

MANAGING DIVERSITY, EQUITY AND INCLUSION (DEI) THROUGH HUMAN RESOURCES MANAGEMENT TO ENHANCE ORGANIZATIONAL PROFITABILITY

Adebayo Adebayemi Abdulwasiu, PhD

Department of Business and Entrepreneurship,

Kwara State University, Malete

adeyemi.adebayo@kwasu.edu.ng

Orcid.org/0009-0002-3055-1279

+2348060351895

Citation: Adebayo A.A (2024). Managing diversity, equity and inclusion (DEI) through human resources management to enhance organizational profitability. *Fuoye Journal of Management Sciences; Volume 1, Number 1; 2024 .1-20*

Abstract

The study examines the effect of managing diversity, equity and inclusion (DEI) through human resource management to enhance organizational profitability' in selected organizations in Kwara State namely Olam Flour Mills, Ilorin, Kam Industries Nigeria Limited, Ilorin, Tuyil Pharmaceutical Industries Limited, Ilorin, Kwara Chemical Company, Ilorin, and International Tobacco Company Plc, Ilorin. Specifically, this study is carried out to examine the effect of gender and age diversity management, experience and qualification management and individual skill and perception management on organizational profitability. Primary data was employed for the study and data was obtained through administration of questionnaires to the sampled staff of the aforementioned organizations making up One Hundred and Nine (109) staff. The sample was taken through simple random sampling technique and the data collected from the sample were analyzed using statistical software called Statistical Package for Social Science (SPSS) version 23. Based on the result of analysis, $R = 98.5\%$ and $P = 0.000$ are obtained between gender and age diversity management and organizational profitability. Similarly, $R = 91.4\%$ and $p = 0.000$ were also obtained for the analysis of the effect of experience and qualification management on organizational profitability. Furthermore, $R = 94.7\%$, $p = 0.000$ which reveals existence of significant relationship between managing individual skill and perception and organizational profitability. The result of findings shows a strong correlation and positive significance between each dependent variable (managing gender and age diversity, managing experience and qualification and managing individual skills and perception) and organizational profitability of the selected organizations in Kwara State. In conclusion, it is essential for human resource managers to understand the impact of diversity, equity and inclusion in the workplace and their extent towards enhancing organizational profitability.

1.1 Keywords: Age-based, Diversity, Diversity Management, Gender Diversity, Inclusion

Management, Work Experience

Introduction

Global organisations have made tremendous progress in improving diversity, equality, and inclusion (DEI) in recent years. This is mainly driven by the increasing focus on environmental, social and governance (ESG) concerns (Goldman & Zhang, 2020). Stephens et al., (2020) observed that there is a growing focus on Diversity, Equity, and Inclusion (DEI) in organisations and research due to the rising globalization and internationalization of the globe. According to Arshadullah (2020), diversity, equality, and inclusion (DE&I) are widely recognized as crucial elements for promoting constructive organisational transformation and growth. Today, it is even more crucial to establish organisational cultures that are deeply ingrained in respect, understanding, and compassion. While diversity, equality, and inclusion may seem to be straightforward ideas, their definitions have been influenced by systems of oppression and the legacies of imperialism, which have caused their meanings to vary across different societies and cultural norms. Okolie (2019) defines variety as including a broad spectrum of unique personality traits. It refers to the variations among individuals, including disparities in age, physical capabilities, religious convictions, gender, ethnicity, and other factors. Human beings are inherently diverse; each person has unique characteristics and qualities. Arshadullah (2020) provided a definition of 'Diversity' as the assortment of individual experiences, attitudes, and perspectives that result from cultural and circumstantial distinctions. These distinctions include color, ethnicity, gender, age, religion, language, abilities/disabilities, sexual orientation, social position, geographic area, and other similar factors.

According to Dillard-Wright and Gazaway (2021) equity is the fair and unbiased treatment of individuals in relation to their participation in all facets of society, including work and education, as well as their access to opportunities. Conversely, equity is ensuring that every person receives equitable treatment, access, opportunities, and advancement while also attempting to identify and remove any barriers that have prevented underprivileged groups from fully participating in society (Arshadullah, 2020). According to Cary et al., (2020), inclusion is defined as valuing and taking use of people's diversity in experiences, perspectives, and talents. Moreover, inclusion is the act of establishing circumstances that allow any individual or group to experience respect, acceptance, support, and appreciation. In order for everyone to fully participate and actively contribute, an inclusive environment embraces variety and encourages respect in both words and acts (Arshadullah, 2020).

In order to continue to thrive in this dynamic environment and meet their corporate objectives, organisations must seek out a more dynamic cultural model due to globalization and ongoing changes in the workplace, which have made it necessary for them to develop businesses and

cooperate across national boundaries. Businesses nowadays should acknowledge and value their multicultural workforce, which consists of employees from a range of racial, ethnic, religious, and gender backgrounds. The current focus is on managing the growing trend of diverse and multiethnic workforces, since this is essential to achieving overall business success (Omotayo et al., 2020).

Diversity, Equity, and Inclusion (DEI) has garnered significant interest from corporations in recent times. The field of study pertaining to DEI in organisations has expanded across multiple disciplines. Nonetheless, DEI is linked to a wide range of key topics. Nevertheless, DEI has not been well regulated in a number of global businesses.

Inequality and discrimination against members of various minority groups continue to be real global concerns (Klysing et al., 2021). Discrimination is when someone is treated differently or has negative effects because they are a member of a particular group. According to Wood et al., (2015), discrimination in an organisational setting includes verbal abuse, unfair treatment, workplace violence, and bullying of individuals due to their gender, race, sexual orientation, age, or religion. When it comes to socioeconomic disparities in employment opportunities, discrimination in the workplace against minority groups is on the rise. Similarly, discrimination against ethnicity in the workplace is common because these groups usually face barriers to career opportunities in terms of promotion and recruitment.

Furthermore, prejudice, or when people show an unequal preference for others based on group membership, such as gender, socioeconomic status, or ethnicity, is another major issue with DEI in the workplace (Flory et al. 2021). Minority groups face exclusion and isolation from informal social networks and find it difficult to build mentoring relationships as a result of bias and social group membership. This negatively affects their chances of achieving managerial positions, which in turn negatively affects the profitability of the organisation (Axelsson, 2022). Thus, in order to increase business profitability, effective diversity, equality, and inclusion management is required, and human resource management (HRM) plays a key role in this regard. Nevertheless, this prompts research on "Managing DEI through HRM to enhance organisational profitability," taking into account age and gender as diversity factors, experience and qualifications as equalizers, and, in the end, personal ability and viewpoint as inclusion elements.

Review of Relevant Literature

Diversity and Diversity Management

Diversity, as defined by Axelsson (2022), is the real or perceived visible or invisible distinctions among individuals and the ways in which those differences are mirrored in companies to affect profitability. Age, religion, gender, sexual orientation, ethnicity, and handicap are some of the characteristics that vary among these groups (Arsel et al., 2021; Dillard-Wright & Gazaway 2021). Diversity is the variety among people, encompassing differences in age, physical ability, gender, ethnicity, and religious beliefs in addition to other facets of individual personality. People are not made equal; we are all different from one another in every manner (Okolie, 2019). Diversity, as defined by Esty et al., (2015), is the understanding, appreciation, and acceptance of individual differences among people with respect to age, class, color, ethnicity, gender, and disability. In contrast, Okolie (2019) defines variety as difference, and the beauty of diversity is that each person is unique. Although some people believe that people are colorblind, racially biased, or religiously indifferent, this is not now the case. Positive diversity in the workplace is fostered by acknowledging and embracing the psychological tendency we all have to judge people by their age, gender, or place of origin.

Diversity in the workplace, according to Nguyen et al., (2021), draws employees with a range of backgrounds, cultures, religions, skills, educations, attitudes, ethics, and communication styles. Resolving problems with communication and skill availability in the workplace can be facilitated by a varied workforce. An inclusive workplace where people feel empowered to use their special talents to benefit the company is essential for diversity management.

The establishment and upkeep of a positive work environment is the aim of diversity management. Therefore, a successful diversity management programme will promote respect and appreciation for the distinctive differences among a group of employees (Omotayo et al., 2020). Fundamental elements of this management approach include fostering an appreciation for differences in race, gender, age, background, sexual orientation, and any other factor that may not be shared by everyone working in the same organisation, as well as encouraging employees to feel at ease with diversity in the workplace (Paulson, 2019). However, the primary objective of diversity management is acceptance. The organisation is made up of individuals with a variety of interests, values, and physical and emotional traits; in order to accomplish the goal of the organisation, these individuals must be effectively controlled and harnessed. Individuals uphold their own morals and principles, yet variety in leadership fosters an awareness that differences exist. Therefore, employees are urged to embrace the fact rather than be scared by that variance (Omotayo et al., 2020).

Although it originated in North America in 2016, the term "diversity management" has now expanded to other regions of the world. Here's a brief definition of the word; Diversity management, as used to describe intentional policies and initiatives, refers to voluntary organisational actions meant to promote the inclusion of employees from various backgrounds in both formal and informal organisational structures. Diversity management, according to Nguyen et al., (2021), is a corporate strategy that makes use of best practices to establish an inclusive and varied workplace.

1.2 Gender Diversity

It is commonly argued that many organizations have achieved greater structural and formal integration due to the increased representation of women. However, there is often a lack of substantial efforts to fully integrate women as integral members of the organization. This is despite the prevalence of intergroup conflict and institutional bias within these settings. Gender-based disadvantages in the workplace are maintained and legitimized by stereotypes and prejudices that ascribe positive traits and hence higher status to men (Omotayo et al., 2020). Because gender identities are associated with particular power positions in larger society, some gender identity groups have greater prestige, power, and status than others. In Western culture, men are generally more powerful, more highly valued, and hold more formal positions of organisational and political authority than women. Ultimately, this means that most companies will prefer to hire men because they believe that men are tougher, stronger, and more suited to pursue customers, which will grow the company's clientele and improve sales. However, another school of thinking maintains that women are more caring and produce better work and customer service, which keeps them going. This point of view will have an impact on the company's capacity to increase sales, which will have an impact on the company's overall success (Omotayo et al., 2020).

Employees can bring their unique perspectives to the workplace through gender diversity management, which is advantageous to the business as a whole. This is because diverse employees have a better understanding of the needs of a diverse clientele, which leads to increased sales and service quality. They are also better able to communicate with a wide range of clients and produce better products due to the diversity of viewpoints that fosters creativity (Ozbilgin & Tatli, 2018). This encourages the removal of prejudice and increases organisational profitability.

Age-Based Diversity

Getting a competitive edge, acting morally and ethically, and having to adapt to the new reality of a more diverse workforce are some of the reasons for implementing diversity management. The age of an employee is one facet of diversity that affects their commitment, sense of value, and self-definition. Various studies have shown that phrases belonging to distinct age groups have different dynamics than heterogeneous words (Omotayo et al., 2020 in Eugene et al., 2011). These age groups may be creative and synergistic in the right environments, which will affect their performances and commitments, despite the challenges and opportunities they confront as well as disagreements and miscommunication. Kunze et al., (2019) highlighted that age diversity is increasing and is becoming a factor in organisational management. They highlighted that the two primary theories explaining this connection are social identity and self-categorization theory, which maintains that people put themselves into particular groups based on traits that are personally relevant to them.

Creating a work environment that allows individuals of various ages to contribute and reach their full potential is the key, though, as it requires striking a balance between achieving the organization's aims and objectives and winning over the individual dedication of this age variety. By doing this, you can take advantage of workplace diversity without having to deal with its negative aspects. Because workers in different age groups will approach challenges in different ways, the company needs to keep up a flexible work environment that supports each worker's positive development. The performance of the organisation will increase as a result (Omotayo et al., 2020).

Effectively managing age diversity within a workforce has a significant impact on individual performance and commitment, ultimately influencing organizational outcomes (Ogbo & Kifordu, 2015). Understanding employees' perceptions of their roles, their employers, and the opportunities available to them is crucial. When individuals feel valued by their organization, irrespective of age differences, they are more likely to be committed to achieving the organization's goals. Moreover, recognizing and embracing diversity in various aspects such as age, gender, marital status, educational background, and work experience within an organization directly affects individual performance, group dynamics, and overall organizational success. Effective diversity management contributes to problem-solving capabilities, employee commitment, service quality, sales growth, creativity, innovation, and communication within the company. Additionally, it serves to reduce turnover rates, employee attrition, and intentions to quit.

1.3 Work Experience

Work experience diversity, or observable differences, was anticipated by Omotayo et al., (2020) to improve service quality and positively impact sales growth, both of which raise an organization's profitability. The firm benefits from a diverse workforce, which offers it a competitive edge. The organization's potential for a business advantage is highlighted. Businesses that recognise the potential economic benefits of work experience diversity and incorporate it into their HRM materials will be better able to attract and retain a diverse workforce that better serves the needs of a globalised and multicultural consumer base. They will also be able to secure a larger portion of the on-demand market, which plays a strategic role in enhancing organisational performance and attracting a growing percentage of revenue from outside the country.

To overcome diversity barriers and reap the benefits of a diverse workforce, which include increased sales, better service quality, employee commitment and satisfaction, and improved organisational performance, it is necessary to implement effective diversity management strategies in order to attract workers with a range of work experiences. This will put the organisation in a competitive position relative to its peers (Omotayo et al., 2020).

Education

According to Kerby and Burns (2012), workplace diversity encompasses a variety of informational differences stemming from individuals' educational backgrounds, experiences, and generational disparities. It also encompasses values and objectives that shape an individual's perception of the purpose behind any aspect, be it a single meeting or the entire organization. Educational diversity, in particular, holds significance and advantages for both employees and business entities.

A diverse workforce, comprising individuals with a spectrum of educational backgrounds and qualifications, directly influences an organization's profitability and the quality of services rendered. Embracing diversity, which encompasses differences in opinions, emotions, and ideologies, not only impacts the caliber of services delivered to customers but also enhances organizational performance both locally and globally (Llopis, 2016). Moreover, diversity in these realms enables organizations to reflect worldwide demographic trends, thereby influencing the global market (Kerby & Burns, 2017). In other words, corporate diversity represented by a varied workforce with diverse educational backgrounds enhances a company's market dominance and facilitates effective communication with and understanding of the target audience, consequently enhancing customer relations and service quality (Storey, 2015).

Furthermore, diversity enhances decision-making capabilities owing to the high-caliber workforce it engenders, thereby fostering improved problem-solving skills. It also fosters innovation by elevating employees' creativity levels and encouraging unconventional thinking, thus enhancing organizational performance and opening up new avenues for competitive advantage in the global market (Hubbard, 2014). Workplace diversity also cultivates customer loyalty, as discerning customers prefer to engage with companies staffed by individuals with strong educational backgrounds and ethical business practices, ultimately elevating the quality of services provided to clients (Omotayo et al., 2020).

1.4 Concept of Inclusion and Inclusion Management

The establishment of a culture or environment that values, includes, and involves diverse or marginalized people is known as inclusion (Arsel et al., 2021; Dillard-Wright & Gazaway, 2021). This (inclusion) refers to fostering an atmosphere in which workers with a range of traits flourish and feel comfortable in their workplace (Dillard-Wright & Gazaway, 2021). Some ways to achieve this include integrating them into networks and decision-making procedures (Ng & Rumens, 2017) and making the most of their unique qualities for the good of both workers and the company as a whole (Mousa, 2020).

1.5 Diversity, Equity, and Inclusion (DEI)

The phrase "diversity, equity, and inclusion" (DEI) refers to procedures used in organisations to establish justice (Arsel et al., 2021). Organisations can gain a competitive edge, increase profitability, and foster organisational growth by improving the DEI of their workforces (Axelsson, 2022 quoted Fujimoto et al., 2014).

Businesses throughout the world today understand the benefits of diversity and inclusion, even though they may not agree on how to effectively attain, manage, and appreciate diversity. According to the quantitative study, 55% of participants believe their policies either "strongly" or "very strongly" support diversity and inclusion, while 31% say they do so "moderately." Per O'Neil (2016), just 3% of people do nothing to advance diversity and inclusion.

Management of Human Resources

A system called human resource management (HRM) is used to manage an organization's human resources in relation to its business plan. HRM systems cover procedures and tactics related to hiring and selection, employee development and training, performance reviews, remuneration, job design, and talent management (Farndale et al., 2015). According to Martín-Alcázar et al. (2016), increasing workforce diversity is a crucial problem for today's

organisations. HRM may play a major role in influencing workforce diversity by fostering environments that optimize the contributions of diverse workforces.

HRM practices should be linked to the strategic needs of organisations in order to attract and retain a diverse workforce. HRM systems linked to diversity management are essential and useful in managing employee diversity. These systems include strategies to increase diversity, equity, and inclusion in staffing and planning, employee development, performance appraisal, and salaries (Martín-Alcázar et al., 2016). Organisations can get a sustained competitive and equitable advantage by implementing efficient HRM diversity strategies for recruiting, remuneration, and motivation (Axelsson, 2022).

According to Stephens et al. (2020), DEI management includes extending the use of channels for talent sourcing, modifying tools for applicant screening and assessment, and putting anti-discrimination rules into place at work. Employers can accomplish their social sustainability objectives related to diversity, equality, and employee well-being by implementing HRM practices that are linked to DEI (Podgorodnichenko et al., 2020). Therefore, by using HRM to handle DEI properly, DEI increases an organization's profitability.

1.6 Theoretical Review

1.7 Institutional theory

Research on institutional theory shows how social norms, beliefs, and presumptions interact with organisational activities (Cho et al., 2021). The main focus of Institutional theory are the behavioural factors that shape an organization's socially acceptable practices which encompass suppliers, customers, governments, workers, unions, and organizations. Governmental rules are acknowledged by conventional institutional theory experts as significant top-down institutional constraints that organisations must comply with (Scott, 2018).

According to Siegel et al. (2019), the contemporary perspective on neo-institutionalism upholds social duties and expectations in their surroundings. Because of this, the term "institution" refers to a wide range of structures, including laws and social and cultural frameworks that are connected to normative and cognitive belief systems. According to Campbell (2017), independent societal settings, industry self-restrictions, and governmental regulations can all have an impact on an organization's operations. Social expectations, not governmental or legislative authority, shape industrial self-regulation and autonomous social environments.

Organisational rules, unwritten industry conventions, and industry groups that manage organisational operations are all examples of industrial self-regulation. Non-governmental

organisations, the academic community (e.g., academics and journals), investors, and the media are examples of independent social settings. These groups advocate for socially conscious behaviour, keep an eye on the operations of organisations, and publish the findings. Studies reveal that organisations may not adhere to contextual factors when distancing themselves from real-world systems, structures, and practices. Therefore, it is possible to create an organisational image that is different from the real organisational practices by using organisational behaviours that respond to social expectations (Deegan, 2015).

Expectations of gender diversity and equality in organisations are rising as a result of heightened societal interest in the advancement of women's position and leadership (Mun & Jung, 2018). A wide range of stakeholders, including the government, shareholders, consumers, nonprofit organisations, and workers, are involved in gender issues in the workplace that are a reflection of social and cultural norms as well as public rules. Government policies aimed at promoting gender equality serve as crucial guidelines for organizations navigating the complex terrain of societal expectations. As gender diversity and equality continue to gain prominence, governments actively advocate for these principles, emphasizing women's empowerment and equal opportunities (Cho et al., 2021). For organizations, embracing these regulations and societal norms isn't merely a matter of compliance; it reflects a commitment to social responsibility. Stakeholders, including shareholders and customers, increasingly value organizations' efforts toward gender equality as integral to long-term business sustainability (Mun & Jung, 2018). Additionally, scrutiny from employees and non-governmental organizations underscores the importance of organizational behavior aligning with legal mandates and societal standards regarding gender equality (Cho et al., 2021, cited in Campbell, 2017).

Theory of Practice

According to Janssens and Steyaert (2019), practice theory is defined as an assemblage of theoretical frameworks rather than a single cohesive theory, all of which are predicated on the notion that practices shape social reality. The practice approach seeks to explain how things are performed or completed by actors or practitioners through practices (Rennstam & Lundholm, 2020) and focuses on the organisation and evolution of practices (Nash et al., 2017). According to Janssens and Steyaert (2019), the method is predicated on the idea that phenomena are simultaneously produced and experienced in connection to one another. Practice, according to Heidenstrøm and Kvarnlöf (2018), is a collection of sayings and doings arranged according to a teleo-affective structure, a set of norms, and a pool of understandings.

The set of rules consists of guidelines and directives, the pool of understandings consists of abilities and knowledge, and the teleo-affective structure denotes acts that are purposeful and significant to individuals.

The three together represent the notion that people act in ways that are important to them. This suggests, from a professional standpoint, that practitioners behave and create organisational practices based on meaning, norms, and aims (Lindberg & Rantatalo, 2015). Discourses that depict and form an environment, like the discourse of workplaces, help us understand, organize, and carry out practices (Lloyd, 2010). Individuals must have common understandings and competences that uphold social structures and foster both collective identity and individuality in order to engage in practices (Schau et al., 2009). Accordingly, practice is seen as a synthesis of sayings and doings, combining performances and practical activities that, by the acts of practitioners, create social order (Schau et al., 2009).

Sociological and philosophical studies with an interest in people's daily activities, such as driving, cooking, or gardening, gave rise to practice theory (Wenzel & Stjerne, 2021). Since then, it has been used in strategy research and management (Ahva, 2017), concentrating on the behaviours and actions of strategists as they carry out the task of strategizing in organisations through practices. The practice method is rare in diversity research, however Janssens and Steyaert (2019) claim that it can be helpful in comprehending the phenomena of inequality, discrimination, diversity, or inclusion. Similarly, Rennstam and Lundholm (2020) contend that by examining power dynamics, practice theory is helpful in determining the causes and mechanisms of inequality inside organisations. By looking at how practices are implemented and arranged, the practice method allows for a thorough knowledge of asymmetries in organisational environments.

In order to improve DEI in workforces, strategies and practices are adopted and measured, and this is understood via the use of the strategic approach to practice theory (Axelsson, 2022). This involves figuring out what tactics and procedures are employed to boost DEI during the hiring process, to keep DEI in the workplace on a daily basis, and how companies make sure that everyone has an equal chance to advance. Aftermath, the practice theory that Axelsson (2022) chose is appropriate and appropriate to utilize in this study since, in contrast to institutional theory, it examines how practices are applied in organisations (Axelsson, 2022 in Whittington, 2006).

Empirical Review

Cho et al. (2021) undertake research on the "Application of ESG Measures for Gender Diversity and Equality at the Organizational Level in a Korean Context." Their study focuses on encouraging gender diversity and equality within Korean organizations by introducing customized global indices tailored to the Korean environment. They highlight the potential benefits of embracing ESG metrics for gender diversity and equality, drawing on institutional theory to demonstrate that businesses receiving investment from The Women Fund tend to exhibit higher returns on equity and assets. The researchers advocate for human resource development practitioners to act as change agents in promoting socially conscious behaviors and reshaping organizational culture, with the aim of fostering long-term survival and financial success. By leveraging ESG measures and prioritizing gender diversity and equality, organizations in Korea can enhance their competitiveness and contribute to broader societal progress.

Omotayo et al. (2020) examined Diversity Management and Organizational Performance in Deposit Money Banks in Nigeria." Through a survey of 192 workers across selected deposit money banks in Lagos, they uncover a robust correlation between organizational success and diversity management. Their investigation sheds light on the influence of various demographic factors such as age, gender, marital status, job experience, and education on key organizational variables including employee commitment, sales growth, service quality, and intention to leave. The findings of the research suggest that Nigerian deposit money institutions have the potential to enhance their organizational performance by implementing effective diversity and inclusion management strategies.

Nguyen et al. (2021) analyze the impact of Diversity Management on Organizational Performance in Hotel Organizations: A Conceptual Framework." Their study indicates how diversity management practices can introduce favorable opportunities in organizations. By conducting a systematic literature review and analyzing data from various online databases and organizations, they conclude that effective diversity management, when implemented with consideration of challenges and problems, can significantly boost organizational performance and benefit the organization as a whole.

Methodology

This study adopts quantitative method to assess the effect of Managing Diversity, Equity and Inclusion (DEI) through Human Resource Management to enhance Organizational Profitability in selected manufacturing organisations namely Olam Flour Mills, Ilorin, Kam Industries Nigeria Limited, Ilorin, Tuyil Pharmaceutical Industries Limited, Ilorin, Kwara Chemical

Company, Ilorin, and International Tobacco Company Plc in Ilorin Metropolis in Kwara state, Nigeria. Survey method was considered through a self-administered questionnaire in order to determine the opinions and attitude of target beneficiaries about the effect of effect of Managing Diversity, Equity and Inclusion (DEI) through Human Resource Management to enhance Organizational Profitability in selected manufacturing organisations in Ilorin Metropolis in Kwara state, Nigeria. The population of the study was 150 (30 from each of the 5 selected organisations). The sample of the study was 109 determined through Taro Yamane sample size determination formula. Probability sampling method through simple random technique was also adopted and instruments used for the analysis was SPSS while the coefficient validity statistics and reliability Cronbach alpha ranges from .638 -.684 and .743-.751 respectively.

Results and Discussion

Inferential statistics

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
MGA	.985 ^a	.971	.971	.968
MEQ	.914 ^a	.835	.834	2.312
MSP	.947 ^a	.896	.895	1.834

a. Predictors: (Constant), Organisational Profitability

The table above depicts Model Summary, R, which denotes correlation coefficient are 98.5%, 91.4%, and 94.7% that explain the association between independent variables (managing gender and age, managing experience and qualification, and managing skill and perception) and dependent variable (organization profitability). This deduces that there is a positive association between each independent variables and dependent variable and this association is moderately high.

However, R squares which are 97.1%, 83.5%, and 89.6%, represent the coefficient of determination that is explained by the variables. This percentage shows the variation in the independent variables (MGA, MEQ, & MSP) and dependent variable (PROF) that can be explained by the responses of the respondents.

Analysis of Variance (ANOVA^a)

(a) Managing gender and age

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3374.097	1	3374.097	3602.534	.000 ^b
	Residual	100.215	107	.937		
	Total	3474.312	108			

a. Dependent Variable: Organisational Profitability

b. Predictors: (Constant), Managing Gender and Age

The ANOVA table depicts the fitness of data. The Significant value of the model however, is 0.000 and is less than the level of significance (5%). This deduces that, the model is good fit for the data.

(b) Managing experience and qualification

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2902.195	1	2902.195	542.782	.000 ^b
	Residual	572.117	107	5.347		
	Total	3474.312	108			

a. Dependent Variable: Organisational Profitability

b. Predictors: (Constant), Managing Experience & Qualifications

The ANOVA table depicts the fitness of data. The Significant value of the model however, is 0.005 and is less than the level of significance (5%). This deduces that, the model is good fit for the data.

(c) Managing skill and perception

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3114.534	1	3114.534	926.281	.000 ^b
	Residual	359.777	107	3.362		
	Total	3474.312	108			

a. Dependent Variable: Organisational Profitability

b. Predictors: (Constant), Managing Skill & Perception

The ANOVA table depicts the fitness of data. The Significant value of the model however, is 0.000 and is less than the level of significance (5%). This deduces that, the model is good fit for the data.

Hypotheses Testing

Ho₁: Managing gender and age diversity does not affect organizational profitability.

Ho₂: Managing experience and qualification have no effect on organizational profitability.

Ho₃: There is no relationship between managing individual skill and perception, and organizational profitability

Note: Accept Null if Sig-value>0.05 and reject if otherwise

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.548	.311		-1.763	.081
	MGA	1.034	.017	.985	60.021	.000
2	(Constant)	1.145	.726		1.578	.118
	MEQ	.974	.042	.914	23.298	.000
3	(Constant)	.131	.589		.223	.824
	MSP	1.018	.033	.947	30.435	.000

a. Dependent Variable: Organisational Profitability

Hypothesis 1 analysis result as shown in the table above depicts that the Sig-values of MGA (managing gender and age), MEQ (managing experience and qualification), and MSP (managing skill and perception) are 0.000 each and are seem less than the level of significance (0.05). Therefore, the null hypotheses are rejected and conclusion is given thus:

- i. Managing gender and age diversity has significant effect on organizational profitability.
- ii. Managing experience and qualification has significant effect on organizational profitability.
- iii. There is significant relationship between managing individual skill and perception, and organizational profitability

1.8 Discussion of Findings

In this section, illustrations were provided as regards to this study research questions. However, research question one finds out the extent at which managing gender and age diversity has significant effect on organizational profitability. In view of the result of the analysis, it is quietly revealed that organizational profitability could be affected and improved as a result of gender and age diversity management in an organization. This was attested to by this research

model summary result which provides 98.5% value to affirming the association between managing gender and age diversity and organizational profitability. Not only that, the result of hypothesis one (0.000) tested also reveals the positive and significant of managing gender and age diversity on organizational profitability.

Furthermore, analysis to research question two whose focus is on the degree at which managing experience and qualification diversity affects on organizational profitability. Thus, it is clearly shown that an organization who typically well managed experience and qualification avail with increase in organizational profitability. This view was made as a result of this research model summary result which gives 91.4% value to accepting the close association between managing experience and qualification diversity and organizational profitability. Additionally, result of hypothesis two that is 0.000 also shows that there exists positive and significant effect of managing experience and qualification diversity on organizational profitability.

Finally, research question three focuses on the relationship between managing skill and perception diversity and organizational profitability. Generally, there exists a significant relationship between managing skill and perception, and organizational profitability as result of model summary yields 94.7% which is higher percentage to concluding that relationship between managing skill and perception diversity and organizational profitability is reliable and effective. More so, hypotheses three result was 0.000 which means that there is perfect relationship between managing skill and perception diversity, and organizational profitability. All in all, findings to this assent that managing diversity, equity and inclusion in terms of gender and age, experience and qualification, and skill and perception respectively through human resource management enhances organizational profitability. This means that the more and well diversity, equity and inclusion are being managed in an organization the higher the enhancement of organization profitability. This conclusion corroborates the finding of Goldman & Zhang, (2020) who identify 80.1% of sample firms commit to Diversity, Equity and Inclusion (DEI). The finding however shows that firms with higher profits, larger size, greater growth opportunities, lower gross profit margin, higher intangible intensity, and larger workforce are more likely to commit to DEI.

The results of this study are consistent with Okolie's (2019) findings, which demonstrate that diversity management involves fostering and leveraging individual differences for the benefit of the company rather than merely accepting or accommodating them. The results show how crucial it is for human resource managers to comprehend the effects of workplace diversity.

Conclusion & Recommendations

- This research provides compelling evidence of a significant positive correlation between firms' dedication to Diversity, Equity, and Inclusion (DEI) concerning gender, age, experience, qualification, skill, and perception diversities, and organizational profitability. Metrics such as gross profit margin, net profit margin, operating profit margin, return on assets, and return on equity demonstrate this relationship, indicating that employees react favorably to companies prioritizing social issues like DEI in their human resources strategies. However, this positive correlation is moderated by financial constraints, underscoring the potential financial costs associated with investing in DEI initiatives.
- Consequently, the study underscores the importance for human resource managers to grasp the implications of diversity, equity, and inclusion in the workplace and their role in augmenting organizational profitability. Moreover, the research recommends that with increasing migration and diversity within organizations, challenges related to gender and age diversity are likely to emerge. Human resource managers must recognize these challenges as opportunities and leverage them as a competitive advantage in the business landscape. As such, HR managers are advised to acknowledge and address gender and age differences within the workplace. This involves shifting focus from group differences to individual distinctions and placing emphasis on eradicating bias in critical areas such as recruitment, selection, training and development, compensation, promotion, and performance evaluation. By embracing and actively managing diversity, organizations can harness its potential to drive innovation, enhance employee engagement, and ultimately bolster overall performance.

References

- Ahva, L. (2017). Practice theory for journalism studies. *Journalism Studies*, 18(12), 1523-1541.
- Arsel, Z., Crockett, D. & Scott, M.L. (2021). Diversity, Equity, and Inclusion (DEI) in the Journal of Consumer Research: A Curation and Research Agenda. *The Journal of Consumer Research*, 1-14.
- Arshadullah, S. (2020). "Awareness, Empathy, and Intention: Creating Constructive + Responsive Structures of Diversity, Equity, and Inclusion". *Scripps Senior Theses*. 1506.
https://scholarship.claremont.edu/scripps_theses/1506
- Axelsson, E. (2022). Managing Diversity in Organizations: The Implementation of Strategies, Practices and Measurements to Enhance Diversity, Equity, and Inclusion in Workforces. *Unpublished PhD Thesis*, Sodertorn University, Stockholm, Sweden

- Campbell, J.L. (2017), “Why would corporations behave in socially responsible ways? An institutional theory of corporate social responsibility”, *Academy of Management Review*, 32(3), 946-967
- Cary, M.P., Randolph, S.D., Broome, M.E. & Carter, B.M. (2020). Creating a culture that values diversity and inclusion: an action-oriented framework for schools of nursing. *Nursing Forum*, 55(4), 687–694
- Cho, Y., Kim, S., You, J., Moon, H., & Sung, H. (2021). Application of ESG measures for gender diversity and equality at the organizational level in a Korean context. *European Journal of Training and Development*, 45(4/5), 346–365.
- Deegan, C. (2015), “The legitimizing effect of social and environmental disclosures: a theoretical foundation”, *Accounting, Auditing and Accountability Journal*, 15(3), 282-311.
- Dillard-Wright, J. & Gazaway, S. (2021). Drafting a diversity, equity, and inclusion textbook inventory: assumptions, concepts, conceptual framework. *Teaching and Learning in Nursing*, 16(3), 247-253.
- Farndale, E., Biron, M., Briscoe, D.R. & Raghuram, S. (2015). A Global perspective on diversity and inclusion in work organisations: Introduction. *International Journal of Human Resource Management*, 26(6), 677-687.
- Flory, J.A., Leibbrandt, A. Rott, C. & Stoddard, O. (2021). Increasing workplace diversity: Evidence from a recruiting experiment at a fortune 500 company. *The Journal of Human Resources*, 56(1), 73-92.
- Goldman, N., & Zhang, Y. (2020). Corporate commitment to diversity, equity, and inclusion and employee productivity. *University Of Texas Arlington*.
- Heidenstrøm, N. & Kvarnlöf, L. (2018). Coping with blackouts: A practice theory approach to household preparedness. *Journal of Contingencies and Crisis Management*, 26(2), 272-282.
- Janssens, M. & Steyaert, C. (2019). A practice-based theory of diversity: Respecifying (in) equality in organizations. *The Academy of Management Review*, 44(3), 518-537.
- Kerby, S., & Burns, C. (2012). The top 10 economic facts of diversity in the workplace. *Center for American Progress*, 1–2.
- Klysing, A., Renström, E.A., Gustafsson-Sendén, M. & Lindqvist, A. (2021). Gender diversity in recruitment: Influence of gender trouble on applicant attraction and evaluation. *Journal of Applied Social Psychology*, 1–22.

- Kunze et al. (2019). Redefining diversity: It's not just the right thing to do; it also makes good business sense. *Training and Development*, December
- Lindberg, O. & Rantatalo, O. (2015). Competence in professional practice: A practice theory analysis of police and doctors. *Human Relations*, 68(4), 561-582.
- Llopis, (2016). "Managing cultural diversity in future organizations", *Journal of Management Studies*, 33, 1, 79 – 94.
- Lloyd, A. (2010). Framing information literacy as information practice: Site ontology and practice theory. *Journal of Documentation*, 66(2), 245-258.
- Martín-Alcázar, F., Romero-Fernández, P.M. & Sánchez-Gardey, G. (2016). Effects of diversity on group decision-making processes: The moderating role of human resource management. *Group Decision and Negotiation*, 21(5), 677-701.
- Mousa, M. (2020). Does gender diversity affect workplace happiness for academics? The role of diversity management and organizational inclusion. *Public Organization Review*, 21(1), 119-135.
- Mun, P. & Jung, Y. (2018). 'Ethnic diversity and creativity in small group, *Small Group Research*, 27, 2, 248 – 264
- Nash, N., Whitmarsh, L., Capstick, S., Hargreaves, T., Poortinga, W., Thomas, G., Sautkina, E. & Xenias, D. (2017). Climate-relevant behavioral spillover and the potential contribution of social practice theory. *WIREs Clim Change*, 8(6), 1-20.
- Nguyen, N., Yadav, M., Pande, S., Bhanot, A., & Hasan, M. (2021). Impact of diversity management on organizational performance in hotel organizations: A conceptual framework. *International Journal of System Assurance Engineering Management*. 12(1), 34- 44.
- Ogbo, A. I. & Kifordu, A. A. (2015). Global Diversity dialogues: An international conference, 8- 11 August, Cornell University, Industrial and Labor Relations (ILR) Funded by Richard Netter Foundation.
- Okolie, U. (2019). Effect of diversity management on human resource management: Recruitment and selection in focus. *Annals of SpiruHaret university. Economic Series*, 20(2), 63–86.
- Omotayo, O., Anthonia, A., Hezekiah, F., Odunayo, S., Opeyemi, O., & Odion, E. I. (2020). Diversity management and organisational performance in deposit money banks in Nigeria. *Cogent Business & Management*, 7(1), 1–14.

- Onday, O. (2016). Global workforce diversity management and the challenge of managing diversity: Situation on world and in Turkey. *Global Journal of Human Resource Management*, 4(1), 31–51.
- Özbilgin M. and Tatli, A. (2018). *Global diversity management: An evidence-based approach*, New York: Palgrave Macmillan
- Podgorodnichenko, N., Akmal, A., Edgar, F. & Everett, A.M. (2020). Sustainable HRM: Toward addressing diverse employee roles. *Employee relations: Employee Relations: The International Journal*, 1-33.
- Storey, J. (2015). ‘Equal opportunities in retrospect and prospect,’ *Human Resource Management Journal*, 9(1) 5–8.
- Rennstam, J. & Lundholm, S. (2020). Practice theory. In: Eriksson-Zetterquist, U., Hansson, M. & Nilsson, F. (eds). *Theories and Perspectives in Business Administration*. Lund Studentlitteratur, 377–407.
- Scott, (2018). ‘Managing diversity – An employment and service delivery challenge,’ *The International Journal of Public Sector Management*, 12, 1, 27–49.
- Stephens, N.M., Rivera, L.A. & Townsend, S.S.M. (2020). The cycle of workplace bias and how to interrupt it. *Research in Organizational Behavior*, 40, 1-12.
- Wenzel, M. & Stjerne, I.S. (2021). Heuristics-in-use: Toward a practice theory of organizational heuristics. *Technological Forecasting & Social Change*, 164(1), 1-9.
- Wood, S., Braeken, J. & Niven, K. (2015). Discrimination and well-being in organizations: testing the differential power and organizational justice theories of workplace aggression. *Journal of Business Ethics*, 115(3), 617-634.