WORKFORCE DIVERSITY IN NIGERIA: THE CHALLENGES FOR HUMAN RESOURCE MANAGEMENT

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Abstract

This paper exposes the competitive advantage of organizations (both private and public) that effectively manage their workforce diversity and the challenges posed to the human resource managers in organizations. Using mainly qualitative data, the paper concludes that even though workforce diversity is gradually becoming the norm in both the private and public sectors, owing to the quest for enhanced performance, many institutions and/or organizations are still monocultural in their workforce. Thus they have not accepted or adapted to diverse workgroups that create competitive niches. These emerging scenarios simply reflect the Nigerian society where ethno-religious sentimentalism is highly prevalent and the cultural norms/values that prevent certain gender, culture and people from availing themselves for employment opportunities. Also, the Nigerian political class and its persistent upheavals have very often constituted an impediment to effective management of workforce diversity as a result of total disregard for constituted laws, ethno-religious sentimentalism, corruption, ignorance and societal practices that tend to inhibit effective realization of both Public and private Sector goals. The paper therefore among others recommends that both public and private sector employment should focus more on attracting diverse applicants at all levels that are willing to accept challenging work and the human resource managers should treat and develop them as fairly as possible for greater opportunities and advancement.

Keywords: Diversity, Workforce Diversity, Human Resource Management

Introduction

In the contemporary world, study on group diversity is seemingly attracting great attention. Although many scholars have argued that human behaviours cannot be predicted without adequately understanding the social context in which such behaviors occur. This notion however influenced most social scientists to venture into research on group diversity. Stephen, Wendy and Jeffry (1992) argue that despite the imperatives of diversity in organizations, the social process underlying group diversity have received scanty and intermittent attention. However, renewed interest in group diversity is now unifying fields that had little things in common.

In recent times, studies on work groups revealed that traditional organizations without workgroup diversity were saddled with low productivity and low capacity utilization. This has stimulated dynamic norms in both private and public sectors owing to the quest for enhanced performance that arise from inputs of competent staff, promote visibility as well as a desire to create competitive niches. These emerging scenarios reflect employers’ perceptions of factors that influence corporate growth and that are related to corporate development and dominance. Unfortunately, many employees share ambivalent feelings toward work and their work environment. In this regard, many workers find their work filled with too many frustrating or disappointing human encounters and unrewarding activities that often influence their attitude to work.
To ameliorate these problems, modern organizations have introduced the Human Resource Management (HRM) techniques that include a strategic organ responsible for managing organizational workforce diversity. To reinforce the need for this, Hazel and Reid (1979) asserts that the HRM is as vital as the financial, production, information and sales management. Similar to this view is that advanced by Onah (2003) who opined that the HRM is the most important of the resources required for the production of goods and services; it is the key to rapid socio-economic transformation and the realization of organizational corporate goal. Also, Hazel and Reid posited that the recent realization of the role of this organ (HRM) justifies the promotion and expansion of the functions of the organ in large corporations. In collaboration of this view is Nwankwo (2000) who asserts that, in every area of development, human resources play an indispensable role, which when badly managed will limit the organizational progress in every direction. On the other hand, if they are effectively managed and planned, employee skills, powers and competence can lead to enviable social and economic progress of the organization.

Ogunbameru (2004) also observed that managing diverse workforce is the only realistic and economically feasible way of administering formal organizations. He assets that the best way to manage diverse workforce is at the group formation stage before the group process actually set in. Unfortunately, in Nigeria, that formative stage is the point at which workforce diversity has been abused by both the public and private sectors in a bid to promote their divergent primordial considerations. The question is, do our human resource managers really understand the concept of workforce diversity? Do they understand the dynamics and competitive advantages of effective workforce diversity in organizations?

The main objective of this study is to espouse the competitive advantage of organizations that effectively manage their workforce diversity. Specifically, the paper examines the competitive advantages of effective workforce diversity in organizations (both public and private) and the challenges posed for the human resource management. The paper relies wholly on secondary data and uses the content analysis method in the analysis and discussions.

The paper is divided into five sections. Section one presents the introductory part, section two deals with the conceptual issues of the study, section three is the theoretical framework, section four presents and discusses the competitive advantages of workforce diversity. It also discusses the barriers and challenges of workforce diversity for human resource management and section five is the conclusion and recommendations

**Conceptual Issues**

**Diversity:** Kinicki and Kreitner (2004) present diversity as a concept that represents the multitude of individual differences and similarities that exist among people. This definition underscores three important issues about managing diversity. (1) There are many different dimensions of diversity or components of diversity. This implies that diversity pertains to everybody. It is not an issue of age, sex, race, religion or ideology. Rather, diversity relates to a host of individual differences that make all of us unique and different from others. (2) Diversity is not synonymous with differences. Rather, it encompasses both differences and similarities. This means that managing diversity entails dealing with both differences and similarities simultaneously (3) Diversity includes the collective mixture of differences and similarities that exist in the organization towards increasing the organizational performance. Fields (2009), here asserts that when a company builds a reputation for valuing differences, it attracts - and keeps – more talented employees. Diversity also helps companies to do more than just generate new ideas in local markets. At the governmental level, the federal executive council is tapping greatly into the diversity of its composition. At the various interactive town hall meetings across the country, ministers from the various states/regions are being used to sell the various policies of Buhari regime to their people, using their local dialects.

In Nigeria’s Public sector Organizations, hiring and retaining a diverse workforce is a constitutional matter because of the need to reflect ‘Federal Character Principle’. However to Kinicki and Kreitner (2004) it is obvious that the rationale for managing group diversity goes beyond legal, social, and moral reasons. The primary reason for managing diversity in an organization according to them lies in the ability to grow and maintain an organization and or business in an increasingly competitive environment.

Fields (2009) looks at diversity as another word for differences between people. According to her, in an organizational setting, a diverse team or workforce comprises employees of various races, genders, ethnic background, ages, physical and cognitive abilities, sexual orientations and identities, religious beliefs, learning and work styles, body types, work and commitments. Although Onah (2004) presents workforce diversity as the differences in age, gender, ethnic heritage and sexual orientation that make up the employees of an organization, Fyne, Johnson and Ryan (1990) say that diversity exists in a group or organization when its members differ from one another along one or more important
dimensions. They assert that diversity is not an absolute term but conceptualized as a continuum. For example, if everyone in an organization is exactly like everyone else, there is no diversity whatsoever, but if everyone is different along every imaginable dimension, then diversity exists.

**Dimensions of Diversity**

Basically, diversity exists on four major dimensions which include:

- **Personality dimensions:** loyalty and ideology.
- **Internal dimensions:** age, gender, sexual orientation, physical ability/disability, ethnicity, and race;
- **External dimensions:** geographic location, income, personal habits, recreational habits, religion, educational background, work experience, appearance, parental status, marital status;
- **Organizational dimensions:** functional level/classification, work content/field, departments/division/units/group, seniority, work location, union affiliation, management etc.

**Reasons for Increasing Diversity in the Workforce.**

Workforce demographics which are statistical profile of the characteristics and compositions of the working population are valuable human resource planning aids. They help managers to anticipate and adjust for the surplus and shortage of appropriately skilled individuals. For example, the Nigerian labour force was projected to increase by over 30% in 2010 (2006 population Census). For workforce diversity to increase in a society, several factors can be attributed to it.

*The changing demographics in labour force: Griffin (1990) observed that as more women and youths enter the labour force, the available pool of talent from which organizations hire employees’ changes in both size and composition. For instance, in Nigeria in the last five years, statistics in schools, colleges and tertiary institutions shows that enrolment trends is skewed in favour of the female sex. It follows that over time, proportionately more women and fewer men will be hired by organizations. This development will change the old tradition of male dominance in both public and private organizations in Nigeria and thus, create a new class of corporate executives and wealth profile.*

A related factor contributing to increasing diversity as observed by Onah (2004:72) is “the increasing awareness by organizations that they can improve their overall quality of workforce through the hiring and promotion of talented personnel available in the organization”. To achieve this, they must engage in casting a broader net in recruitment process, thereby looking beyond traditional sources for new employees. As observed by Cole (1990) modern organizations are finding more broadly qualified and better qualified employees from many different segments of the society, thus realizing that diversity can be a significant source of competitive advantage. In Nigeria for example, former Intercontinental Bank PLC (now Access Bank PLC), Zenith Bank PLC and United Bank for Africa are all contemporary organizations that use well established head hunters to search for their workforce.

*Globalization:* Onah (2004:73) observes that the current impact of globalization had influenced diversity in dynamic organizations. Globalization according to him refers to the tendency of firms to extend their sales or products to new markets abroad. Globalization since the past few years has witnessed a phenomenal increase, as production is becoming globalized and organizations all over the world are engaging on strategic alliance for a competitive advantage. In this vein, organizations are learning how to deal with diverse customs and social norms to be able to reposition themselves in a highly competitive environment as employees and managers move from one assignment to another across national and international boundaries. Fields (2009) here asserts that employees with varied backgrounds can enable organizations to tap into global markets as well. To her, with today’s emphasis on globalization, that makes good business sense.

*Democracy:* In Nigeria, the nascent democratic government has contributed to the increased workforce diversity as observed by Onah (2004), the emerging democratic government after three decades of military rule, have encouraged many investors and attracted contractors and consultants from all parts of the world. There is also the presence of international organizations and NGOs, as Nigerians now work alongside people from different countries with different world view and orientations.

*Human Resource Management:* The human resources of an organization refer to the group of individuals who make up the workforce of that entity. The human resources available in an organization is perhaps the most important asset. This fact is evident because all other resources available to an organization, i.e. money (capital), machinery,
Technology, information, land etc require the human resource to be activated. According to Wikipedia (2013), Human Resource Management (HRM) is the management of an organization’s workforce or human resources. It is responsible for the attraction, selection, training, and assessment and rewarding of employees, while also overseeing organizational leadership and culture and ensuring compliance with employment and labour laws. Thus, in all organizations, the human resource department is considered strategic because its activity which aims at managing people and the work place culture environment also enables employees to contribute effectively and efficiently to the achievement of organizational goals and objectives, if effectively managed.

**Theoretical Framework**

This paper has a theoretical basis. The choice of a theoretical framework is hinged on the fact that it gives better understanding of the concepts employed and their application to the work. Thus the paper adopts the “Equity theory” developed by J.S Adam (1965: 267-300). Equity theory focuses on people’s feeling of how fairly they have been treated in comparison with the treatment received by others. It is based on exchange theory. People evaluate their social relationship in the same way as buying and selling of items. People expect certain outcomes in exchange for certain contributions or inputs. Thus people in organizations value the doctrine of “Equity”. People working in an organization expect justice, balance and fair treatment. They feel that they are treated equally and in a just manner. Their slogan is ‘equal pay for equal work’.

The term ‘equity’ relates to the concept of fairness and equal treatment in comparison to others who behave in similar ways. According to the theory, there is ample evidence to suggest that employees make comparison of their job inputs and outcomes relative to others, and that inequality influences the degree of effort that employees exert. The equity theory predicts that motivation is influenced by (1) others’ rewards as well as by (2) one’s own rewards.

The equity theory proposes that employees perceive what they get from a job situation (outcomes such as salary, promotion and recognition etc) in relation to inputs (such as education, experience, competence etc) and then compare their input – outcomes ratio with the input – outcome ratios of relevant others. If an employee perceives his output – input ratio to be equal to, with the outcome – input ratio of relevant others, he claims that a state of ‘equity’ exists and that justice prevails. He will be committed to the goals of the organization. But when he sees the ratio unequal (inequality), he feels that he is under-rewarded. The worker will feel dissatisfied, hostile and frustrated. Such a feeling will create tension in his mind (Feeling of anger arises) or over- rewarded (state of guilt). In all these situations, the ‘equity’ tension is experienced by the employee. The magnitude of perceived inequality determines the level of tension and the level of tension created determines the strength of motivation. This state of negative tension according to Adams (opcit) provides the motivation to do something to correct it. He further asserts that an employee can be predicted to make one of the following six (6) broad choices as consequences of inequality.

- Change the job inputs (A person may increase or decrease the level of his or her inputs through absenteeism or working for additional hours etc);
- Change the outcomes ( A person may attempt to change outcomes like pay, working condition etc without changing inputs or produce higher quantity of units of lower quality when paid on a piece – rate basis);
- Distort perception of self (work at a moderate pace compared with others who work hard);
- Distort perception of others (for example, others job is not as desirable as he thought it was);
- Choose a different referent (for example, person or age comparison);
- Leave the job (resign from the organization itself).

The ‘equity theory’ like most other theories of motivation is very important in enhancing employee motivation. The theory is important and relevant to this paper because it reveals the need for prioritizing HRM to resolve critical issues such as compensation, rewarding, promotion, training, etc, (having capitalized on the positive benefits of diversity), to enhance the effectiveness and efficiency of the workforce in an organization. It also underscores the need to treat this diverse workforce equally based on the Sprinciple of equity and justice and to enable them to be committed to the goals of the organization.

**Managing Diversity: The competitive Advantage and challenges for HRM**

An effective management of workforce diversity comes with it various competitive advantages. What precedes this however is valuing diversity. Gardenswartz and Rowe (1993:405) observed that valuing entails the awareness, recognition, understanding and appreciation of human differences. It involves creating an environment in which everyone feels valued and accepted. In essence, valuing diversity entails a cultural change in organizations geared
towards viewing employees’ differences as valuable resources that can contribute to organizational success. Kreitner and Kinicki (2004) observed that to achieve this requires a series of management education and training programs that aim at improving interpersonal relationships among diverse employees and to minimize blatant expressions of sexism and ethno-religious sentimentality. For example, Allen and Montgomery (2001) study on “applying an organizational development approach to creating diversity” in USA revealed that 75% of fortune 500 firms and 36% of companies of all sizes had implemented some type of initiative aimed at valuing diversity. While a study conducted by SARO in Ahmadu Bello University, Zaria and University of Nigeria, Nsukka disclosed that ABU had over 70% of her workforce in faculty of Administration drawn from the North-North and North Central geopolitical zone and about 80% of them are of same gender, while the same goes for Faculty of Social Sciences UNN, where majority of the workforce in the Social science faculty are drawn from the South-East and South-South geopolitical zone, the gender is to the ratio of 54:46 male to Female (SARO 2005).

Kreitner and Kinicki asserts that sending employees to diversity training, however does not guarantee changes in attitude or behaviors, but opined that top management support is essential for changing employees’ attitudes towards diversity. For instance, where there are synergies in the application of top management support complemented with focused diversity training and the mandatory application of the merit system, long term evaluation of training results and managerial rewards for increasing diversity, organizations will be able to exploit its human capital in the realization of its corporate goal.

Consultants, academics and business leaders believe that effective management diversity enhances organizational competitive advantage. This advantage stems from the process in which the workforce diversity affects organizational behavior and performance. Effective management of diversity can impact on organizations in the following contexts: cost and employee’s attitude, recruitment of human resources, sales and market share, creativity and innovation and group problem solving and productivity. Any of these factors could impede the realization of organizational corporate goal and performance when unbalanced mix is promoted.

**Lower Cost and Improved Employee Attitude:** Workforce diversity can lower organizational cost and enhance its management efficiency. According to Williams (2001) assertions, adhering to equal employment opportunity laws is a prerequisite to enhancing productivity of workforce diversity, as the organization is then required to convert the resources for training and retraining into other areas since recruitment will be based on strategic objectives and options.

**Improve Recruiting Efforts:** Attracting and retaining competent employees is a Competitive advantage. This is particularly true given the merits of workforce demographics earlier discussed in the paper. Organizations that effectively manage diversity are more likely to meet such challenges, because diverse workforce is attracted and provide the impetus for employees to remain in such organizations. For example, MTN, GLO, and Airtel communication companies, with their diverse workforce enhance better customers care services. Cultural and social diversities have been adequately given prime considerations in the promotion of core products and segments of the business of these organizations and this seems to be the key success factor for these enterprises.

**Increased Sales, Market Share and Corporate Profit.** Workforce diversity is a mirror image of consumer’s diversity (Kreitner and Kinicki 2004:62) It is thus important for organizations to package itself to the realities on ground in order for their products to appeal to diverse customers and markets. In a study by American Management Association and the Business and Professional Women’s Foundation conducted on “Demographic Characteristics” on organizations financial performance of (1000) one thousand companies, results shows that sales growth averaged 22.9% for organizations whose senior management team contained a majority of women and men with different ethno religious and ideological background, 20.2% for organizations with less diverse workforce including people of color, while 13% for organizations with dominant white male respectively. Given these impressive results, the correct thinking is that diversity promotes the sharing of unique ideas and variety of perspectives, which in turn, leads to better decision making and increased organizational performance. This factor conforms to our theoretical model. That is, the promotion of employee’s development and the realizations of organizations corporate goals and objectives.

**Increased creativity and Innovation.** A preliminary research conducted by Moss-kanter (1996:91) supported the idea that workforce diversity promotes creativity and innovation. According to the study, innovative organizations deliberately use heterogeneous teams to solve problems and they tend to employ more women and men with diverse ethno religious cultures and ideologies. She also reveals that innovative organizations did better in eliminating such barriers as racism, sexism and classism that could impede corporate organizational goals. Similarly, a 40 year diversity research conducted by William (2001) supported Moss-Kanter’s conclusion that diversity can promote creativity and enhance a team’s corporate performance.
Increased Group Problem Solving and Productivity: Since diverse work groups possess a broader base of experience and perspectives from which to analyze a problem, they can through this means, potentially improve problem solving and performance capability. Research findings based on short-term groups that varied in terms of values, attitudes, educational background and experience conducted by William in 2001 supported this conclusion. According to the study, heterogeneous workgroups produces better quality-decision making potentials and demonstrated higher productivity than homogeneous groups.

Challenges facing Management of Workforce Diversity

Noting that diversity is a sensitive, potentially volatile and sometimes uncomfortable issue, it is not surprising that organizations encounter some forms of barriers when trying to manage diversity. The following is a list of the most common barriers to implementing a successful groups diversity programs:

Inaccurate stereotypes and prejudice: This Barrier manifests itself in the belief that differences are viewed as weaknesses which promote the perception that hiring a diverse workforce will result in sacrificing competence and quality employees.

Ethnocentrism: the ethnocentrism barrier represents the feeling that one’s cultural norms and rules are superior or more appropriate than the norms and cultures of others. This perception can easily degenerate into antagonism and conflict that has the propensity to retard the realization of organizational corporate goals and objectives.

Poor Career Planning: this barrier is associated with inadequate opportunities for diverse employees to get the type of work assignment that qualify them for senior management positions. Example from Fullerton and Toossii (2001) is the glass ceiling concept’ where female employees are deprived of senior administrative and managerial positions due to cultural norms that commonly exist in Africa, Asia and the Pacific.

An unsupportive and Hostile Working Environment for Diverse Employees: Diverse employees are frequently excluded from social events and the friendly camaraderie relationship that exist in workplaces. Especially during conflict, the minority workforce is often the target. A typical example is the current showdown in the Niger-Delta region in Nigeria where several workers in the oil sector are being kidnapped.

Diversity is not seen as an organizational priority: this leads to subtle resistance that manifest in organizations in the form of complaints and negative attitude to work. In this vein, beneficiary of the homogeneous workforce may complain of the time, energy and resources devoted to diversity management that could have been spent doing ‘real work.’

The need to revamp the organization’s performance appraisal and reward system: Performance appraisal and reward systems must reinforce the need to effectively manage diversity. This means that success will be based on a new set of criteria which homogeneous workforce is likely to resist especially the changes that adversely affect their promotions and financial rewards system.

Resistance to change: Effectively managing workforce diversity requires a fundamental, structural and personal change. Resistance to change is an emotional/behavioral action / response among organizational workforce to real or imagined threats to work routine. Two dominant forms of resistance to change exist in several literatures and they can be; as subtle as passive resignation, and as overt as deliberate sabotage.

In view of these barriers, the challenges for the human resource managers are enormous and tasking especially in the developing countries like Nigeria where ethnicity and religious sentimentalism is highly prevalent and primordial consideration pre-dominate employment and promotions in both private and public sector organizations. All these constitute challenges to HRM and the effective management of workforce diversity.

Apart from this, corruption has eaten deep into every fabric of the Nigerian society. The result of this is the blatant disregard for due process and extant laws and practices in all facets of our national life. Worse hit is our labour laws that have flagrantly been abused by both local and foreign business concerns. As Asaju and Adagba (2011) rightly asserts, systemic corruption in Nigeria has compromised the country’s reconstruction and development as it discourages investment and growth.

The environmental factors, coupled with ignorance and societal practices have also posed great challenges to the human resource management and the realization of both the public and private sector goals. The HRM must be
adequately aware of such environmental challenges and develop the capacity to harness these challenges into positive gains for their organizations. The importance of this reality is what informed Riggs (1971) assertion in Adagba (2008) that “the relative continuity of ‘traits’ is a mark of culture.” In order to understand any society, it is important to know its social structures, namely; family structure, religious sects, political parties, business corporations and even social classes. These parameters affect and are affected by prevailing systems of administration. The clue to the management of change lies in the meaningfulness of events to the human beings and the frame of reference involved in human identification and interpretation must be looked into.

Thus the ability of the HRM to bring the personnel process to bear in its workforce and capitalize on the positive benefits of diversity will enhance the achievement of organizational goals and objective. It is also pertinent to know here that the inability to manage this diversity can lead to very frustrating experiences and greatly retard the achievement of set objectives.

Conclusion and Recommendations

There is no doubt that the management of workforce diversity is among the major challenges facing the human resource managers in all organizations. This is precisely because the effectiveness and efficient performance of the organization is dependent on the ability of the human resource managers in creating work friendly atmosphere that draw essential stimuli from inter-personal relationships and innovative mix of actions towards increasing the organizational performance. Workforce diversity can enhance creativity and innovation, lower costs and improve employee attitudes. But these positive benefits may only accrue if the HR managers are able to capitalize on these positive benefits of diversity, and to manage it effectively to achieve organizational goal and objectives. However, when it is poorly managed, it can lead to frustrating efforts in the organization and can also retard the realization of organizations’ goal.

The paper therefore recommends the following:

- That recruitment practices in organizations (both public and private), should focus on attracting diverse applicants at all levels, that are willing to accept challenging work as against primordial biasness.
- Human resource managers should treat diverse workforce as fairly as possible and to develop them for greater responsibilities and advancement. They should promote equal opportunity.
- Managing diversity is a dynamic process that is determined by the prevailing social context. Therefore the HRM technique in organizations should be focused and geared towards inclusion of workforce, building relationships, assimilation toleration and mutual adaptation.
- Managers of organizations should undertake to know more about people, how their social and mental conditions affect their attitude towards work. They should also enhance their communication skills to be able to develop confidence and self esteem among diverse work groups and
- Human resource managers should identify ways of enhancing group members’ sense of shared values and common fate, by making group members accountable for group level performance
- The human resource managers in all organizations should build more inclusive environments in workplaces as managers who do this welcome the many differences that distinguish their employees and leverage them to create new ideas, improve the work processes and boost organizational performance

When this is done, we can, as Kennedy (In Pocket Mentor, 2009), rightly asserts, at least help make the world safe for diversity, even if we cannot end now our differences.

References


