

By embedding these practices into their operational framework, fast-

food firms in Nigeria can harness the strategic value of workforce diversity to improve performance, strengthen employee engagement, and enhance competitiveness in an increasingly dynamic business environment.

Limitations

This study has certain limitations that should be acknowledged. First, it was confined to fast-food centres in Osun State, which limits the generalizability of the findings to other sectors and regions. The exclusive focus on the fast-food industry excluded insights from other industries where diversity may affect performance differently. The use of self-reported questionnaires may also have introduced response bias, as participants could overstate or understate their views. Furthermore, the relatively small sample size and cross-sectional design restrict the robustness of the findings and the ability to establish causality. Lastly, only selected dimensions of diversity-age, gender, ethnicity, and religion-were considered, leaving out other potentially relevant factors such as educational background, socio-economic status, and disability.

Recommendations

Based on the findings, several recommendations are proposed. Fast-food organizations should institutionalize formal diversity and inclusion policies that promote fairness, equity, and representation. Regular diversity training and awareness programs are needed to foster mutual respect, reduce bias, and strengthen intercultural competence among employees. Recruitment and promotion processes should be merit-based and inclusive, ensuring equal opportunities across gender, ethnic, and religious lines. Organizations should also establish conflict resolution mechanisms to address diversity-related disputes constructively, thereby enhancing teamwork and cohesion. Finally, periodic evaluation of diversity initiatives is essential, while future research should employ larger samples, explore other sectors, and adopt longitudinal approaches to provide deeper insights into the link between workforce diversity and employee performance.

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