

## **Ethnic Diversity and Employees' behavioural outcome of Selected Manufacturing Firms in Nigeria**

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**Abstract:** Diversity management when not managed well is an unpleasant fact in any organization as long as people compete for jobs, resources, power, recognition and security and this has led to conflict in the organization. The diversity experienced especially in workplace environment are essentially a continuation of ethnical rivalry and religious sentiments among employers or the workers in the organization. This paper examined the ethnic diversity and how it affects the behavioural outcome of employees in headquarters of selected manufacturing companies in Nigeria. The paper adopted the survey research design through quantitative research approach. Primary data was elicited through the administration of questionnaires. 389 copies of questionnaire were administered to employees in the selected manufacturing companies. Findings reveal that ethnic diversity has a positive and significant effect on behavioral outcome ( $R = 0.231$ ,  $\text{Adj. } R^2 = 0.055$ ,  $p < 0.05$ ,  $F = 6.366$ ). It was found that ethnic diversity significantly affect behavioural outcomes of employees of selected firms in Nigeria. The paper posits management of the manufacturing companies should be able to manage their employee ethnic diversity to ensure a positive and better behavioural outcome to maximize employee productivity.

**Keywords:** Ethnic Diversity, Behavioural Outcome, Manufacturing Firms, Nigeria.

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### **I. INTRODUCTION**

Nigeria is comprised of people with different religious, ethnic and cultural diverse backgrounds it is home to some 250 distinct linguistic groups, and the nation has been prone to the intense politicization of ethnic and religious differences. Adeoti, (2011) observes that regional location and religion have served to reinforce the tripartite cleavage of the three dominant ethnic groups made up of the Ibos (South-East), Hausa-Fulani (North) and the Yoruba's (South-West) with the other minor ethnic groups aligned to any of these major ones and also undergoing their own separate ethnic conflicts and struggles. Since 1999, that Nigeria has become one of the major democracies in African continent, the country have continued to be characterized by intense conflicts and violence occasioned and instigated by the need to control the state power, resources control and allocation and the minority group agitation and desire to be treated as citizens based on justice and equity (Wane, &Sumitra, 2013).

Furthermore, Egwu (2008) noted that one of the greatest and inhumane problems of ethno religious diversity which has been witnessed in the country is the Tiv-Juking conflict which is among the numerous ethnic conflicts that have blotted stability and instigated economic and social dislocation in Nigeria (Egwu, 2008). The conflict is one of the protracted inter-ethnic feuds that have occurred in 1959, 1980, 1990 and 2001. Other ethnic conflicts include the Zangon-Kataf conflict in Kaduna State, the Aguleri-Umuleri in Anambra State, and the Mango-Bokkos conflict in Plateau State where entire families are being wiped out, the Ife-Modakeke feud in Oyo State.

All the highlighted situations are at the community and social environment of the business, and it has been shown that Ethnic diversity has been a major impediment to national and economic development. This menace has however made its ugly entrance into work place even though businesses are set up mainly to pursue higher profitability for the investors and higher value for all stakeholders. It is to be noted that ethnic and religious considerations are taken into consideration in determining business organizations policies. However, when the organization has a conducive environment for practicing workforce diversity, employees will enjoy all the positive benefits such as motivation, knowledge and skill transfer, creativity and better decision making (Anifowose, 2012) and in such instances, diversity becomes a major catalyst for the organization's growth. On the other hand, where and if workforce diversity is not handled appropriately, the formation of various groups

will occur; this could lead to miscommunication, emotional conflicts, power struggle and ultimately to high turnover of employees (Jackson, Colquitt, Wesson, & Zapata-Phelan, (2006) The diverse workforce will then become an inhibitor for organization growth. Chen and Duh (2014) also observed that when team members come from different cultural backgrounds, they are able to contribute to a wide range of wide-ranging perspectives to the decision making process but communication challenges can pose a huge hindrance to effective collaborative design process.

According to Obasan (2011) the manufacturing sector today is one of those sectors of the economy that have not really optimized the strength embodied in their diversity. There are instances where certain tribes seem to claim ownership in certain firms without regard to performance per excellence. Most employees in some organizations who should be laid off( if the decision is based purely on merit and contribution to performance) are not laid off rather; those who are more competent are laid off just because of ethnic sentiments possessed by top managers. It has become a normal occurrence each time we watch over the television or listen over the radio, we see and hear of workers being laid off and if we could dig deeper, it would reveal that most of those being laid off are coming from a particular ethnic group other than those of the interested top level managers. These issues reduce the level of commitment employees would put in their job and this have made organizations not to achieve the much needed performance level and profitability (Obasan (2011). Mba, Ofobtuku, Nwanah and Anikwe(2018) in their study of Ethnic Diversity and Performance of Nigerian Breweries Plc Enugu State found that ethnic diversity positively affects productivity noting that since organizations cannot exist in isolation of their environment as they are expected to high and recruit their employers from their environment. This paper is therefore aimed at investigating the effect of ethnic diversity on behavioural outcomes of selected manufacturing firms in, Nigeria.

### **Objective of the study**

The general objective of this paper is to evaluate the effect of ethnic diversity on behavioural outcome of selected manufacturing firms in, Nigeria.

### **Research question**

This research was guided by the following research question:

In what way has ethnic diversity affect behavioural outcome of the selected manufacturing firms in Nigeria?

### **Research Hypotheses**

**H<sub>0</sub>:** there is no significant relationship between ethnic diversity and behavioural outcome of selected manufacturing firms in, Nigeria.

## **II. LITERATURE REVIEW**

### **Ethnic Diversity**

General and especially in relation to Nigeria, it is noteworthy to acknowledge that diversity includes ethnicity, religion, age, gender, culture and tradition, medical disabilities and sexual orientation, and even educational qualification but for the purpose of this study the researcher will be focusing on ethnicity and religion. Further research can be done on the other factors. Ethnic diversity also known as ethnicity, is in itself not a dangerous feature of plural societies. However, it turns out to be problematic when it becomes, or is perceived as object around which discriminatory practices and unjustified use of violence can be perpetuated and it can hinder sustainable development of the culture and people of Nigeria (Ojie & Ewruhrajakpor, 2009; Otite, 2001).

When ethnic identities are politicized it can result in inter-ethnic conflicts. Inter-ethnic conflicts also occur when ethnic interests are challenged, identities threatened, and/or communication sufficiently poor that differences cannot be effectively addressed (Ronald, 2012). Ross also states that Ethnic conflicts tend to emerge at moments when groups perceive that they are being excluded from access to what they consider to be their right; be it linguistic, political, economic, administrative, and commercial and religion. According to Heathwood (2011) there are two main elements which can be visibly seen to be at work in generating ethnic conflicts. One is identity which is the mobilization of people in communal identity groups based on race, religion, culture, language. While the second one is resource distribution which means the sharing of economic, social and political resources within a society. They believed that the imbalance in resource distribution coincides with ethnic identity differences, as in the case of Nigeria, then the tendency for recurrence of inter-ethnic conflicts tends to be very high.

Aina, Awolusi, and Odunlami (2015) view ethnic diversity as a situation in which people of the minority ethnic groups are given unfair or unequal treatment simply because they are from a different ethnic group. According to them it could be referred to as tribalism, which emanates from the ethnocentric feeling of the dominant group. When there is feeling of superiority by one ethnic group, the tendency is to look at the other ethnic groups with contempt. They also were of the believe that the main motive behind ethnicity is fear, in

order words fear of the unknown, fear of losing the predictability of one's ways of behavior, fear of having one's established values changed thus cutting one adrift in a wider and more uncharted sea called Nigeria that seems to lack an articulate goal and value system, fear of competition for scarce resources, and a lot of other fears that may be explicit or implicit.

Albert (2009) explains that the concept of ethnicity refers to a social identity formation that rests upon culturally specific practices and a unique set of symbols and cosmology. He also states that ethnicity constitutes a way in which people think of themselves and others while at the same time also refers to a set of social relations within which social groupings such as men, women, poor, rich, young or old all relate to each other. Ethnic diversity in an organization arises from a situation in which people from varying ethnic groups decide to employ their difference in the pursuit of competing interests. Which could lead to a situation of disharmony in an interactional process. Such diversity can also occur when two or more values, perspectives and opinions are contradictory in nature and haven't been aligned or agreed about yet. In Nigeria, ethnic diversity is a highly significant social phenomenon because of its complexity and the social and political threats it pose to the society. The complexity of ethnic diversity in Nigeria reflects on its mode of occurrence. In Nigeria, ethnic diversity occur along a tri-dimensional trajectory. The first is the conflicts among the majority ethnic groups; the second is the conflicts between the majority and the minority groups; while the third is the conflicts among the minority groups (Oraegbu, 2012).

### **Behavioural Outcome**

Behavioral outcomes is seen as the concept that helps us understand human behavior and decision making. The use of this terminology gives insights to design policy in ways that help people to make better decisions for themselves, organization and society. This often requires us to question the premise that people act like the rational, self-interested decision-makers or behave in the way that society expects (Higgins, 2010).

Grandin and Merlin (2009) explains that the root cause for behavioral difference are usually individual differences ,differences in family patterns , impairment/disabilities , environmental factors , psychological factors which serves as key stone for understanding human behavior patterns Grandin and Merlin (2009) further explains that motivation also serves as powerful force in channeling or directing behavior towards satisfying a need or needs. It is a drive or urge to do something. Every individual has a motive or driving forces behind his or her actions, needs or intentions, the needs can take different forms. The satisfying of a need plays an important part in behavior. When the need is fulfilled the individual is satisfied, confident and happy. When the need is not satisfied, the result is frustration. These considerations determine the behavior patterns of an individual. The extent to which the individual is happy or frustrated will depend greatly on personality. This may include timidity, shyness, fear, failure in class, retardation, isolation, stature, speech handicaps, health hazards and physical handicaps, suffering, worry, poor memory, and poor self-image (Heathwood, 2011).

According to Kazimoto (2013) behavior can be considered to be normal, abnormal, or disordered. The difference between normal and disordered behavior is usually of degree rather than kind. No sharp line can be drawn between them. He goes further to explain that Behavior change is based on a simple idea of learning in order words It is based on the idea that behavior followed by reward is more likely to be repeated, or retained, than not On the other hand, behavior which results in an unpleasant outcome tends to be quickly dropped or disappear.

### **Conflict Theory**

Conflict theory was the theory introduced by Karl Marx in the book "Communist Manifesto", 1848. Conflict theory argues that society is not best understood as a complex system striving for equilibrium but rather as a competition. Society is made up of individuals competing for limited resources. According to Karl Marx (1818–1883), in any societies there are two major social groups: a ruling class and a subject class. The ruling class derives its power from its ownership and control of the forces of production. The ruling class exploits and oppresses the subject class (lower class). As a result there is a basic conflict of interest between these two classes. All in all, conflict theory rose when exploitation of capitalist and existing government being increase to lower class or workers, and the exploitative in order to reduce and removal those kinds of injustice, they require forming movements and overthrowing existing government. Karl Marx believed that, economic and political analysis of capitalism is the main causes of conflict theory. This is due to forced labour, long working hours, low wages and poor working condition which under capitalism system.

According to Marx (1825), conflict may be said to be as old as the human race itself in which individuals, social or political groups, communities or even nations disagree on matters of principles or simply as part of the process of social transformation (Marx, 1825). It could also arise in the quest of either individuals or groups seeking to exercise hegemonic control over the rest or resources in the society and this will in most instances be resisted and where there is resistance, conflicts result. Marx was drawn towards politics by Romantic literature and his earliest writings embody a conception of reality as subject to turbulent change and of human beings as realizing themselves in the struggle for freedom. His identification with these elements in

Hegel's thought (and his contempt for what he regarded as Hegel's apologetic attitude towards the Prussian state) brought Marx to associate himself with the Young Hegelians.

### III. METHODOLOGY

The design adopted for this study is the quantitative research design using the survey design. This design was considered appropriate to investigate the relationships that exist among variables of the research. Primary Data was used for the study. The data was collected through the use of questionnaire. The research instrument was validated and reliability was carried out using the Cronbach alpha analysis. Three Hundred and Eighty nine respondents were surveyed using a structured questionnaire in three manufacturing firms. The firms are Nigerian Breweries Plc, Cadbury Nigeria Plc. Friesland company Plc Data was analyzed by inferential statistics using the statistical package for service solutions (SPSS).

#### Research Population

S/N	Company	Population size per company	Total
1	Nigeria Breweries Plc	166	389
2	Cadbury Nigeria Plc	133	
3	Friesland Campania Plc	90	

### IV. DATA PRESENTATION, ANALYSIS AND FINDINGS

Three hundred and eighty nine questionnaires were distributed to employees. Three hundred and eighty two questionnaires were retrieved indicating a ninety-eight point two (98.2%) response rate. Table 1 shows the demographic and descriptive distribution of respondents.

**Table 1:** Demographic and Descriptive Distribution of Respondents

Variable & information		Frequency (N)	Percentage (%)
GENDER	MALE	260	67.7%
	FEMALE	122	32.3%
AGE	20-25	83	21.7%
	25-30	182	47.6%
	31-35	26	6.8%
	36-40	21	5.5%
	41-45	43	11.3%
	45-60	27	7.1%
MARITAL STATUS	SINGLE	195	51.0%
	MARRIED	142	37.2%
	DIVORCED	45	11.8%
EDUCATIONAL QUALIFICATION	OND/NCE	74	19.4%
	BSC/HND	226	59.2%
	PHD/DBA	82	21.5%
JOB RANK	LOWER LEVEL MANAGEMENT	92	24.1%
	MIDDLE LEVEL MANAGEMENT	198	51.8%
	SENIOR LEVEL MANAGEMENT	92	24.1%
LENGTH OF SERVICE	BELOW 5 YEARS	64	16.8%
	6-10 YEARS	191	50.0%
	11-15 YEARS	73	19.1%
	16- 35 YEARS	54	14.1%

Source: Researcher field survey, 2019.

Table 1, the study revealed that majority of the respondents are male (67.7%), are between the ages of 25-30years (47.6%), are single (51.0%), are B.Sc./HND holders (59.2%), were are middle level management staffs (51.8%) and 50.0% had 6-10 years length of service.

**Restatement of Hypothesis:** there is no significant relationship between ethnic diversity and behavioural outcome of selected manufacturing firms in, Nigeria.

**Table 2.1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.231 <sup>a</sup>	.061	.055	3.28856

a. Predictors: (Constant), ETHNIC DIVERSITY

**Table 2.2: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	F	Sig.
	B	Std. Error	Beta			
1 (Constant)	23.608	1.316		17.938		.000
ETHNIC DIVERSITY	.332	.053	.231	11.605	6.366	.000

a. Dependent Variable: BEHAVIOURAL OUTCOME

Model for (H<sub>01</sub>) is stated as  $y_1 = f(x_1)$  and  $y_1 = \alpha_0 + \beta_1 x_1 + \mu = 23.608 + 0.332 x_1$

### Interpretation

Table 2.1 and 2.2 shows that ethnic diversity has a positive and significant effect on behavioral outcome of selected firms in Nigeria. Therefore, the null hypothesis which state that there is no significant effect between ethnic diversity and behavioral outcome is rejected  $P < 0.05$ . The model  $R^2$  (coefficient of determination is 0.061) which reveals that 6.1% of variance occurs in ethnic diversity is explained by behavioral outcome while the increasing degree in ethnicity will increase behavioral outcome by (0.332).

## V. DISCUSSION

In this analysis it was discovered that ethnic diversity had a significant effect on behavioral outcome. This finding is confirmed by the study of Mosakowski (2017) who affirmed that effective team-performance depends on both time and the degree of ethnic diversity in work-groups. In particular, ethnically diverse teams performed worse in the beginning compared to later time periods. Furthermore, the authors found a curvilinear relationship where – over time - both highly ethnically diverse teams and ethnically homogeneous teams outperformed moderately diverse teams. Williams, and Barsade (1999) show in their study that Anglo-American workers are more cooperative when working in ethnically diverse groups composed of Asians and Anglo-Americans compared to groups composed of solely Anglo-Americans. The authors explain this puzzling result by suggesting that Asians might have more collectivistic values and that collectivism could be positively related to cooperation in teams. Cox, Lobel, and McLeod (1991) found similar results while studying differences in cooperative behavior between African-American and Anglo-American undergraduate and graduate students on a Prisoner's Dilemma task.

Watson, Kumar, and Michaelsen (1993) performed a longitudinal laboratory study in which they compared performance outcomes of ethnically homogeneous and heterogeneous groups composed of undergraduate and graduate students on several cognitive tasks. Results showed that the ethnically heterogeneous groups outperformed the homogeneous groups on several cognitive tasks during the last time period (identifying problem perspectives and generating solution alternatives). For the first thirteen weeks, however, ethnically homogenous groups outperformed ethnically diverse groups. Williams, and Barsade (1999) show in their study that Anglo-American workers are more cooperative when working in ethnically diverse groups composed of Asians and Anglo-Americans compared to groups composed of solely Anglo-Americans. The authors explain this puzzling result by suggesting that Asians might have more collectivistic values and that collectivism could be positively related to cooperation in teams. Cox, Lobel, and McLeod (1991) found similar results while studying differences in cooperative behavior between African-American and Anglo-American undergraduate and graduate students on a Prisoner's Dilemma task.

## VI. CONCLUSION

Ethnic diversity significantly affect behavioural outcomes of selected firms in Nigeria. This is evident in the positive relationship that was obtained from the analysis. The regression or coefficient of determination value that was obtained in the analysis also confirms our conclusion on the significant relationship between ethnic diversity and behavioural outcomes in the selected firms in Nigeria. Furthermore, management of the manufacturing companies should be able to manage their employee ethnic diversity to ensure a positive and better behavioural outcome to maximize employee productivity.

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