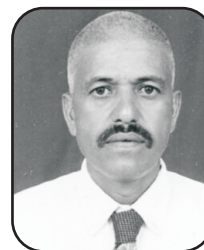


Does Workforce Diversity Influence Employee Performance? An Empirical Analysis of Nepali Civil Service



Shailendra Prasad Bhatt¹ Anil Kumar Gupta² Devi Datta Bhatta³

In the last few years, workforce diversity and employee performance have gained intensive attention among policymakers, scholars and management experts all over the world including Nepal. Nepali civil service has become socially and demographically diverse than ever before after the introduction of inclusion policy in 2007 through the second amendment of the Civil Service Act, 1993. In this regard, this paper aimed to examine the influences of workforce diversity on employee performance. In total 120 civil service employees were interviewed through structured self-administrative questionnaire and data were analyzed by applying descriptive and inferential statistics. The finding showed that civil service employees are more positively perceived as the organization's practices of respecting gender and caste/ethnicity diversity than age diversity. Civil service employee perceived themselves as a performer. However, the level of perceived diversity and performance is varied by their personal/demographic attributes. This study also showed that perceived diversity and performance are significantly positively associated. It is remarkable to note that respecting gender and caste/ethnicity diversity has more influence on performance. Civil service employees who positively perceived organization practices of respecting diversity is more likely to be performer than who do not. Hence, this study concludes that workforce diversity has a positive influence on employee performance.

Keywords: Workforce diversity, performance, gender, age and caste/ethnicity.

Introduction

In the last decade, the growing diverse workforce in Nepali civil service has led policymakers, planner, practitioner and academia pays more attention to the issue of diversity. This attention is the impact of the inclusion policy. Workforce diversity in Nepali civil service is nationally apparent as a remarkable issue after the institutionalized inclusive policy in 2007 as recommended by the Interim Constitution of Nepal 2007 through the second amendment of civil service act 1993. This act specifically addresses past injustices and discrimination of marginalized and disadvantaged group representation in the civil service rather than the need for diversity in civil service. This civil service act 1993 (second amendment) allocated 45% seats for the reservation of the different groups namely women (33%), Adiwas/Janajati (27%), Madhesi (22%), Dalit (9%), disabled (5%) and backward area (4%). As a result, Nepali civil service organizations became socially, culturally and demographically diverse. It is said that workforce diversity should be recognized and valued in the civil service. If it is not, it leads to conflict and low employee engagement which ultimately create an obstruction for effective and

efficient performance. Knowing, understanding, recognizing and valuing of each civil service employee of their distinctive characters can positively contribute to the performance. As per Saxena (2014), workforce diversity in the organization may positively or negatively influence the performance of employees. If it is managed and treated suitably, it may outcome in improved decision making, higher creativity and improved productivity (Maingi, 2015). Conversely, if it is not, it may result in lowly communication, low employee morale, increased conflicts, consequently leading to poor employee performance (Munjuri, 2012). Hence, proper management and value the diversity are required for effective and efficient employee performance in Nepali civil service. Workforce diversity in Nepali civil service is an opportunity for making more effective and efficient delivery system. Hence, understanding the effect of workforce diversity on employee performance is key for organizational development and sustainability. In this regard, this study aimed to examine the influences of workforce diversity on the performance of civil service employee.

¹ Training and Research Officer, Nepal Administrative Staff College, Jawalakhel, Lalitpur, Nepal. shailen.bhatta@gmail.com

² Training and Research Officer at Nepal Administrative Staff College, cdps10gupta@gmail.com

³ Deputy Director of Studies at Nepal Administrative Staff College devidatta.bhatta@nasc.org.np

Workforce Diversity

Workforce diversity is an asset to the organization. It has been frequently used by organization leader, employee, policymakers, practitioners, bureaucrats, and academicians. However, the workforce is defined and perceived in various ways in the literature. It has been described as a narrow or broad. Scholars like Ehimare and Ogaga-Oghene (2011), Veldsman (2013) and Lee and Gilbert (2014) have defined workforce diversity from a very narrow perspective whereas scholars such as Carelse (2013), Foma (2014), Barak (2016) from a broader perspective. From the narrow viewpoint, it is defined as the degree of heterogeneity among employees that is precisely limited to specific cultural attributes such as age, gender and ethnicity (Ehimare & Ogaga-Oghene, 2011; Veldsman, 2013; Lee & Gilbert, 2014). In other word, it refers to organizations that are becoming more heterogeneous with the mix of people in terms of gender, age, race, and education background (Robbins, 2009). On the other hand, broader perspective defined the workforce diversity as an acknowledging, understanding, accepting, valuing and celebrating differences amongst people with respect to a whole continuum of differences including age, class, ethnicity, gender, physical and mental ability, race, economic status, sexual orientation, spiritual practice and public assistance status (Carelse, 2013; Foma, 2014; Barak, 2016). This study adopted a broader perspective of workforce diversity to examine the perception of the employee in existing practices of respecting the gender, age and caste/ethnicity diversity in the civil service and its influence on employee performance.

Employee Performance

Even though the notion of performance is very common in academic literature, it is perceived and defined variously by different scholars. As per Langran (2002), performance is the record of the outcomes produced on specified job, function or activity during a specified period of time. In other word, performance is defined as working effectively which is the way in which somebody does a job, judged by its effectiveness (Cascio, 2000). O'Toole Jr. and Meier (2011) see performance as the achievements of public programs and organizations in terms of the outputs and outcomes that they produce. Tinofirei (2011) defined the employee performance as the successful completion of tasks, as a set and measured by a supervisor or organization,

to pre-defined acceptable standards, while efficiently and effectively utilizing available resources within a changing environment. For Iqbal, Anwar and Haider (2015), employee performance includes executing defined duties, meeting deadlines, employee competency, effectiveness, and efficiency in doing work. Considering the literature reviewed, this study adopted an idea of Iqbal, Anwar and Haider (2015) to measure the perceived employee performance in the Nepali civil service.

Gender Diversity and Employee Performance

Gender diversity at the workplace has received the growing attention of both academics and practitioners and raised the question whether gender diversity in an organizations' affect the individual, group or organizational performance (Gupta, 2013). Workforce diversity remains ineffective if gender issues are not first recognized (Brown, 2008). It is said that a mixed-gender performed better than the same gender groups (Eagly & Wood, 1991). Well-adjusted composition of gender diversity in the organization may create synergy effects which contribute to the performance of the employees. This is because male and female employees have different abilities and competencies which boost solidity, unity, ingenuity, and innovation for effective and efficient individual or organization performance. As per Frink et al. (2003) and McMillan-Capehart (2006), gender diversity has a positive effect on the performance of the organization. Scholars such as Eugene et al. (2011), Kyalo (2015), Ngao and Mwangi (2013), Selvaraj (2015) and Mwatumwa (2016) indicated that gender diversity is positively associated with the employee and organizational performance. Definitely, individual or organizational performance is increased if gender diversity is capitalized and maximized. For this, both male and female employee has to get equal opportunities in all aspect of the organization and discrimination and prejudice should be minimized and eliminated from the organization culture and environment. Considering these all thing, this study examined employee perception on existing practices of respecting gender diversity in the civil service and its influence on employee performance.

Age Diversity and Employee Performance

Age diversity has become an unavoidable fact of life in many organizations (Kunze et al., 2011). It is defined as the differences in age distribution among

employees within the organization (Kunze, 2013). Age-diverse workforce's presents a multitude of diverse knowledge, values, perspectives, interpretations and preferences which are prerequisites for innovation (Richard & Shelor, 2002). A mixture of young and old cohorts of employees with different knowledge and ideas can surge innovation as compared to having homogeneous employees (Gelner & Veen, 2013). As per Boehm and Kunze (2015), age heterogeneous workforce yields a host of multiple skills, intellectual styles, morals, and preferences that may result in increased productivity. The perceptions, cognitive models and interpretations of an age-diverse workforce are different which result in a larger pool of knowledge, a larger problem-solving toolbox and increased employee performance (Park & Lin, 2008 cited in Odhiambo, Gachoka, & Rambo, 2018). A heterogeneous age group of employees would accordingly be more creative, dynamic and productive than a homogeneous age group (Williams & O'Reilly, 1998; Zenger & Lawrence, 1989 cited in Amla, 2017). Conversely, Barton (2004) indicates that groups with more diverse in age had been greatly less productive. Similarly, Gelner and Stephen (2009) argued that age heterogeneity can negatively affect employee productivity due to differences in values and preferences of distinct age groups (as cited in Odhiambo, Gachoka, & Rambo, 2018). Age heterogeneity can adversely influence profitability and productivity distresses, dissimilarities in the values in and inclinations of diverse age sets (Backes- Gellner & Veen, 2009). However, Elsaid (2012) showed that there is no relationship between age diversity and employee performance. In the same line, Kyalo (2015) and Siveraj (2015) revealed that age diversity is not related to employee performance. Considering this all scholars views and finding in the mind, this study examined employee perception on existing practices of respecting the age diversity in the civil service and its influence on employee performance.

Ethnicity Diversity and Employee Performance

There is growing attention in academia and the public sector about ethnic diversity and employee performance. As per Dastane and Eshegbe (2015), ethnicity diversity workforce may be advantageous and disadvantageous to organizations. If ethnicity diversity is valued and managed properly, it may be advantageous and vice versa. Scholars such as Kyalo

(2015) and Odhiambo (2014) observed that ethnic diversity is positively and significantly related to employee performance. This is because ethnicity diverse workforce may contribute to being more creativity and innovation for the organization which in turn increase organizational performance (Van Knippenberg, Van Ginkel & Homan, 2013). It brings different views for problem-solving, new creative ideas which lead to improved team performance (Martin & Nakayama, 2015). Ethnically diverse teams result in extra creativity and innovation because of complementarities and learning opportunities (Alesina & La Ferrara, 2005; Lee & Nathan, 2011; Ozgen et al, 2011). Despite this, Jackson et al. (2003) argued ethnicity diversity showed poor performance than homogeneous groups. If ethnicity diversity is not valued, it may raise conflict and clash in the organization due to social classification and grouping. Ethnic based and clashes may negatively affect the reputation, performance and profits of the organization (Bleaney & Dimico, 2016). Hence, organizations should adopt proper ethnic diversity management strategies timely for minimizing intergroup conflict and clash for effective and efficient individual and organization performance. Nepali civil service organization has become ethnically diverse after the adaptation of inclusion policy by Government of Nepal in 2007. Therefore, this study examined employee perception on existing practices of respecting the caste/ethnicity diversity in the civil service and its influence on employee performance.

Research Methods

This study was employed a quantitative approach where the survey was adopted as a strategy of inquiry. Descriptive and explanatory research designs were used. Descriptive design was used to find the level of diversity and performance and explanatory design was used to examine the influences of workforce force diversity on employee performance of Nepali civil service. This study was randomly distributed 250 questionnaires to civil service employee but only 120 civil service employees were returned. Hence, this study delimited to 120 civil service employee as a sample. During the selection of the respondent's gender, age and caste/ethnicity diversity was carefully considered. Data were generated from the structured self-administrative questionnaire (5 points Likert scale). The structured self-

administrative questionnaire was designed based on the issues raised in literature regarding the respecting gender, age, caste/ethnicity and performance. The questionnaire was finalized after several levels of discussions with peers and subject experts. After this, the questionnaire was pretested and reliability was checked with the help of Cronbach's α . The acceptable reliability score (0.7 and higher) was found for all construct of diversities and performance. Based on the feedback of pretest, the questionnaire was finalized and was used for field operation.

The data cleaning process was done as soon as data received from the field. In this process, data were manually checked to ensure consistency and accuracy. After this, data were entered in Statistical Package on Social Science software to generate descriptive and inferential information. Before proceeding, normality of data was checked by using a Kolmogorov-Smirnov test, and Shapiro-Wilk test. As per these tests, for normality, P-value should be greater than 0.05 (Garson, 2012). However, in this test, P-value of all the variables was less than 0.05. Hence, this study was concluded that data are not normally distributed. Therefore, this study decided to use a nonparametric test to check association and causes and effect relationship between variables. Median was used to check the level of respecting the gender, age, caste ethnicity diversity and performance. To check the association, Spearman's rho correlation was used because it doesn't demand normality and used in ordinal data. For the causes and effect relationship, binary Logistic regression was used. It was used to analyze the relationship between a predictor (respecting diversities) and an outcome (performance) that is dichotomous in nature (Reeda & Wu, 2013). As per Park (2013), binary logistic regression is typically used when the dependent variable is dichotomous and the independent variables are either continuous or categorical or both. For this, this study was categorized dependent variable in two different forms—being a performer (coded as '1') and not being a performer (coded as '0'). Respecting diversity (gender, age and caste/ethnicity) was taken as independent variables. Probability of being or not being a performer is compared against each reference category of respecting diversity. The Logistic Regression Equation:

$$\ln \left\{ \frac{p}{1-p} \right\} = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \dots + \beta_n x_n \text{ ----- (1)}$$

Where, P is the probability that an event occurs; (1-P) is the probability that an event does not occur; $p / (1-p)$ represents the "odds" of the event occurring and so $\ln[p / (1-p)]$ is the log-odds of the event, βx = the coefficient of the predictor variables. Probability of the outcome (eg. being a performer) occurring can be expressed in terms following way:

$$P = \frac{\exp(\beta_0 + \beta_1 x_1 + \dots + \beta_n x_n)}{1 + \exp(\beta_0 + \beta_1 x_1 + \dots + \beta_n x_n)} \text{ --- (2)}$$

The slope represents the ratio of the probability of being a performer to the probability of not being performer compared against each reference category of respecting diversity (gender, age and caste/ethnicity). After these all test, required data was tabulated, described and generate meaning from them.

Level of Diversities and Performance

The analysis of this study is completely based on the individual perception of civil service employee regarding the existing practices of respecting gender, age and caste/ethnicity in the organizations. This section shows that the level of diversities (gender diversity, age diversity and caste/ethnicity diversity), and performance by demographic characteristics. The level of diversity and performance by demographic characteristics of civil service employee are as follows:

Level of Respecting Diversities and Performance by Gender

Figure 1 shows the median value of gender and caste/ethnicity is more than 4, which indicates that civil service employees are positively perceived the organization practice of respecting gender and caste/ethnicity diversity. However, in case of age diversity they are less positive. By gender, male employees perceived more positive on gender, age and caste/ethnicity diversity than female employees. It is also found that both male and female civil service employees are more positive in caste/ethnicity diversity. In term of performance, civil service employee reported themselves as a performer. However, by gender, male civil service employees reported themselves as a slightly higher performer than female employees although female workers are relatively more productive, as per Kotur and Anbazhagan (2014). This indicates that the performance of employees is differing by gender.

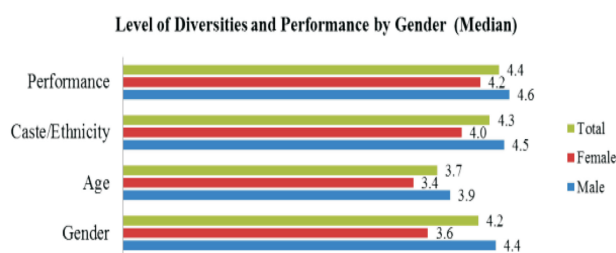


Figure 1 : Level of Respecting Diversities and Performance by Gender in Civil Service

Level of Respecting Diversities and Performance by Age

Figure 2 shows that the perceived level of respecting diversities and performance by age in civil service. It is found that civil service employees of less than 30 years are less positive perceived the organization practice of respecting gender and age diversity than older age group. Employees of 31-40 and 51-58 are more positive. In term of the performance, Kotur and Anbazhagan (2014) argue that employees in the medium range of age perform better compared to those on the extremes but this study showed that increasing age, performance level also increases. However, employees of 41-50 years have a slightly perceived themselves as a low level of a performer than age of 31-40 years. As per Gupta (2018), late age carrier (41-50 and 51-58 year) employee perceived themselves as a more performer than early age carrier employee. Hence, this study points out that the perceived performance of civil service is differing by age.

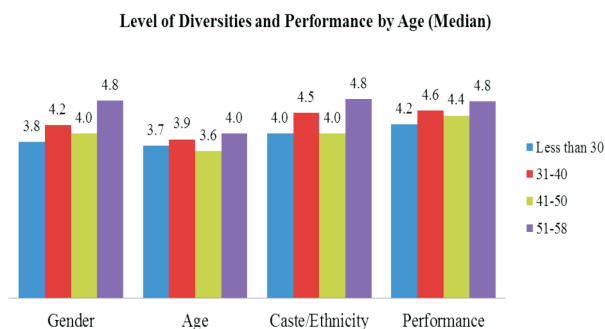


Figure 2 : Level of Respecting Diversities and Performance by Age in Civil Service

Level of Respecting Diversities and Performance by Education Level

Figure 3 shows that the perceived level of respecting diversities and performance by education level in civil service. This study showed that civil service

employees with Intermediate levels are very positively perceived the organization practice to respect diversity. In comparison to employees of Intermediate and bachelor, employees with master degree perceived less positive. Regarding performance, Elsaid (2012) argued that the more education the individual received, the more productive the worker will be. However, this study showed a surprising result. Employees with a lower level of education have a high level of performance. It is interesting to note that a similar kind of result was found by Gupta (2018). He found that a higher level of performance for intermediate than Bachelor and Master Degrees. From this evidence, it is hard to say that having higher education does necessarily to more contribute to employee performance in Nepali civil service.

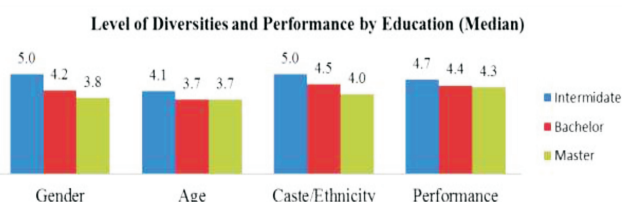


Figure 3 : Level of Respecting Diversities and Performance by Education Level in Civil Service

Level of Respecting Diversities and Performance by Position

Figure 4 depicts the perceived level of respecting diversities and performance by position. It is exciting to note that the level of diversity by position is found very versatile. Joint secretary employees are less positively perceived regarding organization practice towards respecting diversity than other positions. It is also found that among all positions employee, undersecretary very positively perceived organization practice of respecting diversity. At the officer level, employees are more positive in gender and caste/ethnicity diversities whereas they are less positive in age diversity. Non-gazetted first and second class employee perceived less positive to age diversity than gender and caste/ethnicity diversity. Regarding the performance, it is general feeling is that the higher-level position has a higher level of performance (Gupta, 2018). This indicates that there is a positive relation between position and employee performance. However, this study showed that there is a negative relationship between position and performance. A higher mean value of perceived performance is observed for Non-gazetted second

and is found to gradually decrease by increasing position as found by Gupta (2018). It indicates that increasing the level of position decrease the perceived performance of the employees. Hence, this study points out that having the low-level position of civil service employee doesn't mean that he/she perceived themselves as a low performer.

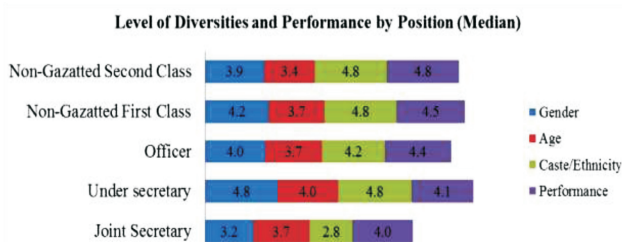


Figure 4 : Level of Respecting Diversities and Performance by Position in Civil Service

Level of Respecting Diversities and Performance by Service Year

Figure 5 provides the information of the perceived level of respecting diversities and performance by service year in civil service. This study showed that civil service employees of less than 5-year service and 16-20 years of service are less positively perceived the organization practice of respecting diversities. In all category of the service year, employees are less positive to age diversity and more positive to caste/ethnicity diversity. Regarding performance, employees with service year of 6-15 and 21 years above have a high level of performance in comparison to newcomers and employees of service year of 16-20. However, Gupta (2018) showed contradictory result regarding service year and employee performance in civil service. According to him employee with extreme service year (5 years and more than 20 years) perform better than the middle range of service year. This evidence indicates that the performance of Nepali civil service employee is differing by their service year.

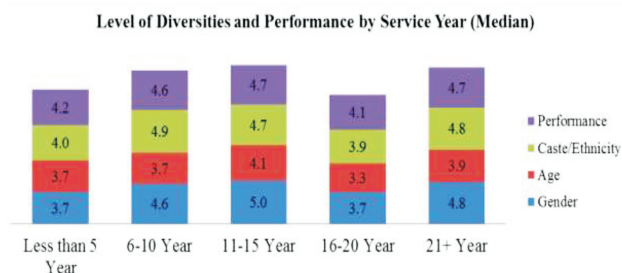


Figure 5 : Level of Respecting Diversities and Performance by Service Year in Civil Service

Level of Respecting Diversities and Performance by Caste/Ethnicity

Figure 6 illustrates the level of respecting diversities and performance by caste/ethnicity in civil service. Civil service employees of different caste/ethnicity are more positively perceived the organization practice of respecting caste/ethnicity diversity. However, employees of every caste/ethnicity are less positive to age diversity. Among different caste/ethnicity, it is observed that employees of Madheshi are less positively perceived than others. However, from the performance point of view, there is no significant difference between caste/ethnicity. In comparison to other castes/ethnicity, Janjati/Adhiwashi and Muslim reported a higher level of perceived performance.

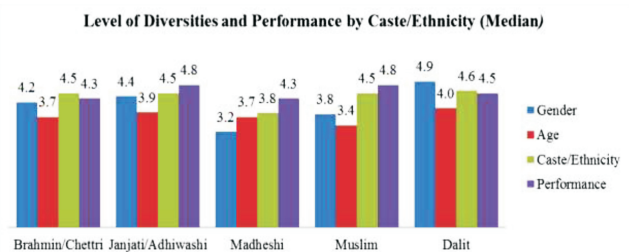


Figure 6 : Level of Respecting Diversities and Performance by Caste/Ethnicity in Civil Service

Correlation and Regression Analysis

To examine the relationship between respecting diversity and performance, Spearman's rho correlation was used. The moderate positive correlation between respecting diversity and performance was found. A higher correlation was observed for respecting gender diversity and the lowest for respecting age diversity. It is remarkable to note that correlation is significant because the p-value is less than 0.05 (see Table 1). Therefore, this study concludes that there is a liner positive (significant) relationship between respecting diversity and performance has been observed in Nepali civil service.

Table 1 : Correlation Between Respect Diversity and Performance

Diversities	Performance	
	Correlation Coefficient (Spearman's rho)	Sig. (2-tailed)
Respect Gender Diversities	.592**	.000
Respect Age Diversity	.445**	.000
Respect Caste/Ethnicity Diversity	.473**	.000

**Correlation is significant at the 0.01 level (2-tailed).

Table 2 provides R Square of respect diversity and performance. The table reports the strength of the relationship between respecting diversity and performance. Nagelkerke R Square value for respecting gender diversity is .241, which tells that respecting gender diversity accounts for 24.1% of the variation in performance. Similarly, Nagelkerke R Square value for respecting age and caste/ethnicity diversity is .048 and .136 respectively. This indicates that respecting age and caste/ethnicity diversity explains 4.8 % and 13.6 % of the variation in performance respectively. It is notable to note that respecting gender and caste/ethnicity diversity contributes more to performance than respecting age diversity.

Table 2 : R Square of Respect Diversity and Performance

Variables	Cox & Snell R Square	Nagelkerke R Square
Respect Gender Diversity	.143	.241
Respect Age Diversity	.028	.048
Respect Caste/Ethnicity Diversity	.081	.136

The regression coefficient beta (β), the Wald statistic and Odds Ratio [Exp (β)] for each reference category is presented in Table 3. The column called Exp(B) shows the odds ratio (OR) for the respecting diversity (gender, age and caste/ethnicity). The value of OR is 11.000, 3.051 and 5.022 for gender, age and caste/ethnicity respectively, which means that there is a positive association between respecting diversity and performance. In other words, for every one-unit increase in respecting diversity, the likelihood of being performance increases. It can be said that the civil service employee who respect diversity more likely to the performer than who don't respect diversity. The p-value for respecting gender and caste/ethnicity is .000 and .002 which means that the association is statistically significant. However, respecting age diversity is not statistically significant because p value is more than 0.05 (see Table 4.11).

Table 3 : Coefficients of Logistic Regression for Respecting Diversity and Performance

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Not Respect Gender Diversity (Ref.)						
Respect Gender Diversity	2.398	.661	13.166	1	.000	11.000
Not Respect Age Diversity (Ref.)						
Respect Age Diversity	1.116	.660	2.854	1	.091	3.051
Not Respect Caste/Ethnicity Diversity (Ref.)						
Respect Caste/Ethnicity Diversity	1.614	.515	9.835	1	.002	5.022

Discussion and Reflections

The Nepali civil service is demographically diverse than ever before. Different gender, caste/ethnicity and age group employees are working together for ensuring effective and efficient performance in the delivery system. Regarding the relationship between workforce diversity and performance, this study showed a positive relation. Civil service employee who perceived workforce diversities are respected in an organization is significantly positively associated, and more likely to be performer than who do not. It indicates that respected workforce diversity in the organization contributes to performance. This is because a diverse workforce performs better than homogenous. A diverse workforce is more creative, gives a wide range of perspectives and better solutions with more alternatives (Adler, 2005 cited in Amla, 2017) which creates synergy and interaction effect for employee or organization performance. Definitely, good workforce diversity practices in the

civil service positively support and enhance employee or organizational performance. Civil service employees come from diverse background and culture may bring diverse ideas, viewpoints, perspectives, capabilities, skills and commitment for the organization. This may be the reason; Magoshi and Chang (2010) argued that a diverse workforce is an asset for the organization. United capabilities, shared value and interaction with an employee from the diverse cultures, beliefs, and values add the collaborative value for performance if organization culture favors workforce diversity. Harmonious relation and favorable attitudes regarding diversities are required within the civil service organization for dynamic, efficient and effective performance. The relation between gender, age and caste/ethnicity are as follows:

Gender Diversity and Employee Performance

There is widely discussed in academia about gender and performance relation. This study identified

gender and performance is positively related. Employee who perceived that organization respect gender diversity more likely to be performer than who do not. This indicates that respecting gender diversity matter on employee's performance in Nepali civil service. As per Brown (2008), workforce diversity remains ineffective if gender balance is not first recognized. Hence, equal and balanced opportunities in organization for male and female are required for positively subsidize for the efficient and effective organization or individual performance. Gender diversity increases competitive advantage in an organization for performance (Keil, 2007). The government of Nepal has focused gender sensitive organization culture and environment through different laws, policies and guidelines for ensuring gender equality in organization behavior. That might be the reason, this study showed a positive relationship between gender diversity and performance. Employees of a different gender who is working together in Nepali civil service has different abilities, competencies and skills which enhanced individual or organizational performance. Hence, capitalize and maximize gender diversity within the civil service is the first requirement for an effective and efficient organization or individual performance.

Age Diversity and Employee Performance

There is an ongoing debate among scholars about age diversity and employee performance. Scholars such as Richard and Schlors (2002), Page (2007), Backes- Gelner and Veen (2013) and Boehm and Kunze (2015) found age diversity has a positive impact on performance whereas scholars such as Barton and Nickerson (2004) and Backes-Gellner & Veen (2009) found age diversity has a negative effect on performance. Scholars such as Child et al. (2005), Ilmarinen (2005), Elsaid (2012), Kyalo (2015) and Selteraj (2015) found there is no relationship in age diversity and performance. However, this study showed a positive relationship between age diversity and employee performance. It represents the employee who perceived Nepali civil service organizations respect age diversity is more likely to be performer than who do not. The reason behind this, diverse age group employees have diverse knowledge, values, perspectives, skills and experience which boost individual performance. A heterogeneous age group of employees would be more creative, dynamic and gainful than a homogeneous age group (Williams & O'Reilly, 1998).

A mixture of young and old cohorts of employees with different knowledge and ideas can surge innovation as compared to having homogeneous employees (Backes-Gelner & Veen, 2013). Therefore, proper management of age diversity is required to get the benefit for age diversity for effective and efficient individual and organization performance.

Caste/Ethnicity Diversity and Employee Performance

Caste/ethnicity diversity in Nepali civil service has gained prime attention after the introduction of inclusion policy in 2007. By caste/ethnicity, Nepali civil service is diverse. Diverse caste/ethnicity employee are working together to achieve organizational goals. It is said that ethnicity diversity workforce may be advantageous and disadvantageous to organizations (Dastane & Eshegbe, 2015). Scholars such as Jackson et al. (2003) and Bleaney and Dimico (2016) observed that ethnicity diversity organization has poor performance than homogeneous groups. However, in the case of Nepali civil service, this study showed a significant positive relation. This means that civil service employee who perceived the organizations respect caste/ethnicity diversity is more likely to be performer than who do not. It is said that caste/ethnicity diversity brings diverse views for problem-solving, new creative ideas which lead to improved team performance (Martin & Nakayama, 2015). Government of Nepal has focused to remove all kinds of discrimination in the workplace as well as outside by passing different laws, policy and guideline. Absence of discrimination based on caste/ethnicity in civil service organization support for innovation and creativity which in turn strength the individual or organization performance. If caste/ethnicity diversity is not valued, it may raise conflict and clash in the civil service organization due to social classification and grouping. Caste/ethnicity diversity exists in civil service organization but it should be properly treated and managed for ensuring synergy effect for an effective and efficient individual or organization performance.

Conclusion

Nepali civil service workforce is getting more and more heterogeneous due to the effects inclusion policy taken by the Government of Nepal in 2007. After this, knowing the influence of this workforce diversity on employee performance has become a very inevitable critical issue in Nepali civil service. Efficient and effective performance of civil service

employee depends on the proper and sustainable management of diversity. Nepali civil service employee is positive to the organization practice of respecting diversities and diversities and performance is a significant positive associated. Civil service employee who positively perceived organization practices to respect diversities is more likely to be performer than who do not. Workforce diversities have positive influences on employee performance in Nepali civil service. Therefore, workforce diversity should be properly respected and managed for maximizing the performance of employees in Nepali civil service.

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