Workforce Diversity and Organisational Development:
A Study of Federal Inland Revenue, Abakaliki, Ebonyi State, Nigeria

Davidson O. Anigbata¹
Paul Chibuike Ezebuilo²
Celestina Ekene Chukwudi³*
Symplus Ogbonna⁴

¹Ph.D, Department of Public Administration, Ebonyi State University, Abakaliki, Ebonyi State, Nigeria
²Department of Political Science and International Relations, Covenant University, Ota, Ogun State, Nigeria
³Ph.D, Department of Political Science and International Relations, Covenant University, Ota, Ogun State, Nigeria
⁴Department of Public Administration, Ebonyi State University, Abakaliki, Ebonyi State, Nigeria
*Corresponding Author

DOI: https://doi.org/10.36941/mjss-2024-0022

Abstract

Organizations all over the world are facing many challenges in the management of their workforce. One of the challenges is workforce diversity. Thus, because they are recruiting people from different backgrounds. The paper sought to examine the effects of workforce diversity in the federal inland revenue service Abakaliki. The paper aimed to examine the effect of workforce diversity in organizational management. The specific objectives are to find out whether workforce diversity brings about industrial harmony or disharmony; to ascertain the effects of managing multicultural organization and to examine the impacts of workforce diversity in the organizational development of federal Inland Revenue Service Abakaliki. Content Analysis was used in the study. This is because the study relies mainly on secondary data. Situational theory propounded by Fieldler, A (1967) was used as the basis upon which the framework of the study is hinged. The paper after analyses found that workforce diversity is an inevitable organizational challenge if organizations are recruiting workforce from diverse environments etc. The study therefore recommended that management should brace up for the challenges of managing multi-cultural organizations among others. The study implies that as many people from different strata of society are employed in organizations, workforce diversity, and conflicts are inevitable. The only panacea for the problem is to develop an organizational culture to is attuned to relativism; the failure of which industrial disputes, chaos, and mutual suspicion are evident.

Keywords: Workforce diversity, Organisational development, Federal Inland Revenue and Challenges
1. Introduction

1.1 Background to the Study

With the increase in size and complexity of various organizations the world over, man has become the most important factor of production. An organization’s human resources are its main constituent. Nwizu (2017). The dynamic nature of humans makes managing people an extremely vital and difficult task. Choosing employees that meet the necessary standards for professional competence and technological efficiency is one of the most significant responsibilities of human resource managers. This is because a faulty recruitment policy inflicts a permanent weakness upon the administration since employment mistakes can be most expensive to correct.

Taking note of these developments in organizational management, human resources managers cast a broader net in recruiting their employees. By casting the border net, various people from different: ethnic, national, tribal, gender, demographic, educational, and psychological backgrounds are recruited to fill the various vacancies that exist in the organization. This development brings about workforce diversity.

Diversity in the workforce refers to the variations in the demographic profiles of the workers within an organization. According to Thomas (2015), there are a variety of factors that contribute to workforce diversity, including age, gender, race, ethnicity, education, background, marital status, income, experiences, religious beliefs, and expertise.

According to Onah 2008, workforce diversity is the differences that are witnessed in the composition of the entire workforce employed in a particular organization. Organizational environments are ever-changing; there is also competition among various firms. To surmount these challenges, human resources managers resort to employing people who are professionally trained in a particular trade. This brings about different people from various orientations and values. Where such exists, conflict is inevitable. Cox (2013).

Most importantly, the demographic profiles of organizational management are colouring owing to the diverse workforce that is employed by management. Each worker is unique and peculiar to the organization. As more and more organizations are going global in their market expansions, the need to employ diverse talents who understand the demands of 21st-century organizations becomes imperative.

As a result, many businesses are facing greater difficulties in resolving the range of opportunities, challenges, and issues brought about by their more diverse workforce. As more women, youths, and other components of the labour force are employed, it creates room for conflicts and unhealthy completions. Managers then become restless as they tend to strategize in managing workforce diversity.

Federal Inland Revenue was historically founded in Nigeria during the colonial era. However, an act of parliament passed in 2007 officially gave it legal standing and expanded its scope to include assessing, collecting, and accounting for taxes and other revenue received by the Federal Republic of Nigeria. Its mission is to reach every corner of the nation, hence it maintains offices throughout all 36 states of Nigeria as well as the federal capital territory of Abuja. It has its branch office in Ebonyi state at mile 50 layout Abakaliki. It is the responsibility of any country to determine its stability and development (Chukwudi, Gberevbie, Abasilim, & Imnonopi, 2019). As an organization that employs a diversity of people, it is facing the challenges of workforce diversity. The federal character principle in the 1999 constitution mandates all federal establishments to observe the federal character principles in their employment policies. This brings about employing people from different ethnic, tribal, religious, and cultural backgrounds.

The process by which an organization builds the internal ability to fulfill its vision and mission to the best of its abilities is known as organisational development (OD) (Okeberam, 2015). Organisational development, according to Onah (2017), is concerned with helping public organisations adapt to their complex and rapidly changing environment through organisational
learning, knowledge management, and the transformation of organisational norms and values. It is a methodical, planned technique that aims to increase organisational effectiveness by coordinating strategy, personnel, and procedures. Okafor (2016).

For organizations to develop, they must often undergo changes at various intervals in their development cycles; such changes are usually brought about by diversity in the workforce that is engaged and emerging trends in the ever-changing organizational environment. This is because public administration is ecologically bound. And even at that, diversity and the introduction of innovations tend to break through the boundaries Carter (2019).

2. Statement of the Problem

A careful observation of some of our public institutions in Nigeria especially in federal land revenue services in Ebonyi state would reveal conflicts, inefficiency, industrial disharmony, and underutilization of human resource potential. The above development is a result of mismanagement of workforce diversity.

Though, the saying that there is strength in diversity is apt; when diversity is not adequately managed, industrial disharmony becomes evident. Diversity is the differences in the composition of the workforce that are employed in an organization. By casting a broader net of recruitment policy to attract the best man for the job, organizations have recruited various persons with different orientations, attitudes, ages, backgrounds, and demographics.

Moreso, the demographic profiles of organizations are colouring. The compositions of the workforce, especially in this 21st century, are taking different shapes. The goals of every human resource manager are to employ a competent workforce, and develop and train them to improve productivity, output, quality, and service (Griffin 2012).

In the words of Onah (2008-60-61):

What sets most successful organizations apart is how they manage diverse potentials of human resources. The ability to achieve and sustain competitive advantage lies within the diverse workforce.

In various organizations the world over, what keep some executives up at night are decisions about human resources that are rather difficult and delicate, how to manage workforce diversity, and emerging trending challenges that come with diversity and mutation.

Federal Inland Revenue Service is not an exception. It has been encountering problems that diversity brings about. As a federal institution in Nigeria that adopted the provision of the 1999 constitution of the Federal Republic of Nigeria (as amended), the federal character principle must be included in its employment exercises. Thus, it is provided that during employment, all the states of the federation must be represented in its employment policies. Going by this, a diverse workforce from various backgrounds, states, educational attainment, ages, and demographics are ably represented in the organization. This brings about conflicts and industrial disharmony.

Therefore, understanding some challenges human resource managers face is a sine qua non in modern organizational management and by extension, brings about organizational development is very important in the survival and solvency of any firm (Anigbata, 2013). Without it, no institution be it public or private can actualize its vision and mission. The Organisation tends to succeed where there is an atmosphere of decorum, adherence to norms, and industrial harmony (Ndubuisi 2000).

Managing workforce diversity to ensure organizational development is an indubitable organizational reality of the present and ever-changing environments and profiles of the workforce in various organizations the world over, especially in Nigeria. It is against these backdrops that this paper becomes apt and imperative, hence the timeliness of the topic: workforce diversity and organizational development in Federal Inland Revenue Abakaliki.
3. Objectives of the Study

The broad objective of this paper is to establish the effect of workforce diversity in organizational management in the federal inland revenue service Abakaliki. However, the specific objectives are:-

i. To find out whether workforce diversity brings about organization harmony or industrial disputes in federal Inland Revenue Abakaliki.

ii. To examine the effects of managing multicultural organization using federal Inland Revenue Abakaliki as a case study.

iii. To examine the impacts of workforce diversity in organization development of the federal inland revenue Abakaliki

4. Implications of the Study

This study implies that as long as organizations are employing different sets of workforces from diverse ethnic, cultural, tribal, educational, multi-lingual, and sexual orientations, conflicts are inevitable. By casting a border net in employment, people with different ideas and personalities will be brought together in one workplace, some with wild and negative behaviors, others with decorum and self-control. It behooves the management to strategize in the management of diversity. Failure to adopt multicultural managerial practices to ensure integration and goal congruency will bring about conflicts and industrial disputes. Here productivity will be in the lowest ebb and insolvency becomes inevitable. However, if it is managed well, the saying that there is unity in diversity and there is strength in diversity will be evident in

5. Literature Review

This section examines some inputs that were made by scholars. Some of them were detailed empirical studies, while others were content analyses and submissions. They are arranged as follows: conceptual review, contextual review, empirical review, and theoretical framework of the study.

5.1 Conceptual Review

5.1.1 Workforce diversity (W.D)

Diversity in the workforce refers to the disparities among employees of organisations in terms of age, gender, ethnicity, physical capability or impairment, race, and sexual orientation. It is the various components of organizational human resources that serve as a formidable strength or force. According to Cox (2013), it is the variation that characterizes a multicultural organization that ensures that different talents and unique potentialities are pooled together as a strong organizational competitive advantage. In the words of Thomas (2015), it includes age differences, ethnicity, ancestry, gender, race, educational background, geographic locations income marital status, experience, religious belief, and expertise.

5.2 Organizational Development (O.D)

Research and experience are seen as the means of improving activities through organisational development. It is a response to change, a sophisticated educational plan meant to alter an organization’s beliefs, values, and organisational structure to better prepare it for new developments, markets, difficulties, and creative ideas. Organisational development, in the words of Satch (2018), is a specific type of change process intended to produce a specific type of outcome rather than being here or there. By adjusting to changes and alterations, organisational development aims to ensure the efficient and successful operation of businesses.
5.3 Contextual Review

Workforce diversity is defined by Cuming (2018) as the range of personalities that are hired into an organisation, creating a powerful force in organisational management as a result. He continued by saying that a competitive advantage in a company’s operational soundness is its personnel diversity.

According to Copeland (2016), the tendency to assign employees to distinct silos according to their diversity profile is the primary cause of inadequate workforce diversity management. Stoner (2020) echoed Copeland’s assertion that any organization’s ability to succeed in the future depends on its capacity to manage a varied pool of personnel capable of bringing fresh ideas, viewpoints, and perspectives to the workplace.

According to Onah (2008), if a company can make use of this talent pool of diversity, it can transform the difficulties and issues that come with having a diverse workforce into a strategic organisational asset. In agreement with Onah’s perspective, Duru (2014) suggests that an organisation can react to business opportunities more quickly and creatively when it has a diverse range of talents, particularly in the global arena, which has to be one of the key organisational goals to be achieved. More significantly, as Anigbata (2013) clarified, businesses worldwide are expanding internationally due to the dynamic nature of our workplaces and the intense competition in markets. The styles of leadership in any organisation will largely contribute to its success (Abasilim, Gberevbie, & Osibanjo, 2019) Leadership Styles and Employees’ Commitment: Empirical Evidence From Nigeria. Sage Open. 9(3), 10.1177/2158244019866287

For any organization to survive, it must recruit diverse talents that can suit the 21st century demands otherwise, such organization will be operating in the past. A diverse recruitment policy is the strategic key to success and remaining solvent in business contemporarily.

Johnson and Packer (2017) opine that managing workforce diversity in public organizations is a very challenging one. The challenge is real in an emerging millennium that is being overwhelmed by globalization. Many organizations the world over and in Nigeria have been witnessing tremendous changes in the composition of the workforce.

Okeke (2016) in line with John and Packer states that the demographic profiles of the workforce are ever colouring. Once dominated by male managers, are now employing female managers in different echelons of the organizations. Consequently, more challenges are being witnessed in organizations as different sets of people come together under one umbrella called a workplace.

Diversity is a mixed organizational reality. This is the submission of Hall (2017). It brings a competitive advantage if it is well managed and conflicts if it is not adequately managed. Thus, it requires that management develop multi-cultural organizational strategies.

According to Unachukwu (2014), there is no doubt that organizations are becoming ever more diverse. Diversity in the workplace provides both opportunities and challenges for organizational survival. By and large, workforce diversity is an indisputable organizational reality, most particularly in the emerging trends and globalization across the world.

6. Dimensions of Diversity in Workplaces

There are two categories for diversity: main and secondary. Primary dimensions are those that have an extraordinary impact on early socialization or are innate. These are the following: physical abilities, age, gender, race, and ethnicity; these cannot be altered. It is impossible to change the sex of any worker, male or female. Similarly, a worker of that kind cannot alter their race, etc. The elements that characterise us as individuals and, to some extent, set us apart from others are considered secondary dimensions of variety since they are more malleable and subject to change. These include prior education, residence, income, marital status, religious convictions, and military service (Moorhead & Gryphon 2005).

Thus, an employee who has a low educational background can acquire more knowledge; an unmarried employee can marry, etc. These are not permanent features of the workers. Secondary diversity tends to mutate with time.
7. Impacts of Workforce Diversity in Organizational Management

Workforce diversity has tremendous impacts on every organization. Some are conflicting while some are competitively advantageous. According to Cox and Blake (2019), many organizations are discovering that diversity can be a source of competitive advantage:

a. According to the cost argument, companies that can manage diversity tend to be more productive and have lower absenteeism and turnover rates.

b. The resource acquisition argument for diversity holds that companies that successfully manage diversity get a reputation as excellent places to work among minorities and women. As a result, these companies are more likely to draw in more competent workers from these demographics.

c. According to the marketing argument, organizations tend to comprehend various market segments better than less diverse organisations.

d. The creativity argument for diversity postulates that varied organisations tend to be more inventive and creative than ones with fewer personality types.

e. The case for system flexibility in favour of diversity explains that because of the diversity of their workforce, organisations need to be able to adapt quickly.

Diversity in the workforce can be a source of conflict and industrial disharmony. Due to the mixed or diverse nature of individuals who are employed in the same organization, conflicts may occur.

In the words of Obdodo (2013), One potential avenue for conflict in an organization is when an individual or group thinks that they are inherently superior to others in the organization. Conflict staining from diversity can arise through misunderstanding, misinterpretations, or inappropriate interactions between people of different groups.

Ndubuisi (2014) asserts that mistrust, fear, or personal prejudice can all lead to diversity conflicts. In an establishment, members of the dominant group could be concerned that newcomers from other groups could jeopardise their chances of being promoted to the highest levels of the company or of advancing their careers. Industrial discord is therefore unavoidably visible.

8. Organizational /Strategies for Managing Work Diversity

There are various ways through which organizations can manage workforce or workplace diversity issues. They are outlined below by Copelaland (2008)

- **Tolerance**: even though managers learn to understand diversity and empathize with others, the fact remains that they may still not accept or enjoy some aspects of others, behaviours. This is where tolerance comes into play to allow peace to reign.

- **Understanding**: The first thing to do is to understand the nature and meaning of diversity as a time reflection of every organization. Human resource managers must understand the basic differences among people. Thus, any effort to treat everyone the same without regard to their fundamental human differences will only lead to problems.

- **Diversity Training**: Diversity training has shown to be an excellent strategy for managing diversity and reducing the problems that come with it, as many businesses are discovering. More specifically, diversity training is instruction created especially to help employees operate diversely within an organisation.

- **Organizational culture**: Culture is the ultimate barometer of an organization’s dedication to managing diversity. Diversity will never be genuinely integrated into an organisation, no matter what management says or write unless there is a fundamental belief that it is valued. If an organisation is serious about fostering diversity in the workplace, it must reshape its culture to make it evident that senior management supports and values diversity in all of its policies, practices, and philosophies.
9. Managing Multi-Cultural Organization

Taking advantage of diversity in the various parts of the organization of a system is a difficult and challenging task full of opportunities and threats (Hall 2006). It is more than just announcing that the organization values diversity. It further requires that management develop a multi-cultural approach in which employees of mixed backgrounds, experiences, cultures, and demography can contribute and achieve their fullest potential. Development of a program for managing diversity would include creating a multicultural organization that is characterized by pluralism, full structural integration of formal reworks and absence of prejudice and discrimination, equal identification with organizational goals for majority and minority groups to avoid group conflicts (Anigbata, 48-43).

Asogwa (2006) emphasizes that the environment in which human resource management takes place is very rapid across a wide range of issues. As a result, this led to an interesting but incongruous environment for human resources management. An organisation is a collectivity that possesses a normative order, levels of authority, communication system, membership coordination mechanism, and a somewhat defined boundary. If the external factors, forces, and influences that mold and alter bureaucracies and other organisations are recognised and, to the greatest extent feasible, prioritised, then so will the organisations themselves.

Heady (2000) submits that managing a multicultural organization is a challenging task as well as an onerous demand. It requires that managing this kind of organizations must be ever ready to apply flexibility in policy implementation, introduce pluralism in management styles, and adopt multicultural practices that engender relativism. Otherwise, conflicts, industrial disharmony, and high rates of turnover are inevitable.

In the contentions of Cole (2012), the important point in managing multiculturalism is that managers should introduce a greater element of predictability and control into an aspect of human resources management. This will come into play when personal judgment and individual prejudice blend rather uneasily together in situations where objective information may be in short supply.

10. Empirical Review

A study titled "Workforce Diversity in Public Organisations in Nigeria" was carried out by Onah (2004). Staff diversity, according to him, is the variety in age, gender, ethnicity, physical ability or disability, race, and sexual orientation among an organization's staff. Examining the difficulties in managing workforce diversity in Nigerian public institutions was the goal of the study. In the study, content analysis was employed. It was found that the workforce composition of Nigeria's public institutions has undergone significant changes and that the country's workforce demographics are constantly changing. Additionally, many Nigerian organisations are facing greater difficulties in trying to handle the various issues that their increasingly diverse workforce has brought about.

He, therefore, recommended that managers should not only accept and employ a diverse workforce, but they should equally brace up the challenges of multicultural organizations as it brings about competitive advantages, etc.

Okafor (2016) carried out an empirical study titled "Challenges of workforce diversity in organizational management: A study of selected ministries in Ebonyi State Civil Service" The objectives of the study were to examine the effect of workforce diversity in Ebonyi State Civil Service and to ascertain how workforce diversity affect productivity of the workforce in Ebonyi state civil service a total of Ten (10) ministries were selected in the study. The population of the study was 399. The study used the Pearson product-moment correlation coefficient in data analysis. The study found that: workforce diversity can be a source of organizational strength or conflict; the breakthrough depends on how it is managed many managers were not trained adequately to manage diversity. They see diversity as a threat instead of an opportunity, etc.

The study theretofore recommended that management should develop a multicultural organization in which employees of mixed backgrounds, experience, and orientations can come
together and contribute diverse strengths; in as much as organizations are made up of diverse people with different interests and backgrounds, it requires that everybody should be carried along, etc.

Thomas (2015) conducted research titled “Workforce Diversity and Organizational Management in Nigeria Bottling Company. The study aimed to find out the impact of workforce diversity in Nigeria bottling companies. A total of 400 respondents were selected for the study. Taro Yamani was used to determine the sample size. Chi–square was used in data analysis. The study finds out that: there is a formidable strength and force in the diversity of the workforce for competitive advantage; workforce diversity equally brings conflicts and chaos if it is not managed well. Accordingly, the study suggests that human resource managers should adopt a culturally relative viewpoint (let us take the best of a variety of ways among others) instead of an ethnocentric one (our way is the best) to manage workforce diversity efficiently.

11. Theoretical Framework of the Study

This study adopts the situational theory that was propounded by Fielder, A (1967). It has the following proponents.

1. It emphasis the fact that what managers do actually in practice is situated to situations. Depending on the set of circumstances, organizational management is not entirely based on precedent; situations differ and need different approaches.
2. Management takes cognizance that organizational challenges are diverse and require multiple approaches or mechanisms to surmount.
3. There is no best way of managing any organization what managers do and how they react to issues depends largely on circumstantial evidence.”
4. The theory equally requires that managers consider the realities of given situations and the diversity of personalities in organization when dealing with problems or applying techniques.

11.1 Relevance of the Theory to the Study

The theory was very relevant to this study because it takes cognizance of challenges, differences, situations, environments, and other unforeseen exigencies that are often reflected in organizational management. Thus, some challenges bedevil multi-purpose organizations. Diversity must come into play in every setting where different individuals come together as a workforce. Therefore, for any manager to surmount the challenges that diversity brings about, must adopt a situational managerial style. Hence, the adoption of the theory is the basis upon which this study is based.

11.2 Issues

The issue is that workforce diversity is an indisputable organizational reality. In as much as organizations are employing people from different backgrounds, professional expertise, and various fields of endeavour, they must brace up for the issue of conflict management. Strategies must be adopted to ensure that conflicts are well managed (Chidozie, & Joshua, 2015; Aluko, Apeloko, Chukwudi, & Paimo, 2023)).

Onah (2008) rightly captures it when he submits that conflict is managed well so long as organizations have gone global in reciting the best employees to fill the vacant positions; then the demographic profiles of workplaces are colouring owing to diversity.

Furthermore, workforce diversity is not bad in organization. It brings out multiple diverse employees to make the workforce a formidable one. By and large, there is strength and competitive advantage in diversity.
11.3 Gaps

We reviewed some works of many scholars in workforce diversity which includes: Onah (2004), Okafor (2016), Thomas (2015) etc. Their works elucidated and explored many challenges, benefits, and prospects of workforce diversity. However, notwithstanding their contribution, they did not address the area of the study, hence, the study became imperative to examine deeper, the effect of workforce diversity in organizational management.

11.4 Outcome

Organizations the world over have been facing daunting challenges in managing their workforce and workplaces. Businesses that don’t prioritise bringing in and keeping diverse people risk facing severe repercussions since their rivals might be using their human resources more strategically than they are. Workforce diversity has brought conflicts and industrial disharmony in many forms. However, it has equally brought strength and advantages to firms that managed it properly.

12. Conclusion

Human resources management is an integral and specialized one at that (Onah, 2008). It is focused on finding an organisation with the best employees and taking care of them after they are hired, encouraging them to stay and give their all to their work (Cuming, 2018). However, in looking for these employees, organizations employ them from different strata of society. Some with wild and negative behaviours, and others come with good morals. If managers do not apply strategic managerial skills, they will hit the rock.

So long as organizations recruit people from different backgrounds, workforce diversity must come into play. The key word in this issue is strategic management principles to tackle the challenges that workforce diversity brings about in organizations. How an organisation manages, utilises, and harnesses its diverse people resources will determine how efficiently it can operate. Therefore, every manager needs to be prepared to handle the variety of issues that come with managing people.

13. Recommendations

13.1 After a summary of the study’s findings, the following recommendations are offered

1. In as much as organizations are made up of diverse, it requires that everybody should be carried a long, given sense of belonging and assured of job security in organization.
2. The management of federal Inland Revenue Abakaliki should develop skill in managing multi-cultural organization like it. Developing these skills requires a commitment on the part of top management and a clear vision of its benefits for the future of the organization.
3. Federal Inland Revenue Abakaliki should branch up the challenges of a multicultural organization if it must meet its goals and objectives.

14. Acknowledgement

The authors are profoundly grateful to the Covenant University Centre for Research, Innovation, and Discovery (CUCRID) for funding this publication.

References


