

# **Analyzing Employee Performance through Workforce Diversity Management: Role of Workforce Diversity Characteristics**

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## ***Abstract***

*The present study explores how diversity management impact employee performance behaviors and identified the mediating role of gender, religion, education and age diversity between the relationship of diversity management and employee performance. To carry out this research, cross sectional design was employed. Data was collected with simple random sampling technique from 350 employees working in diverse cultures in textile organizations of Pakistan. Quantitative data was analyzed on SMARTPLS software by employing structural equation modeling technique. The results of the present study indicate that workforce diversity management has significant direct relation with employee performance and various diversity characteristics mediate this relation. It helps to understand the diverse culture and provide guidelines for management of workforce diversity. Limitations and future recommendations are discussed.*

**Keywords:** Diversity Management, Employee Performance, Workforce Diversity Characteristics

## **Introduction**

In current era, management of workforce diversity is significant broad area which affects employees' performance. Due to globalization, people with different background, education, regions, culture, languages and beliefs may work in the same organization in an organized manner. Management of workforce diversity has positively increased and maintained the employee performance in the organization. Sharing of different knowledge, beliefs and expertise enable employees to do more work in better quality (Ng et al., 2023). People are different from each other in two ways. Firstly there is primary level diversity among people that refer to differences in age, gender, physical and mental abilities, race, ethnicity, and sexual orientation.

Secondly, the differences in identity like difference in education, income, religion, experience of work, personality, social status and living life style. Diversity discuss many visible and invisible dimensions among people such as race, religion, social and marital status, ethnicity, gender, sexual orientation and disability (Hoang et al., 2022). Diversity refer to all complex ways that represent people by visible difference by age, gender, background, ethnic origin, religion, sexual orientation, political background and disability. Differences of people at work regarding age, ethnicity, education, socioeconomic background, sexual orientation and religion is called workforce diversity (Kroll & Schubert, 2023).

Diversity is the existence of people that are different from each other in many aspects mainly included gender, country of origin, religious beliefs, language, race, ethnicity and health status. Workforce diversity refers to accompany of employees in same work place that have different social, cultural and ethnic backgrounds (Steiner & Tuljapurkar, 2023). Diversity arises through differences. It included assimilation, neo assimilation and cultural pluralism. No two employees are similar. Hetero generosity is the basic factor of diverse workforce Employees may have similarities and differences in terms of physical abilities, age, cultural background, race, gender, sexual orientation, professional qualification, caste and religion, geographic region, attitudes and perception at workplace (Tajeddini et al., 2023). Workforce diversity is the perceptions and differences of employees at workplace about each other in terms of language, religion, race, health status, and gender (Barnes & Grayer, 2023). Workforce diversity and diversity management are interrelated. Diversity management deals with inclusive work place and creates equitable environment and provide fair opportunities where people having different needs, qualities and thinking work together, feel free and perform their skills energetically with awareness of diversified workplace (Campbell, 2023). Diversity management firstly create positive environment and further maintain this environment effectively in which all employees valued and individuals can make maximum contributions for achieving organizational goals. It emphasizes on organizational culture and institutional environment in which expectations requirements, and incentives of diverse workforce meet in the organizational context. Diversity management has positive effect on employee's performance (Maqsoom et al., 2023). Management of workforce diversity mainly included management of organizational culture, recruitment, retention of employees, right leadership style, mutual trust, respect, support, flexibility at workplace, customized reward, access to opportunities and diffused information, trapping into an extended workforce, training learning and development opportunities, performance evaluation and providing top management support at workforce in delivering their work (Alshaabani et al., 2022). Diversity management are core understanding and activities by managers in managing diverse workforce. These activities firstly included management of identity blind (individual differences e.g. personality, work style and cognitive abilities), secondly setting equitable transformation (achieving equitable outcomes for individuals from society advantages and disadvantages groups), thirdly managing inclusive differentiation (individuals from all social demographic groups), and finally assimilation (assimilation differences of demographic groups) (Atkinson et al., 2022).

Management of diversity is important for smooth and effective run of organization. Diversity culture needs to be sharpened from time to time and organizations provide ways to manage and improve environment of diverse workforce (Ng et al., 2023). Workplace diversity could be seen in number of ways and variety of differences. Important factors of workplace diversity are related to differences in age, physical attributes, and status of family, style of thinking, education, level of employment, religion, culture and area of origin (Singh & Ramdeo, 2023). There is need to enhance creativity, flexibility and innovation between the employees and develop ethical environment in which respect of individual ideas and group thinking be a part of organizational policies. There is always need to develop a cooperative and inclusive culture in diverse workforce (Inceet, 2023).

Textile industry of Pakistan is one of major industry in production which contributes in the export and significantly enhances the economic growth. Major production units are located in Lahore, Karachi and Islamabad. This industry offers large employment opportunities in accordance with local and international laws. Pakistan is major exporter of textile products such as fabric, cotton yam in the world. Employees working in this sector having various skills and abilities contribute in the overall performance of this industry (Abbas & Halog, 2021). The existing researches present knowledge on workforce diversity as antecedents of employee performance and indicate that many organizations engage in diversity management. Recent literature shows the role of workforce diversity and diversity management in employee performance is very important in the textile industry of world as well as in Pakistan (Abbas & Halog 2021; Amsi et al., 2023; Singh & Ramdeo, 2023). Workforce diversity is made up of people from different backgrounds, identities and work together for organizational performance (Mukhtar et al., 2022). Diversity management is an art to manage people having many differences. Management of workforce diversity can be helpful for enhancing work outcomes in textile sector organization in Pakistan (Qurrahtulain et al., 2022). The study of Mukhtar et al. (2022) indicates there is positive correlation between workforce diversity and employee performance in textile sector of Pakistan. This further emphasis for future researchers need to conduct more robust analysis on how diversity management can be helpful for improving employee performance in this sector.

## **Literature Review**

Diversity management and employee performance are interrelated. People having different backgrounds have been influenced by organizational culture. Role of management has vital role to handle and solve these types of issues in diverse culture. Role of leadership in order to diversity management is not only aligning the people but to create inclusion among the diverse workforce. First of all, top leadership commitment has vital importance to create a diversified culture and include it in the strategic plan of the organization. Diversified culture must be aligned to the performance that enhances individual as well as organizational productivity. In managing diverse workforce, a system of accountability must be there to evaluate diverse culture. In the

process of recruitment as well, diverse workforce must be hired. Diversity training programs should be launched from time to time. There is need to set positive environment from the top management in which rights of minorities, women and diverse background individual must be protected.

Diversity management ensures that opportunities are provided to all employees for self-development and recognize individual creative ideas that enhance productivity (Harold & Vincent, 2012). Subsequently, research of Frank et al. (2016) examined behavioral intentions, attitudes, beliefs, ethnicity, norms and demographic characteristics of diverse workforce that enable management to understand and maintain workforce diversity. Workforce Diversity can be managed by considering ethnic identity (respect, self-concept and recognition), understanding of demographic characteristics (race, age, gender), status characteristics (income, level of education and job), and subjective norms (dignity and respect). Consistent with previous studies, Showkat and Misra (2022) discussed diversity management model: firstly, Friday and Friday's diversity implementation model (2003). This model identified six steps needed to be considered in managing and to maintain desired position of diversity. These included exposure, understanding, appreciation, knowledge, experience and respect. Secondly, Jones and George's diversity implementation model (2016) that related to effectiveness of implementation of diversity. Entire organization needs to implement diversity initiative successfully. Thirdly, Cox's diversity model (1993; 2008) in which factors (acculturation, institutional bias, intergroup conflict, informal integration and structural integration) that may impact on initiative of diversity discussed briefly.

Similarly, Sherbin and Rashid (2017) set six principals for leadership in case of how to manage diverse team. These are ensuring that team members speak up and are heard; empowering team members to make decisions; giving actionable feedback; making it safe to propose novel ideas; taking advice and implementing feedback; and sharing credit for team success. In addition, Gina (1996) explained four skills to manage a culturally diverse workforce. Firstly, Cross-cultural understanding needs to understand the cross culture values at work place). Secondly, Intercultural communication (make it easy to intercultural communication) .Thirdly, Facilitation skills (provide facilitation to skills of diverse workforce). Finally, flexibility or adaptability (there is need to develop flexible and adoptive environment in the workplace). According to Kharroubi (2021), the aim of organization in respect to diversity management is to create an environment in which potentials of employees and mutual understanding in work related problem must be addressed. Diverse workplaces are highly productive by adopting equality, provision of flexible work timing, intercultural training, participative performance assessment, work-family balance and flexible compensation. Subsequently, Mousa et al. (2021) elaborated that perception of employees about each other can lead to problems in relationship with gender at workplace. Research indicated that male employees have perception about female that they are less educated, less competent and less productive and vice versa. Further issues arise in gender diversity in respect of availing opportunities and cooperation. In addition, Lee et al. (2022) examined that perceived racial discrimination is issue in diverse workforce that affect negatively

to the performance of employees. Moreover, Mauerhofer et al. (2018) identified the causes and consequences of underuse of biological diversity. These create issues in managing cultural diversity. These causes mainly related with time, space, particular kind of human interventions, social economic and biological influence and bio cultural values.

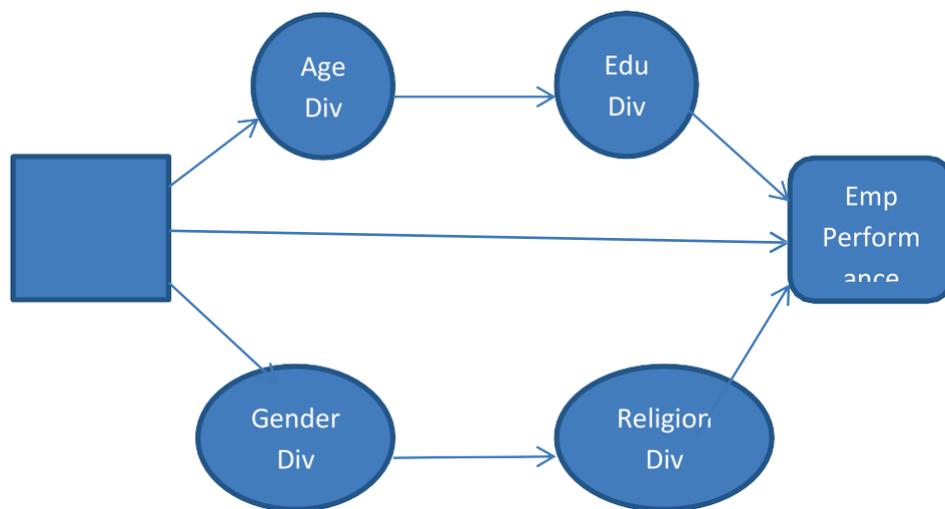
Moreover Pooja et al. (2018) also described challenges related to workforce diversity in regard of ASEAN organizations. Deviant behavior is one of dire challenge in managing diversity. Research indicated two types of deviant behaviors: constructive deviant behavior and destructive deviant behaviors. Constructive deviant behavior arises from perceived justice, job satisfaction, engagement and functional diversity. Destructive deviant behavior is outcome of perceived injustice, job dissatisfaction, disengagement and dysfunctional diversity. Issues arise in workforce diversity in case of absence of constructive deviant behaviors. Accordingly, Mukta (2015) described that language based feelings create problems in relationship of diverse workforce. In diverse culture, ignorance of native language create issues in the feelings of employees. Employees feel devalued in the organization. Language is considered source of identity, valuation and power. If employee works in multinational organization and are forced to use common language, it creates dissatisfaction.

Together with previous studies, Liu et al. (2023) discussed diversity approaches that affect negatively to employees within public, private and semipublic sector. Pro equality approach of diversity creates inequality. Pro-diversity approach also leads to immediate negative results on performance and create issues at workplace. To extent Khatri and Assefa (2022) added that issues and challenges in managing diverse workforce are chiefly related to prejudice, discrimination, ethnocentrism, backlash, stereotype and harassment which act as barriers in management of diverse workforce effectively. For this purpose, Rhea and Bettles (2012) discussed diversity issues at strategic level (framing diverse company vision), tactical level (designing and selecting appropriate diversity strategies) and operational level (implementation of diversified strategies with accountability). Firstly, diversity issues could be solved in the strategic level, ways must be provided in the company vision and mission. Rethinking of diversity strategies according to internal and external context and need to adopt which area must be focused. Secondly, diversity can be handled according to the culture and environment of the organization and laws of the country tactically. Finally issues come at the implementation of diversity strategies. These issues must be carefully communicated, monitored and evaluated when diversity strategies going to be implemented at operational level.

Furthermore, Janice and Kravariti (2023) identified six diversity challenges in the organizational context. First challenge is to retain diverse workforce. When diversity increased the attachment is decreased so it's hard for the management to retain diverse workforce in the same place. Secondly the acceptance of opinion is most important. No two employees think in the same way. When different people work together they have different opinions toward same task. To handle various opinions and to set collaborative environment is challenge in diverse culture. The third challenge is lack of empathy from management. Employees from minority groups perceived that

they face lack of empathy in diverse culture. Fourth challenge is Tokenism, Real and Perceived. When a low qualified employee hired over more qualified in the quota system this create environment of demotivation among diverse workforce. Fifthly, lack of participation from diverse workforce is issue that may decrease productivity. Finally management of time in diverse workforce is important issue. How to allocate time between employees and perceived pressure of employees in solving their matters need to be considered.

The study of Kim and Lee (2023) elaborated similarities and dissimilarities issues associated with diverse workforce. People like to work with same background people and dislike those who are not similar. This led to unproductive environment when management behave or support employees on the basis of similarities and show negative attitudes to other kind of employees. First challenge in the diverse workforce is communication challenge. When different people from different regions and countries have many languages, it's not easy to communicate between team members. Second major challenge is how to train diverse workforce in limited time and enable them to achieve vision of the organization. Finally, issue of discrimination could be seen in the workplace. Most issues in today's workplace diversity are related to gender inequalities and treatment of women in leadership. It also makes gap in work life balance (Karla et al., 2018). Potential response of leadership in respect of diversity management included deletion (one dominant identity and other is deleted), compartmentalization (approaches of organizational effectiveness focused and diversity focused separated in two detached entities), aggregation (approaches of organizational effectiveness and diversity focused do exist separately but does not overlap) and integration (combination of above two approaches) (Kuknor & Bhattacharya, 2022).



***Fig: 1 Theoretical Model***

## Hypothesis

*H1: There is a significant positive relationship between diversity management and employee performance.*

*H2: The relation between diversity management and employee performance will be serially mediated by Gender diversity and religion diversity.*

*HJ: The relation between diversity management and employee performance will be serially mediated by age diversity and education diversity.*

## Methodology

### Study Design, Sample and Sampling Technique

Total workforce employed by the manufacturing sectors of Pakistan is 11.68 million. There are various studies available for consideration of power analysis to determine the sample of the population by using effect size (Serdar et al., 2021). Consequently, the statistical power analysis indicated that the current study required a sample size of at least 350 participants to have 95% power for detecting a small and medium-sized effect when the traditional .05 margin error criterion of statistical significance (Hazra, 2017). As a sample, we selected 350 workers from top three textile factories in Lahore. Data was collected from simple random sampling. It is a quantitative study and data collection was done by employing cross sectional research design.

### Procedure

The research hypotheses were tested through collection of data from various organizations of textile industry located in Sunder industrial state Lahore and other cities as well. First, permissions were sought to collect data from organizations. Informed consent was taken from study participants and confidentiality of data was ensured. A total number of 350 questionnaires were distributed among subordinates of different educational and religious background having age and gender differences. 45 questionnaires were rejected or incomplete. Finally, 305 questionnaires were finalized for data analysis in which 190 were men and 115 were women. Data was analyzed using SMART-PLS.

### Instruments/ Measures

#### Diversity management

- 1- **Diversity management.** It was taken as independent variable which was measured by three items scale developed by Pitts (2009).
- 2- **Mediator variables.**
  - I. **Age diversity, education and gender diversity** were measures by 12 items scale developed by Dongol (2022).

- II. **Religion diversity:** Religion diversity was measured by Sultana et al. (2022).
- 3- **Employee performance.** Employee performance was measured by two items scale developed by Sultana et al. (2022) and three items by Pitts (2009).

## **Results & Analysis**

The current research has adopted Partial least squares structural equation modeling (PLS-SEM) technique by using Smart-PLS software. This technique has been used in quantitative researches for multivariate analysis in area of human resource management. The PLS-SEM is used for complex model and establishes the direct indirect relationship between the study variables. The Smart-PLS mainly checks the relationship of variables in two phases. In the first phase, measurement of outer model .i.e. outer loadings, contracts validity and reliability, average variance extracted, outer weight and collinearity issues has been done by applying PLS-SEM algorithm. Second phase has seen the inner model validity and test the hypotheses by using bootstrapping analysis. Present study contained the reflective model and tests the hypotheses in which constructs are reflective to their items (Ramayah et al., 2018).

### **Measurement of Outer Model**

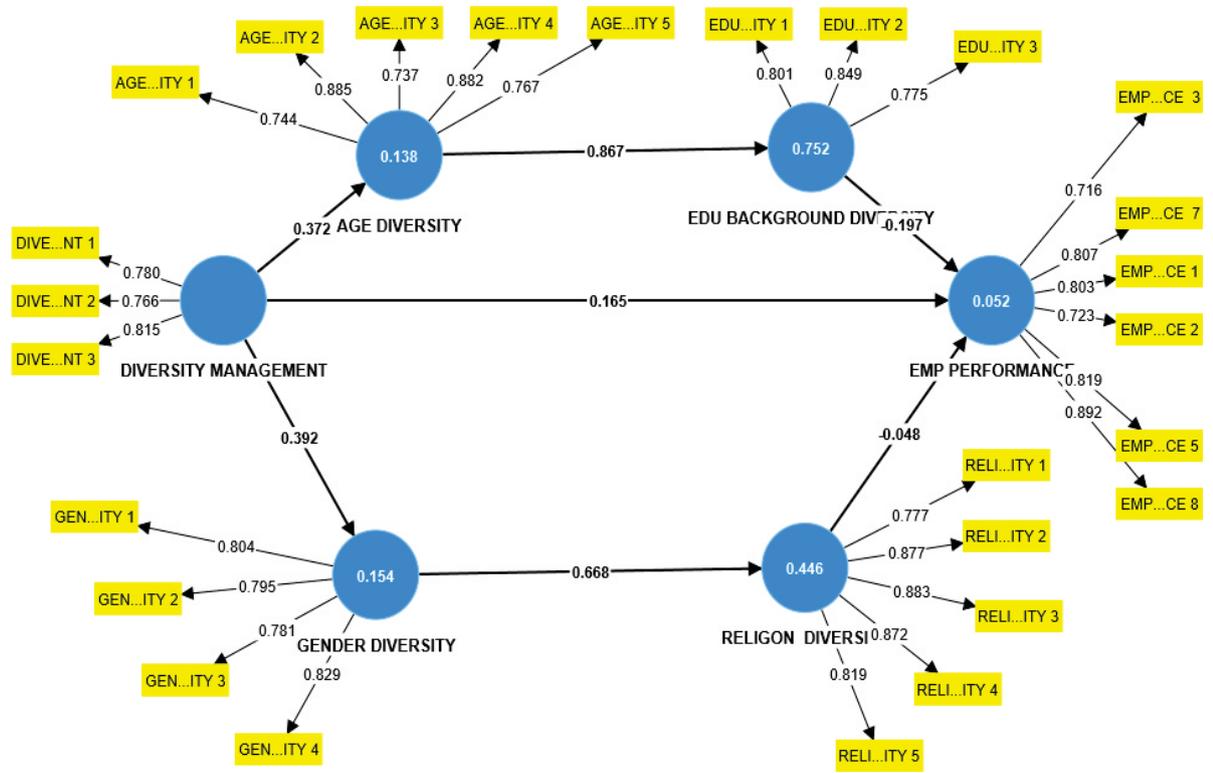
Researchers verify the validity and reliability while use of reflective model in the study. The first step is to check the composite reliability of the constructs for internal consistency. Composite reliability evaluates internal consistency of the constructs in more appropriate manner. PLS-SEM algorithm estimate the model based on individual reliabilities of indicators. The researcher provides that value above 0.70 consider stable for model significance. Each item loadings higher than 0.70 think to be significant and above 0.6 is consider satisfactory (Hair et al., 2017). The next step is to judge the each construct's average variance extracted (AVE) which should be higher than 0.50. Various researches have provided the support to convergent validity that the AVE value higher than 0.50 with items loadings greater than 0.70 (Henseler et al., 2016).

**Table 1****Constructs Validity & Reliability**

<b>Constructs</b>	<b>Items</b>	<b>Loadings</b>	<b>AVE</b>	<b>VIF</b>	<b>CR</b>
Age Diversity	Item 1	0.744	0.649	2.719	0.884
	Item 2	0.885			
	Item 3	0.737			
	Item 4	0.882			
	Item 5	0.767			
Edu Background Diversity	Item 1	0.801	0.654	1.382	0.744
	Item 2	0.849			
	Item 3	0.775			
Gender Diversity	Item 1	0.804	0.644	1.446	0.825
	Item 2	0.795			
	Item 3	0.781			
	Item 4	0.829			
Religion Diversity	Item 1	0.777	0.717	4.759	
	Item 2	0.877			
	Item 3	0.883			
	Item 4	0.872			
	Item 5	0.819			
Employee Work Outcomes	Item 1	0.716	0.633	5.511	0.898
	Item 2	0.807			
	Item 3	0.803			
	Item 4	0.723			

	Item 5	0.819	1.76		
	Item 6	0.892	2.804		
Diversity Management	Item 1	0.788	0.621	2.992	0.698
	Item 2	0.766		2.734	
	Item 3	0.815		2.158	

Table 1 shows the values of outer loadings, Average variance extracted, Variance inflated factors and composite reliability. Items loadings are above from 0.70 and values of Average variance extracted (AVE) are higher than 0.50 which presents the significance level of the constructs and items. Further the values of composite reliability are near to 0.7 and 0.8 which indicated the significance level of the model. Before assessing the inner model, the one important thing is to assess the issues of collinearity in the data set, which comes from variance inflation factor (VIF) of each item. with lower values being better , VIF values relies 1 to 3 presents that data is normal and there is no collinearity issue, and values fall between 3 to 5 shows that data is satisfactory. VIF values higher than 5 indicate there is issue in the data and mulitcollinearity exists in in the collected data (Diamantopoulos & Siguaw, 2006). Table 1 also presents the significance level of VIF values which indicated that there is no issue of multi-collinearity in the data.



The current research has indicated that diversity management has direct positive effect on employee performance, diversity management -> employee performance, 0.089. The mediating role of diversity characteristics show the indirect positive relation between the independent and dependent variables .e.g. gender diversity 0.154, religion diversity 0.446 and age diversity 0.138 educational background diversity 0.752 between diversity management and employee performance which presents the indirect significant positive relation.

The next step is to examine the value of Discriminant validity. This shows the study constructs are empirically distinct. This is related to what is intended to measure in the constructs. The Fornell and Larcker (1981) have been used for assessing discriminant validity. This describes that constructs states variance with indicators and highest squared correlation as compared to any

**Table 2**

**Discriminant Validity**

<b>Constructs</b>	<b>AD</b>	<b>DM</b>	<b>ED</b>	<b>EP</b>	<b>GD</b>	<b>RD</b>
Age diversity						
Diversity management	0.468					
Edu background diversity	1.057	0.527				
Emp performance	0.203	0.17	0.214			
Gender diversity	1.106	0.506	1.037	0.175		
Religon diversity	0.743	0.444	0.92	0.152	0.758	0.622

other constructs.

Table 2 indicates that each constructs' diagonal value is higher than their respective items and constructs, which presents the discriminant validity of the model.

**Measurement of Inner Model & Hypotheses Testing**

Hypotheses testing have been done by applying bootstrapping method. Bootstrapping is technique of resampling that reveals big number of subsamples and estimate model of subsamples (typically 5,000 or more) from original data (Hair et al., 2013). Significance of each constructs based on standard error can be assessed using relevant p values and using t values. The p values less than 0.045 and t values higher than 1.86 are considered significant for inner model estimation and establish the relationship of developed hypotheses (Henseler et al., 2015).

**Table 3**

<b>Hypotheses Testing</b>								
<b>Constructs</b>				<b>(M)</b>	<b>STD</b>	<b>T statistics</b>	<b>P values</b>	<b>Results</b>
AGE	DIV	->	EDU	0.869	0.023	8.248	0.00	Supported
BACKGROUND DIV							0	
DIV	MANAGEMENT	->	AGE	0.376	0.061	6.102	0.00	Supported
DIV							0	
DIV	MANAGEMENT	->	EMP	0.168	0.106	1.554	0.12	Rejected
PERFORMANCE							2	
DIV	MANAGEMENT	->	GENDER	0.397	0.06	6.569	0.00	Supported
DIV							0	
EDU	BACKGROUND	DIV	->	-0.203	0.123	1.89	0.00	Supported
EMP PERFORMANCE							1	
GENDER	DIV	->	RELIGION	0.671	0.036	18.645	0.00	Supported
DIV							0	
RELIGION	DIV	->	EMP	-0.047	0.128	0.375	0.70	Rejected
PERFORMANCE							8	

Table 3 presents that most of hypotheses are approved by showing the relevant p values and t values with their level of significance.

## Discussion

Creating diverse workplace culture that provide equitable, inclusive, respectful and cooperative environment for diverse workforce boosts the performance of organization and reduce the chances of problems related to work activities. In this study, researcher examined the issues and strategies for managing diverse workforce in organizations. Overall, study adds significantly to the field of diversity management and highlights the issues and challenges that diverse culture faces. The current research conducts quantitative analysis that determines role of workforce diversity management has impact on employee performance. The mediating role of diversity characteristics which are gender diversity, religion diversity, age diversity and educational background diversity show the indirect positive relation between workforce diversity management and employee performance. In support of current study researcher quotes a study on South Nigerian multinational companies which found that management of perception of marginalization, cultural diversity and conflict influences diversity management for employees. Further, diversity management and teamwork influences organizational efficiency (Inegbedion et al., 2020). Another comprehensive meta-analysis verifies based on multiple studies that workforce diversity makes performance of employees and outcomes better (Gomez & Bernett, 2019).

Diverse workforce culture has two aspects. Firstly, role of management to diversity is needed to discuss. Management style, process of recruitment, policies related to retention of employees and maintaining diverse culture importantly play role in workforce diversity. Secondly, feelings and perceptions of employees related to diversity also need consideration. Activities of diversity included both leadership styles as well as employees matters related to work (Pooja et al., 2018). Diversity environment enhance potentials of employees in which they can maximize their performance. Workplace has different types of constructive and destructive political behaviors. Management need to take these political behaviors as positive force in the diverse environment (Ng et al., 2023).

This study also describes number of challenges that are faced by diverse organizations. Practices of discrimination, prejudice, stereotypes, backlash, harassment, gender bias are the barriers to create a diverse working environment in the organizations. Organizations need to deal these barriers in strategic way. Short term management of diverse workforce is possible through pre workshop assignments, workshops, development discussions and providing continuous feedback. In the long term there is need to provide proper coaching, personal development programmed foster positive visibility, acceptance and friendship culture. There is need to discourage the environment of ethnocentrism, discrimination, prejudice, harassment and stereotype (Hoang et al., 2022).

Research highlighted some issues and challenges that are faced by diverse workforce in a common organization. Issues of inequalities, injustice, prejudice, ethnicity, fair recruitment and selection are commonly seen in the organizations. Main issues in managing workforce diversity are discrimination, racism, religious thoughts and structural inequality. If these issues are not properly managed then negative perceptions are created among the employees (Barnes & Grayer, 2023). These negative perceptions impact on the performance of the employees and create disturbance in diverse culture. Management of diverse workforce that come from different backgrounds, culture, ethnic groups, educational backgrounds, regions and religions is difficult task. Findings indicated that management adopted various strategies to manage and maintain diverse workforce. These strategies are mostly related to recruitment and selection process, creating a positive culture for all employees and providing equal work opportunities for diverse workforce (Maqsoom et al., 2023).

### **Organizational Implications**

Diversity management must be within legal requirements and demographic demand of local communities. A defensive position must be provided that there is no discrimination in workplace. Issues of minority workforce should also be carefully handled. Diversity management should be aligned with key management functions which are planning, organizing, leading and controlling. In planning stage, diversity process involved in determining company's current status of diverse workforce and what it should be in near future. Objective should be measurable, time bound and specific. Secondly organizing, in this stage basic building blocks of

diversity set and put in organized way to accomplish diversity objectives. At this stage diversity oriented departments must provide equitable environment to minority members with adopting structural approach. Thirdly staffing, in this level manager should personally involve in recruiting, selecting and appointing diverse workforce. Fourthly directing, in this stage leadership practices like effective communication and motivation of employees involved. Finally in controlling stage a proper check system must be there to check the diversity policies and practices (Campbell, 2023).

Issues related to workforce diversity can be solved by adopting various suggestions like organizations should develop cooperative, interactive, flexible and inclusive environment in which all employees can work together (Khan et al., 2021). Employee's participation should be encouraged. Democratic, participative and problems solving styles of management should be adopted. Practices of discrimination, prejudice, stereotypes, backlash, harassment and gender bias should be discouraged. Rewards and promotion systems should be cleared (Khan & Mahvia, 2022). Communication barriers among different diversified employees should be removed.

### **Limitation & Future Recommendations**

The present study has some limitation, which are needed to be considered in future studies. First of all, current research has adopted quantitative research design and has assessed the effects of diversity management on employee performance. Future researches can adopt qualitative method for analyzing workforce diversity and its characteristics in different manner (Maqsoom et al., 2023).

Secondly, we have used cross sectional research design and data collection was done in a single period of time. It is essential to analyze the workforce diversity with longitudinal research design and see the effects of diversity management in various time intervals. Thirdly, we have found the effects of diversity management on employee performance by mediating role of age, gender, education and religious diversity. Future researcher can add more relevant variables in other than textile sector .e.g. other public and commercial areas like banking, health, communications etc (Mushtaque et al., 2023; Paul et al., 2023).

### **Conclusion**

The current research concludes quantitative analysis that diversity management has impact on employee performance. The mediating role of diversity characteristics which are gender diversity, religion diversity, age diversity and educational background diversity shows the indirect positive relation between diversity management and employee performance. Current study further provides insight on different managerial strategies that are used to manage workforce diversity in organization. Further it may help for better management practices related to diverse workforce.

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