



**THE MANAGEMENT OF CULTURAL DIVERSITY  
AND ITS IMPACT ON ORGANIZATIONAL  
PERFORMANCE**

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**THE MANAGEMENT OF CULTURAL DIVERSITY  
AND ITS IMPACT ON ORGANIZATIONAL  
PERFORMANCE**

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## TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b> .....	<b>1</b>
<b>THESIS APPROVAL PAGE</b> .....	<b>4</b>
<b>DECLARATION</b> .....	<b>5</b>
<b>FOREWORD</b> .....	<b>6</b>
<b>ABSTRACT</b> .....	<b>7</b>
<b>ÖZET</b> .....	<b>8</b>
<b>ARCHIVE RECORD INFORMATION</b> .....	<b>9</b>
<b>ARŞİV KAYIT BİLGİLERİ (in Turkish)</b> .....	<b>10</b>
<b>ABBREVIATIONS</b> .....	<b>11</b>
<b>SUBJECT OF THE RESEARCH</b> .....	<b>12</b>
<b>PURPOSE AND IMPORTANCE OF THE RESEARCH</b> .....	<b>12</b>
<b>METHOD OF THE RESEARCH</b> .....	<b>12</b>
<b>HYPOTHESIS OF THE RESEARCH / RESEARCH PROBLEM</b> .....	<b>13</b>
<b>POPULATION AND SAMPLE</b> .....	<b>14</b>
<b>SCOPE AND LIMITATIONS / DIFFICULTIES</b> .....	<b>14</b>
<b>Introduction</b> .....	<b>15</b>
<b>1. CHAPTER ONE: Management of Cultural Diversity</b> .....	<b>18</b>
1.1. Theoretical Aspect of Diversity of Culture .....	18
1.1.1. The Concept of Culture and Its Importance .....	18
1.1.2. The Concept of Cultural Diversity .....	22
1.1.3. Features of Culture .....	24
1.1.3.1. Humanity.....	24
1.1.3.2. Acquisition and Learning .....	24
1.1.3.3. Continuity and Cumulative .....	25
1.1.3.4. Selectivity.....	25
1.1.3.5. Composite System.....	26
1.1.3.6. Ability to Spread .....	26
1.1.3.7. Change.....	27

1.1.3.8. Integration .....	27
1.1.4. Elements that Make-Up the Culture .....	28
1.1.5. Management of Intercultural Differences .....	29
1.2. Diversity Management Concept and its Explanation.....	31
1.3. Literature Review of Cultural Diversity Management.....	32
<b>2. CHAPTER TWO: Organizational Performance.....</b>	<b>38</b>
2.1. Organizational Performance Concept and its Importance .....	38
2.1.1. Organizational Performance Measurement Criteria.....	39
2.1.1.1. Activity.....	40
2.1.1.2. Productivity .....	40
2.1.1.3. Profitability .....	41
2.1.1.4. Innovation .....	42
2.1.1.5. Flexibility .....	43
2.1.1.6. Time .....	43
2.1.1.7. Quality.....	44
2.1.2. Literature Review of Organizational Performance.....	45
<b>3. CHAPTER THREE: Methodology and Findings.....</b>	<b>49</b>
3.1. The Method and Design .....	49
3.1.1. The Problem Statement and Research Question .....	49
3.1.2. The Purpose and Importance of the Study .....	50
3.1.3. The Conceptual Study Model.....	52
3.1.4. Hypotheses Development.....	53
3.1.5. Study Population and Sampling .....	54
3.1.6. Data of Sources.....	55
3.1.7. Scales Measurement .....	56
3.1.7.1. Management of Cultural Diversity (MCD) Scale .....	56
3.1.7.2. Organizational Performance (OP) Scale .....	57
3.1.8. Data Analysis Methods.....	60
3.2. Findings.....	60
3.2.1. Findings Regarding Demographic Variables .....	61
3.2.2. Establishing Model's Validity and Reliability .....	64
3.2.2.1. Internal Validity.....	64
3.2.2.2. Model Measurement.....	65
3.2.3. Descriptive Statistics .....	67

3.2.3.1. Descriptive Statistics of the Management of Cultural Diversity .....	68
3.2.3.2. Descriptive Analysis of Organizational Performance .....	71
3.2.4. Hypotheses Testing .....	73
3.2.4.1. Correlation Analysis .....	73
3.2.4.2. Regression Analysis .....	74
3.2.4.3. Variance Analysis.....	76
3.2.4.4. Accepting/Rejecting the Hypotheses .....	78
<b>4. CHAPTER FOUR: Conclusions and Recommendation .....</b>	<b>80</b>
4.1. Discussions on Empirical Findings .....	80
4.2. Conclusions .....	82
4.3. Recommendations and Implications .....	83
4.4. Limitations and Suggestions for Future Studies .....	84
<b>REFERENCE.....</b>	<b>85</b>
<b>LIST OF TABLES .....</b>	<b>98</b>
<b>LIST OF FIGURES .....</b>	<b>99</b>
<b>LIST OF ATTACHMENTS .....</b>	<b>100</b>

## THESIS APPROVAL PAGE

I certify that, in my opinion, the thesis submitted by Zozan Ali ABDULLAH titled “THE MANAGEMENT OF CULTURAL DIVERSITY AND ITS IMPACT ON ORGANIZATIONAL PERFORMANCE” is fully adequate in scope and in quality as a thesis for the degree of Master of Arts.

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Director of the Institute of Graduate Programs

## **DECLARATION**

I hereby declare that this thesis results from my work. All information included has been obtained and expounded according to the institute's academic rules and ethical policy. Besides, I declare that all the statements, results, materials not original to this thesis have been cited and referenced literally.

Without being bound by a particular time, I accept all moral and legal consequences of any detection contrary to the statement as mentioned earlier.

**Name Surname:** Zozan Ali ABDULLAH

**Signature** :

## FOREWORD

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## **ABSTRACT**

The ultimate purpose of this study is to explore the management of cultural diversity and its impact on organizational performance. The quantitative study method was used, and the survey tool was also applied as the primary method for data collection. The survey sample includes 354 managers and employees randomly selected from telecommunication companies in Iraq to answer the survey questions. The empirical data were analyzed using SPSS and partial least squares structural equation modeling (PLS-SEM). Both are the typical analysis technique for examining study models, mainly with latent variables and their correlations. The results presented that the management of cultural diversity is positively and significantly correlated to improving organizational performance. Results also revealed that color-blindness, fairness, integration, and learning have positive and most substantial relationships with organizational performance. In contrast, the results showed a low relationship between equal access and organizational performance. The impact results showed that management of cultural diversity positively impacted organizational performance, with a strong coefficient of effect. Results also revealed that all components of cultural diversity, namely, color-blindness, fairness, equal access, cultural integration, and learning, positively and significantly affected organizational performance. However, results established no variances among managers' and employees' regarding the management of cultural diversity and its impact on the organization based on their characteristics. This study has practical and managerial contributions. The results can benefit managers within telecommunication companies, mainly selecting and implementing the strategies related to culturally diverse workforces and making an appropriate environment. The study findings also contribute to better understanding organizational performance improvement and realizing the factors affecting employees and organizational performance. An effectively managed cultural diversity employee can rapidly take effective promotion methods to satisfy a multicultural market and capture multicultural clients. Besides, diverse employees can offer better service ideas for multicultural clients.

**Keywords:** Cultural Diversity, Organizational Performance, Management

## ÖZET

Bu çalışmanın nihai amacı, kültürel çeşitliliğin yönetimini ve bunun örgütsel performans üzerindeki etkisini araştırmaktır. Nicel araştırma yöntemi kullanılmış ve anket aracı da birincil veri toplama yöntemi olarak uygulanmıştır. Anket örnekleme, anket sorularını yanıtlamak üzere Irak'taki telekomünikasyon şirketlerinden rastgele seçilen 354 yönetici ve çalışanı içermektedir. Ampirik veriler SPSS ve kısmi en küçük kareler yapısal eşitlik modellemesi kullanılarak analiz edilmiştir. Her ikisi de, esas olarak gizli değişkenler ve bunların korelasyonları ile çalışma modellerini incelemek için tipik analiz tekniğidir. Sonuçlar, kültürel çeşitliliğin yönetiminin, örgütsel performansın iyileştirilmesi ile olumlu ve önemli ölçüde ilişkili olduğunu göstermiştir. Sonuçlar ayrıca renk körlüğü, adalet, entegrasyon ve öğrenmenin örgütsel performansla olumlu ve en önemli ilişkileri olduğunu ortaya koymuştur. Buna karşılık, sonuçlar eşit erişim ile kurumsal performans arasında düşük bir ilişki olduğunu göstermiştir. Etki sonuçları, kültürel çeşitliliğin yönetiminin, güçlü bir etki katsayısı ile kurumsal performansı olumlu yönde etkilediğini göstermiştir. Sonuçlar ayrıca kültürel çeşitliliğin tüm bileşenlerinin (alt boyutlarının), yani renk körlüğü, adalet, eşit erişim, kültürel entegrasyon ve öğrenmenin örgütsel performansı olumlu ve önemli ölçüde etkilediğini göstermiştir. Bununla birlikte, kültürel çeşitliliğin özelliklerine ve yönetimine göre organizasyon üzerindeki etkisi konusunda yöneticiler ve çalışanlar arasında herhangi bir farklılık tespit edilmemiştir. Bu araştırmanın pratik ve yönetsel katkıları bulunmaktadır. Sonuç olarak telekomünikasyon şirketlerindeki yöneticiler, kültürel olarak farklı iş gücüyle ilgili stratejileri seçip uygulayarak ve uygun bir ortam oluşturarak fayda sağlayabilirler. Araştırma bulguları, örgütsel performansın iyileştirilmesinin daha iyi anlaşılmasına ve çalışanlar ile örgütsel performansı etkileyen faktörlerin farkına varılmasına da katkı sağlamaktadır. Kültürel çeşitliliği etkili bir şekilde yöneten bir örgüt, çok kültürlü bir pazarı tatmin etmek ve çok kültürlü müşterileri yakalamak için etkili olacaktır. Ayrıca, çeşitli kültürden çalışanlara sahip olmak da, çok kültürlü müşteriler için daha iyi hizmet fikirleri sunabilmek anlamına geldiği söylenebilir.

**Anahtar Kelimeler:** Kültürel Çeşitlilik, Örgütsel Performans, Yönetim

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## **ABBREVIATIONS**

**AVE:** Average Variance Extracted

**CAM:** Content Analysis Method

**CR:** Composite Reliability

**DPQ:** Diversity Perspective Questionnaire

**HR:** Human Resources

**HRM:** Human Resources Management

**MRD:** Management of Cultural Diversity

**PLS:** Partial Least Squares

**QRM:** Quantitative Research Method

**SAOG:** Shell Oman Marketing Company

**SEM:** Structural Equation Modeling

## **SUBJECT OF THE RESEARCH**

In this study, the subjects are managers and employees working in Iraqi telecommunications companies who freely accepted the invitation to participate in the survey by responding to the survey questionnaires indicators on the management of cultural diversity and organizational performance, which was self-administered Asia, Korek, and Zain and also their branches.

## **PURPOSE AND IMPORTANCE OF THE RESEARCH**

This study's primary purpose is to examine the management of cultural diversity and its impact on organizational performance, based on empirical data from managers and employees working in telecommunication companies in Iraq. However, this study focuses on great importance to organizations, namely cultural diversity, and organizational performance. The cultural diversity has become a problem for managers, whether they realize it or not, and the interest in cultural diversity has increased in recent times by researchers. Accurate leads of cultural diversity to avoiding many of the problems in organizations. Those containing many races improve performance; it is no secret that telecommunications companies in Iraq and foreign employees attracted to working in Iraq have become inevitable. Therefore, this study is essential since it highlights the cultural differences within these companies and their compatibility with the overall organizational values. Accordingly, this study reveals to managers and organizations, particularly those interested in the diverse workforce and how employee cultural diversity affects organizational performance.

## **METHOD OF THE RESEARCH**

The study used a quantitative research method (QRM) to collect data and test hypotheses. Hypotheses are based on the study model's role - collecting empirical data through the survey tool, supported by the cross-section. Using a survey questionnaire is the most appropriate way to quickly gather information from the study sample at the lowest budget. This method contains different volumes and analytical measures that support clarification, description, search, and brightness of study subjects. The study design was established once the study's primary purpose and survey questions have been completed. We used a study design to framework the methods and procedures

applied to obtain and present the data. Therefore, the current study's design is more appropriate as it permitted the respondents to willingly provide relevant information about the study topic by using a seven-point scale.

## **HYPOTHESIS OF THE RESEARCH / RESEARCH PROBLEM**

Iraqi telecommunications companies compete with other international companies; this situation puts them better in managing their businesses. Hence, these approaches should be aimed at increasing relevance, innovativeness, and competitive advantage. Indeed, this view developed until it recently included the cultural aspect of organizations and all this in light of the development of behavioral sciences in the organization's field. Thus, considering difference, and cultural diversity refers us to focus on the organization's primary cultural element representing the fundamental values that constitute the organization's identity and the subcultures represented in the values that employees carry in their various cultures. Accordingly, this study problem embodies how the management of cultural diversity in Iraqi telecommunications companies impacts organizational performance. Therefore, the study hypothesized that the management of cultural diversity in terms of (color-blindness, fairness, equal access, integration, and learning) positively and significantly impacts organizational performance. Therefore, the study hypothesized that;

***H<sub>1</sub>***: The management of cultural diversity is positively and significantly impact on organizational performance of the Iraqi telecommunications companies.

***H<sub>2</sub>***: The effect of the management of cultural diversity on organizational performance differs to according respondent's demographic characteristics.

## **POPULATION AND SAMPLE**

The study population is managers and employees working in Iraqi telecommunications companies, such as Asia, Korek, and Zain and the study population size are 4500. These companies are selected to be a study population because since they are considered multinational companies. Their employees can respond to the surveys as they have information about the management of cultural diversity in their telecommunications company. They also know their performance and are usually associated with other companies in the region. However, telecommunications companies operating in Iraq are the overall size of the target population. The study aims to explore the management of cultural diversity and its impact on organizational performance. Therefore, they can provide essential data to support the study's purpose and respond to its data; however, the study samples are (354) managers and employees who willingly accept the request to contribute to the survey.

## **SCOPE AND LIMITATIONS / DIFFICULTIES**

The empirical data was collected during the covid-19. Hence, it affected our abilities to obtain larger samples. However, the study population was only among the telecommunication companies in Iraq, such as Asia, Korek, and Zain; based on that, a larger sample may have produced better results generalization. Thus, future studies better attention to a different and larger population sample, such as manufacturing companies, including international companies. This study contributes to the literature on managing cultural diversity and organizational performance besides providing further development recommendations. Furthermore, the effects can benefit managers in telecommunications, primarily in selecting and implementing strategies for the culturally diverse workforce and creating an appropriate environment. The results also contribute to improving the understanding of improving organizational performance and investigating the factors that affect employees and organizational performance.



## **Introduction**

In current businesses and telecommunications companies, managers and employees from different backgrounds and cultures must work together, interact and communicate daily (Gumede, 2016). Since human resources have developed on several levels throughout their history, especially in the contemporary period, however, managing cultural diversity aims to achieve a multi-workforce that includes a diverse staff to perform the possibilities of reaching an egalitarian workforce environment where no member of the group has advantages or disadvantages (Weisinger, 2004; Schneider and Northcraft, 2011). Cultural diversity has recently become limited to differences between continents, but this difference and diversity, also between countries, and even between state parts. Culture is not everything for individuals, so what is impressive about this may not be liked by others. When comparing cultures across the world, most of them face the exact dimensions of culture, but their differences appear in how they deal with these dimensions (Hofstede, et. al., 2002).

Consequently, the management of cultural diversity refers to actions taken to overcome the influence of some policies, practices, or other barriers to equal employment opportunities and is a first step that allows managers to correct imbalance, inequality and fix past problems (Bekai, 2016). This can be motivating and motivating, but it also brings frustration and uncertainty at times. Hence, it becomes imperative for any progressive organization to seek ways to embrace and continually address these changes. Today, successful organizations should realize that innovation and competitive advantage will be achieved through differences, not similarities (Gumede, 2016). In this regard, Young (2013) stated that managing cultural diversity and organizational performance yields several profits. However, one of the essential values of cultural diversity is that an organization with culturally diverse employees can better consider the international marketplace (Klarsfeld, 2014). Thus, various studies have investigated the management of cultural diversity. It is positive results such as improving organizational performance; it motivates most organizations to develop strategies, policies, and programs to encourage cultural diversity and preserve diverse human resources. However, as Pitts (2009) mentioned, cultural diversity may lead to negative consequences, such as decreased organizational performance. Thus, those

organizations must understand how to find strategies, policies, and programs to manage this diversity to deal with their negatives and problems, constituting diversity management programs. Cultural diversity is an essential source of business success, especially as it blends the skills and knowledge of many people into their abilities. Thus, this combination gives the organization the ability to deal with the complexity and uncertainty of the business environment. Also generating a competitiveness for the organization is directly based on respecting the diversity of its members and allowing each of them to use their capabilities and skills to the fullest.

Consequently, organizations have to balance those differences rather than realize them as discrepancies that should be diminished. In this context, Sales (2010) mentioned nine important ways a company can gain a business competitiveness over its peers due to its diverse workforce. Furthermore, companies can benefit from their diversity since they can better solve their problems, improve communications, and enhance resilience to market conditions and innovation. However, according to Jon and Randy (2009), organizational performance is a process of enhancing the effectiveness of the organization and the well-being of its members through planned interventions. One of the three critical points of corporate growth that improve organizational performance is when many organizations increase organizational culture to influence organizational performance. Swanson (2000) argued that organizational performance is considered the value of a system in products or services. Additionally, organizational performance is the degree to which employees achieve the company's mission in the workplace. The career of employees is built by the degree to which a particular goal or task is achieved that defines the limits of performance.

To the remainder, the study is organized into four chapters. The first chapter dealt with the literature related to the cultural diversity management, which begins with a more comprehensive review of diversity in the work environment. It examines the efforts of researchers and authors in managing cultural diversity. It also deals with how diversity is affected by personal, social, and organizational perceptions. Once you have an understanding of what influences diversity, the literature considers the organization's value of knowledge and effective management of cultural diversity. Chapter two reviews and observes the literature related to organizational performance. The organizational performance concept and its importance are measurement criteria,

such as employee activity, productivity, profitability, innovation, flexibility, time, and quality. Finally, we addressed the literature on organizational performance.

Chapter three focuses on the study methodology and findings, the first section included the method that was applied to obtain empirical data from survey samples through responses to survey questions. It is statements on the management of cultural diversity (MCD) and organizational performance (OP). Therefore, it also reintroduces the study's primary purpose and presents more information on the survey contributors and their position. It discussed the methods, design, survey measurement, conceptualization, and operationalization of the study's main variables and their components, then explained the study population and sampling and addressed the study subjects. In the second section, we aimed to test the study hypotheses, which related to the impact and association between the management of Iraq's telecommunication companies' cultural diversity and organizational performance. However, before checking hypotheses, we establishing model's validity, and reliability. Therefore, it covers findings on regarding demographic variables and the statistical investigation of empirical data, such as descriptive statistics analysis, correlation analysis, regression, and variance analysis. The results are revealed in the tables and figures below. Chapter four deals with the conclusions based on the previous chapter's findings and provides recommendations for action; finally, it is revealed the study contributes and suggestions for future studies.

# **1. CHAPTER ONE: Management of Cultural Diversity**

This chapter deals with literature on cultural diversity management, which begins with a more comprehensive review of diversity in the working environment. Also reviews the efforts of researchers and authors in managing cultural diversity. It also explores how diversity is influenced by personal, social, and organizational perceptions. Once we understand what affects diversity, the literature takes into account the organization's value of effective knowledge and the cultural diversity management.

## **1.1. Theoretical Aspect of Diversity of Culture**

In this section, we address the concept of culture and its importance, where the concept of culture plays a prominent role in various humanities, social sciences, and especially management. The cultural framework as it evolved from the past to the present, a new branch recently emerged is the science of the cultural future to add a new dimension to the importance of this concept in working life now and the future. However, we address the concept of cultural diversity, the characteristics of culture, the constituent elements of culture, the classification of culture, and the management of differences between cultures.

### **1.1.1. The Concept of Culture and its Importance**

The concept of culture has recently received the attention of the theorists of strategic management, organizational behavior, and human resources management, as one of the main determinants of the success and excellence of business organizations, especially at the moment when rapid changes characterize the business environment and with it intensified competition between organizations affecting organizational performance and how companies achieve their goals. A company with a strong, adaptive, and positive culture enables its members to commit and respect the value of time, participate in decision-making, and encourage creativity and innovation, which drives them to achieve individual and collective goals (Mustafa, et. al., 2020; Perry & Sam, 2013). Culture is all that the human mind has created of things and social manifestations in the social environment, that is, everything that man invented and discovered and played a role in society. Culture is defined as the set of values and beliefs that members of the organization have towards its core objectives and ways of

achieving those goals. Culture is the pattern of basic assumptions invented, discovered, or developed by the group as learned by adapting to the problems of the outside world and the need for internal transformation, which have proven that their power is valuable and must be thought of and felt. About those problems (Ahmed & Shafiq, 2014; Elia, et. al., 2019).

According to Lott (2010: 11), culture mentions what we learn from others in the form of friendly relationships or understandings, principles, attitudes, and standards. The concept of cultural diversity is accurate and protective. Therefore, culture is also considered as a mechanism of shared values and behaviors based on non-violence and respect for fundamental human rights through understanding, tolerance, and cohesion, all within the cooperation framework. In this regard, the cultural learning process takes two main paths, the first relates to the nature of the effects on business relationships, whether with senior or middle management or with their peers, and the second track relates to the set of values and beliefs. and the habits of individuals, and the extent of the change that can happen (Mustafa, et. al., 2020).

Culture in its overall is the set of ideas, customs, beliefs, values, ways of thinking, working, behavior patterns, and all the remaining inventions or means in people's lives. Thus, it is the total way of group life, including aspects, material and moral (Ortega-Parra & Sastre-Castillo, 2013). Culture also is the common element of the human being with the effect that leads to the creation of things in society, some of which are material represented in everything produces and can be investigated by the senses, and others are immaterial, including customs, traditions, values, morals and artistic methods (Tarvonen, 2018). Culture represents the original expression of the historical peculiarity of a nation from its view of the universe, life, death, human, capabilities, and what should human do, and what should not do or hope.

A strong culture is prearranged in which a person or group of individuals with great power and influence works. This type is more evident in small-scale companies that do not have complex labor laws and management procedures. We often recognize this in organizations that have achieved their growth under a dynamic bossy person, so the work is carried out with respect and love for that person. This type of culture can be keen in the military institution, which considers obedience and discipline an indicator of its success first and before any other work, so the organizational structure

in it resembles a spider's web, as this person lies in the middle center like a spider in the middle of the network, which makes the middle center a focus of control and obedience and strength (Lott, 2010).

The importance of culture stems from the fact that it forms the intellectual and reference framework for human resources behavior, identifying the acceptable work that encourages the early founders and task forces to do, and the unacceptable work expected to face condemnation and condemnation from those with them. Culture provides an excellent framework for regulating and guiding organizational behavior, as it affects employees and forms the patterns of behavior required of them to act within the organization in which they work. Besides its integration, which is represented by the agreement of employees on specific elements, and whenever new employees come in, they must adhere to the culture of the organization, i.e. accept its values, beliefs, and customs, which are recognized and approved by all, everyone is committed to them (Madhoun and Al-Jazrawi, 1995). The consciousness of the cultural importance is based on the achievements of Japanese organizations in cultural values in the management of organizations before they depended on collective effort has increased. In addition, participation is based on trust, concern for employees, developing their skills, innovative abilities, and understanding among organization members regarding the importance of culture (Hofstede, et. al., 2010; King, 2012). Regarding the importance of culture, Daft (2010), mentioned that culture is a way for individuals to interact in the group, or organization, integrate activities to achieve the goals set, adapt to the external environment, respond to all changes inside and outside the organization. Also combined with experience in practice, these lead to the accumulation of its components in individuals. According to Mallak (2001) culture has a role in guiding decision-making on the part of employees, in the absence of written rules or policies. Hence, culture can be considered as a critical factor in the successful implementation of functional strategies in the organization, which affects the efficiency of management in achieving the goals of the organization. Since the importance of culture in organizations lies in the following aspects (Chow & Liu, 2009; Al-Rakhimi, 2001: 58):

1. Culture serves as a guide for managers and employees, forming models of behavior and relationships to be followed and guided by.
2. Culture is an intellectual framework that guides the members of a single organization and organizes their work, relationships, and achievements.

3. The human resources in organizations do not perform their roles separately but rather within a unified organizational framework. Thus the culture, with its values, and behavioral rules, defines employees and the organizational behavior expected of them. Besides introducing them to the patterns of relationships between them and their clients. Also, the other parties they deal with, even their clothes, their appearance, the language they speak, their performance levels, and their approach to solving problems, are determined by the culture.
4. Culture expresses the distinctive features of the organization from other organizations, and it is a source of pride for its employees, especially if it emphasizes certain values such as innovation, outstanding leadership, and overcoming competitors.
5. Culture is an essential element that affects the organization's susceptibility to change and its ability to keep pace with current developments around it.
6. A strong culture is an active and supportive element for the administration and aids it in achieving its goals and ambitions. Culture is strong when the majority of an organization's employees accept it, accept its values, rules, and rules, and follow all of this in their behavior and relationships.
7. A strong culture that facilitates the task of management, and team leaders, so that they do not resort to formal or strict procedures to confirm the desired behavior.
8. A strong culture is a competitive advantage for the organization if it emphasizes creative behaviors such as dedication to work and customer service, but it may become detrimental if it emphasizes routine behaviors, such as complete obedience and literal adherence to formalities.
9. Culture is a vital factor in motivating the right workforce. Leading organizations attract ambitious employees, and organizations that build values of innovation, excellence, and attract creative employees. Therefore, organizations that reward excellence and development, are joined by hard-working workers who are motivated by self-resilience.
10. Culture is directly related to business sales. If the organizational culture exists, then there is the preservation of institutional values, which leads to commitment, control, and agreement on the importance of what the organization symbolizes and its goals, which results from this homogeneity in loyalty to the goals and objectives of the organization.

11. Having a strong culture in the organization may be a powerful alternative to the systems, procedures, and work rules, the more the culture can penetrate the minds and behaviors of the employees, along with the less need for management to use formal work rules and procedures to guide their job behaviors.

Culture also occupies a basic concept for several reasons. First, looking at the culture may be useful to the aspirant. They may have a better idea if they want to work for a company. Second, thinking about culture may be useful in training new employees. Third, looking at corporate culture may support leaders in identifying potential sources of problems in the organization (Kumar, 2016). In the same vein, Lunenburg (2011) stated that the skill that formed and elements of culture tend to be a kind of harmony and agreement with general values and trends in the personality of individuals.

### **1.1.2. The Concept of Cultural Diversity**

Before dealing with the management of cultural diversity, we identify diversity, the actual or perceived difference between people in the race, ethnicity, gender, age, religion, marital status, appearances, and other identity-based attributes that influence their interactions (Shih, et. al., 2016). Therefore, Dahm (2003) argued that diversity is a sensitive and emotional issue that companies need to pay attention to and improve themselves. Diversity is also defined as the differences that occur between employees and members of the same organization or entity (Jackson, et. al., 1995). Sales (2010) also argued that if diversity is given sufficient attention, its overall performance can be increased in ways that have not been achieved in an another way. Currently, researchers and business organizations are adopting a more comprehensive definition of diversity that recognizes the range of differences that affect how employees interact with work, interact with each other, get satisfaction from their work, and identify themselves as people. The concept of diversity refers to the distinction between individuals, especially in characteristics, performance, and environments, resulting in a diversity of behavior, customs, traditions, and lifestyle. However, humanity belongs to one common origin and root, for similarity exists but does not cancel diversity even within one race or nation (Akpoviro, et. al., 2018).

However, Reynolds and Lewis (2017) investigate the common knowledge that teams recognize the more diverse they are in terms of age, race, and gender, and the



more creative and productive groups are. Problems have been implemented worldwide more than a hundred times over the past twelve years, with an average group size of 16 individuals consisting of CEOs, MBA students, general managers, scientists, teachers, teens, same-generation siblings, and educators. Some groups achieved excellent results, and others achieved very poor results, regardless of the diversity in gender, age, and race. Cultural diversity refers to the distinction of human culture by diversity, multiplicity, differentiation, and it is similar and identical in its content, considering that humanity has one origin. Hence, the term cultural diversity refers in its linguistic meaning to describing the human reality because of it from the angle of distinction, multiplicity, difference, variations, similarity, and coincidence in the group is the unity with other groups. It can be noticed the difference and diversity within the same group (Wambui, et. al., 2013). Cultural diversity identifies several characteristics of cultures or ethnic groups existing within society. Cultural diversity emphasizes race, religion, languages, backgrounds, and nationalities. Diversity has a broad dimension such as age, gender, race, disability, motherhood, religion, and respect for other cultures (Agrawal, 2012). According to Perry and Sam (2013), some terms, such as diversity, and culture, are used together in several spaces, without a proper understanding of the meaning of these terms. Broad scholars describe, in some cases, the terms culture, and diversity; To be precise, at one time, they lack an understanding of their meaning. Nor do individuals know that diversity can mean similarities between objects or forces and as a result, when people are asked to explain the diversity, they associate it with differences.

Cultural diversity plays a critical role in organizations in the local and international context, which has become a major topic of concern among managers, researchers, and policymakers (Reddy, 2011; Sultana, et. al., 2013). Accordingly, cultural diversity is a fundamental difference, distinguishing one from another, a description that covers a wide range of obvious traits and hidden abilities (Ivancevich & Gilbert, 2000). According to Shih et al. (2016), cultural diversity is now widely accepted by organizations to achieve business competitiveness. This is often due to their need to use data, skills, and capabilities within a diverse cultural workforce. Cultural diversity is the presence of diverse individuals from different cultures or societies whose differences arise from language, religion, ethnicity, sexual orientation, gender, age, and ethnicity.

### **1.1.3. Features of Culture**

Culture is characterized by a set of features that derive from the features of general culture on the one hand, and the administrative organizations on the other. The features of culture can be well-defined in terms of humanity, acquisition, and learning, continuity and cumulative, selectivity, composite system, ability to spread, change, integration as follows.

#### **1.1.3.1. Humanity**

Culture has the characteristics of humanity because it is formed from the knowledge, facts, perceptions, meanings and values that individuals bring to the organization, or that they form during their interaction with the organization (Daft, 2010). The essential motives of society make humans not alone in forming societies, the human being, with the mental ability to innovate, manipulate symbols, and invent ideas that will meet needs, and achieve adaptation to the environment. Besides choosing the values and standards that define behaviors, it becomes the only one that makes culture (Sultana, et. al., 2013). Human being creates its elements, shapes content through the ages, and culture, in turn, makes man and personal forms. The human element is the main source of culture, and without it, there is no culture (King, 2012).

#### **1.1.3.2. Acquisition and Learning**

Culture is acquired through interaction and friction between individuals in a given environment. Culture can also be acquired at school and work, and when an individual acquires it in an organization. It becomes part of human behaviors, and through culture, we can predict the behavior of individuals based on their culture (Mustafa, 2002). Since culture is not an innate instinct but is acquired from the society surrounding the individual, every human society has a specific culture determined by a temporal and spatial dimension. Individuals acquire culture from the society in which they live, and the social circles between which they move, whether in the family, school or work in the organization. Culture is acquired through learning, intended or unintended, through experience, contacts, relationships, and interactions with others (Al-Saati, 1998: 74). However, organizational culture is acquired through the interaction of the individual in the organization in general. Individuals or employees

learn from their leaders, work methods, skills needed for work, and how to cooperate with their colleagues, and through this interaction acquire different ideas, values, and behavior patterns (Mustafa, et. al., 2020; Ott, 1989: 46).

### **1.1.3.3. Continuity and Cumulative**

Culture is characterized by continuity, where cultural features retain their existence for several generations, despite sudden or gradual changes to which administrative societies or organizations are exposed (Chalabi, 1996: 73; Mallak, 2001). Despite the annihilation of successive generations, culture after them remains passed down through generations and transmitted by children of fathers and grandparents. Also becomes part of the group's legacy. Besides culture supports in the continuation of culture is its ability to satiation, comfort oneself, satisfy the conscience and make the individual feel that individuals are accepted in the group (Hofstede, et. al., 2010). In addition to providing a minimum balance for individuals, this saturation is what supports the persistence of customs, traditions, ways of thinking, and behavioral patterns, and saturation enhances values, experiences and skills. Although there is an organizational culture among individuals, it still affects the management of administrative organizations, even after the demise of a generation of workers. Because culture goes from generation to generation. When it can meet the needs of workers and achieve the goals of the organization in which they work (Kumar, 2016; Madhoun & Al-Jazrawi, 1995). The continuity of culture results in the accumulation of cultural features over long periods. The complexity and intertwining of its constituent cultural elements, and the transfer of cultural patterns between different social circles (Tarvonen, 2018). How a particular cultural property collects differs from how other cultural property collects, with language accumulating differently from technology, and organizational values accumulating differently from the tools of production, which means that the cumulative nature of culture controls matter. From the elements of culture, more than the moral elements of culture (Mustafa, et. al., 2020).

### **1.1.3.4. Selectivity**

The accumulation of human experiences has led to an increase in cultural features and their constituent elements in a wide variety of ways, with which human generations are unable to retain culture in their entire memories (Abuolifa, 2020). This

forces each generation to carry out the wide range of cultural elements that have accumulated in it as far as satisfying needs and adapting them to the surrounding social and natural environment. Since human society is characterized by its ability to choose an experience from its accumulated balance over generations and to form the capital that a person deals within transition from childhood to social maturity (Chow & Liu, 2009). There is no doubt that the experiences practiced by groups and organizations constitute a cultural gathering that is subject to the selection processes of cultural elements influenced by the leaders and workers in those organizations. Each leader chooses a cultural component, which increases his or her ability to adapt to the changing circumstances facing the organization (Chalabi, 1996; Mustafa, et. al., 2020).

#### **1.1.3.5. Composite System**

Culture consists of a set of elements that interact with each other, and culture as a complex system includes the following three elements: the ethical aspect (the integrated system of values, morals, beliefs, and ideas), the behavioral aspect (the customs and traditions of members of society, literature, and arts), and the material aspect (everything produced by members of society of tangible objects, such as buildings, and tools) (Abubakr, 2008: 83). Culture is the system of shared meanings held by individuals that distinguish one group or organization from another (Robbins & Judge, 2009). Culture as a system that includes life experience emphasizes the human capacity for innovation and creativity. Culture is a man-made unit and is an element that distinguishes it from other beings. The word experience refers to the means and application. It also indicates new ideas. Therefore, it was decided that the concept of culture combines thought, application, and means (Martin, 2014).

#### **1.1.3.6. Ability to Spread**

Cultural elements are transferred consciously within the culture itself, from one part to another, from the culture of one society to the culture of another society, and the spread takes place directly through the friction of individuals and groups with each other within the same society or the friction of societies with each other. This spread is rapid and effective when the cultural elements achieve a benefit to the community. Also, when they are widely accepted by community members. For their ability to solve some of their problems or satisfy some of their needs. In general, the physical elements

of culture spread more quickly than the intangible elements of culture (Ortega-Parra & Sastre-Castillo, 2013). However, organizational culture spreads between organizations, and within the administrative units of a single organization, and the transfer of organizational structures, procedures, and leadership styles occurs faster than the transfer of concepts, trends, behavioral habits, etc., which are related to organizational behavior patterns (Al-Rakhimi, 2001; Tarvonen, 2018).

#### **1.1.3.7. Change**

Culture is characterized by the features of change, in response to the events, that societies are exposed to, and makes the prevailing cultural forms unsuitable to satisfy the needs imposed by the new changes to achieve adaptation to society (Adewale & Anthonia, 2013). Culture also is affected by environmental and technological changes, but the process of changing it often faces difficulty, since the individuals are accustomed to certain behaviors, certain laws, and regulations (Mustafa, et. al., 2020). Change happens in all material and ethical cultural elements, but individuals and groups' acceptance of change in tools, devices, and techniques, and their resistance to change in customs, traditions, and values, makes cultural change happen quickly in the material elements of culture, and very slowly in the ethical elements of culture causing the phenomenon of cultural backwardness (Chalabi, 1996).

#### **1.1.3.8. Integration**

Cultural components tend to unite and combine, to form a balanced and integrated system with cultural features, to successfully achieve the process of adapting to the various changes that societies are undergoing. Therefore, any change that occurs in one aspect of the lifestyle, and its impact is reflected on the rest of the components of the cultural pattern (Abubakr, 2008). Cultural integration takes a long time, appears clearly in simple societies and isolated societies, where their cultures are rarely exposed to extraneous external elements, affecting them or being affected by them. While the emergence of integration is less in the culture of kinetic societies open to other cultures, where the means of communication, and means of communication help. The media in the spread of cultural elements from one group to another, and this leads to cultural change, loss of balance and harmony between the elements of culture, and in general, cultural integration is not fully achieved, because societies are

vulnerable to the occurrence of that integration (Chalabi, 1996: 76). This is a set of basic features, which are common to human culture despite its diversity. Although organizational culture is consistent with these features, it has some features that distinguish it as a sub-culture of managerial organizations, it shapes the perceptions of employees and managers, provides them with effective energy, and determines their behavior patterns (Lunenborg, 2011; Ott, 1989).

#### **1.1.4. Elements that Make-Up the Culture**

The elements that make up the culture are divided into the material, moral elements they are the basic classification of culture, and they share many characteristics. Consequently, culture has become an interesting topic to many researchers (Richard, et. al., 2004). Concerning the elements that make up culture, some authors considered it a complex that includes material and moral elements, such as knowledge, beliefs, arts, values, and habits acquired by individuals as members of society. In addition to some researchers, culture is an association that includes manifestations of actions, thoughts, and feelings that individuals express through symbols or language (Jonsen, et. al., 2011). In this sense, culture is a history of humans accumulated through generations (Abubakr, 2008). Overviews are the elements in which all members of society participate, and they are the basis of culture and represent the general characteristics that characterize the general personality of each society such as language, clothing, customs, traditions, religion, and values, and these generalities are useful in connecting members of society and their tendencies and increasing the spirit of the community and social cohesion among them (Moran, et. al., 2014).

According to Adewale and Anthonia (2013), people are cultural elements shared by a particular group of members of society, such as those related to the basic skills of the profession, for example. Characteristics are linked to social class. The aristocracy of society in culture is different from the middle class. Alternatives are elements that appear recently and are first tried in the culture of society, and the choice is open to man to adopt or leave, such as the emergence of a new shape in clothing, or the method of preparing food that did not exist before in society (Robbins & Judge, 2009). Culture is the creation of the environment and the result of interaction between individuals and their environments. So it was normal to be numerous and varied

depending on different environments because the latter are different (Kumar, 2016). Culture is not limited to social inheritances that descended from the past only. A special organization of symbols because they are much broader than that and it is difficult to encode all their components (Mustafa, et. al., 2020). Culture occurred before states knew the symbols. How many highly educated people are not was familiar with symbols and do not know them, recognizing the importance and necessity of symbols (Hofstede, et. al., 2010).

### **1.1.5. Management of Intercultural Differences**

Authors have mentioned some different terms related to managing intercultural differences to some degree with the term's cultural awareness, cultural insight, cultural appreciation, intelligence cultural, and intercultural understanding (Abuolifa, 2020; Hughes, et. al., 1993; Mustafa, et. al., 2020). In this context, the United States Army Research Institute (USARI), defined the term intercultural differences between cultures as a set of cognitive, behavioral, and impact/stimulation components that enable individuals to adapt effectively in multicultural environments (Ozman & Erdil, 2013). Institutions, business organizations, healthcare institutions, government security, and development aid agencies have all sought to use the management of intercultural differences in one way or another (Mustafa, et. al., 2020). However, negative results were often obtained due to the lack of an effective study of the intercultural differences and the reliance on common sense approaches (Kaye & Wolff, 1995).

According to Podsiadlowski et. al. (2009), appreciating diversity is an important way to manage differences between cultures, which means accepting, and respecting differences between and within cultures. Researchers often assume that a common culture is shared by members of a linguistic, religious, or ethnic group, but this may not be true (Makhdoomi & Nika, 2018). The group may share historical and geographical experiences while its members may share only physical appearance, language, or spiritual beliefs. Cultural assumptions may lead us to false conclusions (Hughes, et. al., 1993). When people move and conform to other cultures, they create a mix, or a diverse and changing landscape of colors, from subcultures within ethnic groups. In fact, the gender, spatial, social, and economic situation can sometimes be stronger than ethnic factors (Moran, et. al., 2014). Many factors can affect intercultural

interactions. African Americans suffered discrimination and unfair treatment by mainstream cultures (Carter, 1999). The mistrust generated by these experiences may pass on to the next generation of these groups while being ignored within the dominant culture. The oppressed group may feel suspicious of the prevailing culture while members of the mainstream culture do not know or do not understand it. Organizations that intend to interact with diverse cultures must be aware of this dynamic to be effective (Podsiadlowski, et. al., 2013).

As mentioned by Mustafa et. al. (2020) institutionalizing cultural knowledge is significant in effectively managing intercultural differences. When integrating cultural knowledge into every aspect of the organization, employees must be trained and enabled to make effective use of knowledge. Policies must respond to cultural diversity. The program's materials should reflect positive images of all cultures. In diversity training, managers should be familiar with the cultural diversity of the organization. To try to understand all its dimensions and find the commitment of all stakeholders to nurture cultural diversity (Makhdoomi & Nika, 2018; Ozman & Erdil, 2013). Training in cultural diversity is usually a one-time activity. These exercises, in themselves, will not change employee behavior or organization practices. It is therefore important to develop other strategies that can support changes in behavior and policies (Klarsfeld, et. al., 2014). Adaptation and diversity are other important features in managing differences between cultures, by studying values, behaviors, attitudes, practices, policies, and structures that make intercultural communication possible to lead a culturally competent organization (Hogan-Garcia, 1999). When all cultures are recognized, respected, and valued, and when we integrate those values into the system, culturally competent organizations can meet the needs of diverse groups (Janssens & Zanoni, 2014).

There are many types of diversity in the organization and features in managing differences between cultures. However, some species have a wider impact on organizations than others because they have historical significance (Ely & Thomas, 2001). Cultural differences can help or harm the way the organization works. The establishment of multicultural organizations makes staff work with differences and use them to strengthen our efforts, so, to reach these goals, we need an action plan (Chow & Liu, 2009). Creating systems that ensure justice, accountability, and clarity for all groups is a crucial step. In this regard, managers responsible for managing differences



between cultures should find ways to engage everyone using different types of meetings, such as conversations. Arrange equal times for speech by different groups in meetings. Also develop policies and programs that address and challenge racism, gender discrimination, and other forms of intolerance or intolerance (Akpoviroro, et. al., 2018; Bindu, 2015). Communication also is the primary tool an organization uses to unite people. Managers and employees should use inclusive language that values people as they are, and cite a variety of sources (Moran, et. al., 2014). Finally, building culturally efficient organizations by successfully managing differences between cultures means changing people's thinking about other cultures, how they communicate, and how they do what they do (Abu-Zaitoun, 2005). This means that the structure, leadership, and methods of the Organization must reflect many values, perspectives, methods, and priorities. The culturally competent organization also emphasizes the benefits of multiculturalism, celebrates the contribution of each culture, encourages positive results from interactions between many cultures, and supports power-sharing between people from different cultures (Abuolifa, 2020). An organization that really wants change must commit to continuous programming and create a comprehensive space that integrates all cultures and celebrates diversity (Akpoviroro, et. al., 2018).

## **1.2. Diversity Management Concept and its Explanation**

The origins of diversity management concept in organizations can be traced back to the sixties of the last century in the United States of America, after adopting equal employment opportunities laws, and positive work programs that protect the workforce of minorities. Since that date, studies of diversity management in the workplace have emerged (Foster, 2005; Jonsen, et. al., 2011). Diversity management has been largely taken into account in major joint gatherings. Changes that began with the rise of migration, and thus the presence of ethnic minorities, created a mosaic of multicultural and multilingual communities. Moreover, there is an increasing number of females in the workplace due to current economic movements, the internationalization of diversified companies, and the globalization of international institutions, markets, and supply networks (Van-Dyne & Arig, 2015).

The practices of diversity management are a new and contemporary method that organizations need in their dealings with the human element, and these practices

must be in line with the organization's strategies within the framework of interdependence. Adopting diversity management practices helps human resources keep pace with the organizations' recent and rapid changes (Janssens & Zanoni, 2014). Mor-Barack (2014) defined diversity management as a well-thought-out way of managing human resources, supported by some programs, activities, and tools, that are concerned with integration and diversity development, both physical and functional, that company members have demonstrated. Van-Dyne and Arig (2015) mentioned managing diversity as a method that manages each employee consistent with their characteristics, individuality of their specific contribution, and background to value them and help them work together efficiently and increase their communications and relationships.

In this context, Moran et. al. (2014) indicated that managing diversity means considering that differences exist between people and that these differences, if adequately managed, are an excellent resource for organizations to obtain better results. Accordingly, diversity management is also a regulatory commitment to recruit, retain, reward and promote a heterogeneous mix of employees, including different cultures such as African Americans, women, and the disabled. With a change in meaning, the authors noted that the management of cultural diversity is voluntary because it is not imposed and is a diverse approach to HRM to generate a comprehensive working environment. The MRD encourages everyone's contribution to working activities. It supports each member of the organization's features and utilizes its features as a strategic control (Berry, 2013).

### **1.3. Literature Review of Cultural Diversity Management**

In their research, Armstrong et. al. (2008) addressed procedures, policies related to managing cultural diversity, and HR equality in organizations. They compared them with organizational performance, which indicates the organization's commitment to equality, equal opportunities, and flexibility in managing diverse HR. The researchers obtained empirical data from 132 Irish companies through a survey questionnaire. The results showed that organizations that adopt cultural diversity policies and equality management systems increase employee productivity, creativity and reduce the desire to leave work. Ely and Thomas (2001) investigated cultural diversity perspectives on workgroup and organizational outcomes in their research.

The researchers reported that the diversity perspective of the working group has influenced how people are mentioned and manage tensions associated with cultural diversity. Whether those who were not adequately represented in the organization felt respected and appreciated by their colleagues and how people interpreted the meaning of their ethnic identity at work. The relationship between cultural diversity and the outcome of the working group determines the circumstances that interfere with the demographic composition and performance of the working group.

In the same regard, in their research, Richard et. al. (2004) studied the relationship between cultural diversity management and organizational performance, and the moderate influence of the pioneering orientation in this relationship. The researchers assumed a correlation between racial and gender diversity in management and performance. They also noted relationships in the context of the company-wide leadership trend. The results showed complex relationships between the study variables. The results also showed positive innovation, negative moderate correlation patterns of risk for heterogeneity between gender and race.

Abu Zaitoun (2005) studied the effect of diversity on business organizations' performance. The researcher pursued to uncover the relationship between HR's diversity as an independent variable and its impact on business organizations' performance as a dependent variable. The results showed a strong relationship between managing cultural diversity and performance. In the United States, Pitts (2009) examined the impact of cultural diversity management on job satisfaction and performance. The study classified employees demographically and ethnically (according to skin color, whether white or not). The results found that non-white employees were less aware of the group's positive performance than their white colleagues. As a result, they felt less functional satisfaction. However, the results also showed positive performance, and their level of job satisfaction was higher than that of staff at lower management levels. It has also shown that there are fewer positive impressions of performance and job satisfaction among men than women. Finally, employees who have spent more years working at the organization have shown more positive performance levels than employees for a shorter period.

Martin (2014) studied the impact of cultural diversity in the workplace. According to the researcher, one of the positive effects of cultural diversity in the workplace is that employees from different cultures have different ways of thinking

and can analyze different perspectives. This is difficult to achieve when staff from the same culture have to investigate the same problem. In addition, employees from different cultures have different experiences, which can be useful by providing the organization with a sound and extensive knowledge base. Cimerova et. al. (2014) examined the influence of corporate boards of directors' cultural diversity on firm performance. Researchers form a measure of cultural diversity by calculating the middle point of cultural distances among each board member using the Hofstade cultural framework. The results indicated that cultural diversity in the boards of directors adversely affects the performance of the company. These results hold up after the potential homogeneity is controlled by using non-contemporary specifications and mechanical variables. The results are vital in a wide range of board and company characteristics, including various corporate measures and alternative cultural frameworks. Further analysis reveals that a very high degree of diversity of culture boards only negatively affects performance. Cultural diversity is also managed by the complexity of the company and its foreign sales and operations.

In the United Arab Emirates, Al-Jenaibi (2011) analyzed the influence and scope of cultural diversity in the institutions of the United Arab Emirates. The research displayed that most employees agreed that teamwork with culturally diverse individuals supports overcoming cultural variances done shared experiences when working in a team. Ozman and Erdil (2013) examined the influence of cultural diversity on innovation and diversity of knowledge in the organization framework, where actors cooperate, and knowledge sharing over communication and other networks. The researchers stated that networks form and develop through communications among agents in the model they learn. The model examines the networks' structural features that develop and grow the population's knowledge, corresponding to fluctuating cultural and knowledge diversity degrees. The results showed that cultural diversity produces more learning, depending on the features of knowledge and the extent of its diversity. Notably, in moderate degrees of technological opportunity, the results also show that cultural diversity does not positively affect innovation. Research conducted by Ahmed and Shafiq (2014) investigated the influence of culture on organizational performance. The researchers used a quantitative approach and a survey questionnaire to obtain empirical data from

Pakistan's telecom sector. The research findings show that all the cultural dimensions influence the perspective of organizational performance.

Armouti and Hassan (2015), in the study, the researchers aimed to examine the Abu Dhabi University experience in managing diversity by surveying the faculty members' views belonging to the management program specializing in HRM and the university's financial management in Al Ain city as a researched sample of (44) individuals. The research results found the relationship between the diversity strategies and the management of diversity provided by Abu Dhabi University. The study results also showed a strong correlation between applying diversity policies and the management of diversity.

Gumede (2016) analyzed the impact of cultural diversity on organizational performance and success. As the researcher noted, this study conducted by the South African Organization, particularly Engen Refinery, focused on cultural diversity, the requirements of the organization's response, and whether the management of cultural diversity affects performance. The research used a quantitative method and collected empirical data from 119 employees through using a census technique. The results of the research showed that employees had no problem with intercultural communication. However, there are no formal programs, and systems for managing cultural diversity, and employees can directly influence how they perform their daily tasks.

In Azerbaijan, Mir-Babayev et. al. (2017) explored the impact of cultural diversity on innovation performance. The researchers used a method of collecting survey data with the support of trade unions in the regions. They also used quantitative tests such as correlational regression analyses to find support for the proposed hypotheses. The results found that cultural diversity is linked to innovation performance. It also found that two dimensions of cultural diversity, gender and foreigner diversity, have the main consequences for innovation performance when levels of diversity are moderate.

In Niger, research conducted by Akpoviro et. al. (2018) observed the effect of managing cultural variety on organizational performance. The researchers stated that Nigerian organizations need to pay attention to cultural diversity since cultural diversity is challenging. Furthermore, the research outcomes presented that employee behavior influences cultural diversity in the workplace. Therefore, cultural diversity also affects organizational performance. However, cultural diversity is a complex

subject that can positively and negatively affect the organization. Therefore, organizations create an effective organizational structure that will boost good ethical behavior for all managers and employees, significantly influencing organizational performance.

Masarwa (2011), in his research, investigated the effect of managing the cultural diversity of HR on organizational commitment in the nursing sector among public and private hospitals operating in the city of Riyadh, Saudi Arabia. The study concluded that there was a significant impact on the awareness and application of hospital management and nursing management on the diversity department on the organizational commitment of nursing staff in public and private hospitals. In addition, the study indicated that managing diversity affects the organizational commitment of nursing staff in public hospitals higher than in private hospitals. The study also showed great awareness of the management of public and private hospitals for the dimensions of diversity management and a moderate perception of nursing management, with no statistically significant difference between the extent to which hospital management and nursing management perceived diversity management due to the difference in hospital ownership.

Podsiadlowski et. al. (2013), in their research, investigated the management of a culturally diverse workforce from diverse perspectives in organizations. The researchers conducted this research to explore the way organizations manage and deal with their cultural diversity in the Austrian workplace. The researchers also created and confirmed the diversity perspective questionnaire (DPQ). These structures include items for measuring the cultural diversity approach in organizations. The results showed that all perspectives of diversity, i.e. equity, color blindness, equal access, integration, and learning, get a deeper study of managing cultural diversity in organizations.

Mecheo (2016), in research, investigated the impact of cultural diversity on organizational performance. Therefore, it aimed to determine the impact of religion, value system, and the employee's language on organizational performance. The researcher applied the descriptive quantitative research method; the survey questionnaire was distributed to staff at the Nairobi-based Libya oil terminal for experimental research data. The results showed that cultural diversity affects organizational performance. Furthermore, religion, value system, and language traits

affect organizational performance both positively and negatively - the majority of traits positively impacted performance, with some negative effects.

In their research, Elia et. al. (2019) investigated the influence of managing cultural diversity on multinational companies' innovation performance. The researchers argued that the literature on strategy has broadly approved the negative impact of cultural diversity among coalition partners on their innovative performance. Innovation is more interesting in alliances that include branches of multinational companies. They embody a dual contextual that comprises the cultures of the host country and the country of origin. It also suggests that cultural diversity depends on the alliance's content, positive in its exploration and negative in exploitative alliances. Cultural diversity plays a positive role when those alliances focus on exploration activities, as cultural diversity challenges are offset by the benefits of exposure to new cognitive schemes. In Oman's shell marketing companies, Al-Raisi et. al. (2019) examined cultural diversity and its impacts on employees' performance and productivity. As stated by the researchers, cultural diversity emphasizes more races, customs, religions, backgrounds, languages, and nationalities. The results found that cultural diversity in the workplace positively affects employee performance, which will lead to increased productivity and creativity because of variances in educational background, nationalities, and languages.

Research conducted by Abuolifa (2020) to identify the relationship between HR diversity management practices (training on diversity, building diverse work teams, building an organizational culture that accepts diversity, achieving justice and equality in HR policies, maintaining a balance between scientific, and supporting senior management. The diversity of HR and internal marketing dimensions (vision of the organization, employee rewards, communication systems in the organization, employee development, and leadership). The research used a descriptive and analytical approach as a method for the study. The study was applied to a sample of (513) faculty members at Al-Jouf University (Saudi Arabia). The research revealed a significant positive relationship between some HR diversity management practices and internal marketing dimensions.

## **2. CHAPTER TWO: Organizational Performance**

In this chapter, we review the literature related to organizational performance. The organizational performance concept and its importance are measurement criteria, such as employee activity, productivity, profitability, innovation, flexibility, time, and quality. Finally, we addressed the literature on organizational performance.

### **2.1. Organizational Performance Concept and its Importance**

Organizational performance has received significant attention and has perceived continuing research on this topic since organizational performance is vital to attaining business goals. Hence, organizations are still looking for new factors, and leaders to enhance their performance, engaging their employees more in policymaking, forming a system for quality. Also, making new incentives for tangible individual and group efforts and other methods of reaching performance development goals. Organizational performance is an indicator of success with an evaluation of the various elements. The overall score Assessing the divisions and marketing of products in the organization shows their performance. In general, innovation performance, market performance, production performance, and financial performance measure organizational performance. In this way, the expected results from different divisions show the organizational performance (Ahmed & Shafiq, 2014). Most researchers agree that organizational performance results from the process of formulating the strategy through which the organization seeks to achieve its long-term mission and goals by making performance distinct from its competitors (Seyed-Mahmoud, 2004).

Organizational performance is a term that refers to separating respectable effort from bad effort. Therefore, organizational performance has become one of the basic concepts for managers at all organizational levels. The outcomes of this performance may have adverse effects on the profits of the organization, or perhaps the basis for its survival, growth, and enhancement of its competitiveness (Ahmed, et. al., 2008). Armstrong (2001) defined organizational performance as the results of the accomplished work, and the Oxford Dictionary defines it as the accomplishment, implementation, and success of actions undertaken or assigned to be executed. Al-Saidi et. al. (2013) stated that if an organization needs to reach the competitiveness, it must manage the behavior and results of its employees through performance appraisal to determine the efficiency of their performance. Robbins and Genzo (1996) stated that



organizational performance is determined by the standard performance of working personnel, which is represented by the type and quantity of outputs, and the effectiveness of how resources are used. Also the method of performance, the appropriate timing, the desired results, setting common goals, and measuring and comparing actual performance. with standard performance and then discuss it with employees. Organizational performance is determined by aligning the strategies that have been developed and stakeholders (customers, workers, suppliers, and suppliers) through the improvement of the organization's operations through the allocation of resources (human, financial, operational, and informational) through effective management, capable of investing intellectual energies, and achieving the organization for superior performance or distinct (Kotler, 2000).

Organizational performance importance as the procedures and behaviors people monitor and play to reaching the organizational goals (Hattrup & Rock, 2002: 25). The organizational performance highlights that defining the current position and the distance that separates it from the desired goals is a step. The extent of applying them together, inspecting the organization's operations, and determining their performance is critical to understanding how organizations work to correct deviations in the organization and raise the level of its performance, design the organizational structure in an effective and efficient manner, as well as the ability to identify the need for change and how to make it in the organization (Gitongu, et. al., 2016).

### **2.1.1. Organizational Performance Measurement Criteria**

Researchers differ about the effort for which standards can be set and the best conditions in which it is preferable to define these standards, as these standards differ from one society to another. From one organization to another, depending on the influence of the customs and traditions prevailing in society, the organization, and is affected by the degree of scientific and technical progress. Performance is the primary effort of managers and employees, as it establishes excellence as the most critical objective of the companies. The efficiency of any company's performance involves the exercise of an essential and complex operation. One of its functions is measuring the performance, as trained individuals supervise it on its performance. Indorsed standards are used on a scientific and objective basis that provide them all with the information

necessary to perform their roles in the direction that achieves the objectives through the company's goals (Armstrong, et. al., 2008; Cimerova, et. al., 2014).

Performance measuring is a process through which achievement in performance and behavior is matched to what is required in the plan, organization, and application of the principle of reward for employees and continuing use with maintenance or dispensation concerning activities, productivity, profitability, organizational innovation, cost, flexibility, time, and service or product quality. To identify strengths and weaknesses, strengthen the first and address the second as a fundamental guarantee for staff performance development and achieve the organization's effectiveness (Sabbat, 2017: 58). Performance measuring is a means of evaluating. Measuring organizational performance is about determining the results of decisions and to what extent the decision-making impacts reaching the desired and predetermined goal. Performance measurement standards vary, including quantitative measures, which relate to the amount of work to be accomplished or performed at one time. Specific, and there are qualitative criteria related to determining specifications for the degree of the type of performance required (Agrawal, 2012). Performance measuring indicators should be realistic indicators. This means that they should be related to implementing, not depending on the company's wish for, and linked to employees' skills and resources.

#### **2.1.1.1. Activity**

Scholars in management science have focused on employee activities and performance, especially after companies and institutions increasingly pursue competitive advantages by emphasizing employee-related activities. In addition, activity is one of the critical indicators through which employees are efficient and effective in achieving the goals set. This prompted companies to improve employee performance to succeed and continue in a dynamic work environment because employee activities are linked to employee skills. (Ang, et. al., 2007).

#### **2.1.1.2. Productivity**

Productivity is an essential component in the economic, industrial, and other fields. Productivity is a measure of the overall capacity of employees and companies. This is measured by abilities to process inputs in proportion to the quality of inputs; it

cannot be limited to one or two concepts. Moreover, it also has excellent potential and maximizes inputs less than or in a certain amount (Ataullah, et. al., 2014: 981). In this regard, productivity has become a critical factor in the strength of the overall organizational performance. However, even when employees are already present in their jobs, they may have low productivity, low working quality, and a concept known as the current low level. Thus, although productivity losses attributable to the recent decline may be practical, appropriate measuring tools are still in their infancy (Kumar & Sursh, 2008: 122).

Based on that, productivity as a performance measurement indicator improves overall organizational performance, economic growth rates, and improving goods and services' competitiveness-particularly given the scarcity of available resources. Therefore, productivity has many concepts because it relates to all units involved in the activity related to employee, company, and administration (Krajewski et. al., 2007: 87). Employee productivity is the ratio between outputs and inputs. Accordingly, employee productivity can be measured as a product. For instance, units produced, sales, inputs, number of working hours, or employees' wages. Employee productivity is usually derived from total enterprise-wide metrics, such as the added value of each employee (Sauermann, 2016: 2). Employee productivity also reflects employee efforts to achieve the company's goals, with performance-based employee skills, abilities, and experience. Organizational performance focused on business tasks simplifies evaluation procedures and steps, as these skills and abilities support innovation and creativity (Ataullah, et. al., 2014: 991). Employee productivity can be linked to factors that may directly affect productivity, such as the professional environment or job training, or indirectly, such as the impact of health and well-being (Mondy & Mondy, 2008: 56).

### **2.1.1.3. Profitability**

Profitability is a primary goal for all companies. Hence, it is essential to its existence and continuity, and it is a plan that investors are looking forward to; Thus, profitability is an indicator that creditors are interested in when dealing with the company, and it is also an essential tool for measuring the performance of employees and the efficiency of management in the use of existing resources (Ataullah et. al., 2014), and profitability is also the relationship between the profits a company has

made, and the investments that contributed to those profits. Therefore, profitability is a company's goal and a yardstick for judging its efficiency. Therefore, profitability is measured either by the relationship between profits and sales or by the relationship between profits and the investments you have contributed to them (Sabbat, 2017: 61). In this context, reaching the profit goal in the company is a two-step process:

1. The managers attempt to arrange the resources to enable the employees to obtain the required resources with the least possible costs.
2. The managers try to invest the resources obtained from the assets to enable the whole company and unit to return less than what its employer can receive from investing in other projects exposed to the same degree of risks.

#### **2.1.1.4. Innovation**

Innovation as a performance measurement indicator is the way to find new solutions to a company's challenges. It is defined as any thought, behavior, or thing that is new and differs qualitatively from the existing forms. It also monitors and generates new ideas through the availability of divergent viewpoints and coordinates the necessary actions to implement these ideas and translate them into innovations. The importance of innovation is embodied in the development and monitoring of interpersonal skills in group thinking and interaction through brainstorming teams. Innovation increases the quality of decisions taken to address problems at the level of the company or its sectors and departments in various technical, financial, marketing, and social work environments. However, innovation improves the quality of services or products (Mustafa et. al., 2020; Abuolifa, 2020).

Therefore, innovation is an effective indicator of organizational performance. Through innovation ideas, a company can reduce the time between the introduction of a new product and another, which contributes to the differentiation of companies in terms of competition over time (Andresen, 2007). Accordingly, innovation supports the creation and enhancement of business competitiveness, and also helps to find ways to stimulate and increase sales. In addition, firms that offer unprecedented innovation may allow them to have a partial and temporary monopoly on the market, depending on the degree of innovation intensity (Sabbat, 2017).

#### **2.1.1.5. Flexibility**

Flexibility refers to looking at things from a new perspective other than what people are accustomed to; Thus, flexibility plays a vital role in the inventions we are aware of, such as job enrichment policy that achieves a good job and meets the need for job enrichment policy that ensures employee self-empowerment (Al-Serafi, 2003: 18). Flexibility is also the ability of a particular system to adapt and respond to specific challenges, such as the ability of companies and individuals to anticipate the challenges they face and the increasing pressures in the company. Flexibility has become an imperative for businesses and individuals. Organizations are beginning to advocate the importance of flexibility in dealing with emerging situations. The term flexibility includes many aspects: work flexibility, emotional flexibility, flexibility about physical fitness, and others. Flexibility can generate ideas that are not usually expected to guide or transform the thinking process as the requirements of the situation change. This is the opposite of mental inertia, which means adopting predetermined and unchangeable mental patterns (Jarwan, 2014: 85). Flexibility is believed to be the ability of managers and employees to change the cognitive orientation in which they view a specific problem. In this sense, it can be considered as a positive path of mental inertia. Thus, it means the ability of an individual or manager to change, transform old interpretations, analyze current information into new uses in the way of service, and build new methods of dealing with problems.

#### **2.1.1.6. Time**

Time is a rare, precious, and essential resource for any individual and company. Thus, they must run this resource effectively to achieve the goals in general. Accordingly, time as a resource available to anyone, without exception, equally, is supposed to work efficiently by exploiting all the possibilities, talents, capabilities, and processes required (Ahmed, 2012: 938). Therefore, time as measurement criteria is one of the most critical performance measurement components, which is vital to the success of any organization. Drucker (1973: 80) mentioned that time is the most valuable resource for the manager and employee in human life, so organizations, and employees who cannot achieve their time may fail.

Time had become one of the necessary criteria to consider when determining management's overall success and effectiveness. Because its misuse adversely affects

the institution as a whole, and the abuse of it will generate for some staffs many negatives such as the waste of human effort and material resources of the institution, besides the spread of some habits and adverse phenomena in the institution, such as the phenomenon of laziness (Sharif and Sultan, 2010: 15). According to Eilam and Aharon (2003), controlling is essential for supporting managers and employees to complete their tasks. Allen (2001: 33) stated that HRM should use various relevant practices to resolve fundamental issues effectively. These processes must verify that the implementation complies with the technical, temporal, and financial aspects.

#### **2.1.1.7. Quality**

Quality as performance measurement determines how performance progress and development in organized work during the quality process are subject to several essential criteria (Kumar & Sursh, 2008: 122). These criteria are often based on measuring strategic performance within companies and referring to external competition locations, of the most significant importance in the level of performance, which is the extent of customer satisfaction with the final outputs, and not only, but also about the method of providing services and follow-ups, because customers are the basis and focus of work. Therefore, measure employee performance in the first essential criteria (Othman et. al., 2020). Quality features and investigations into the importance of these features are based on the types of service types. Quality means matching the actual level of quality with expectations of excellence in some cases (Hassan et. al., 2020).

HRM should measure operational performance and take it as a criterion for calculating the development in organizational performance. Relate the employees and what they achieved based on what the product performs in the market, its competition, and a financial return. Thus, companies should not neglect the standard of customers and their satisfaction through their reactions and impressions about your provision of services. It has become strategically necessary for companies and senior management worldwide to include higher quality service as a strategy for a competitive advantage. Therefore, quality has become a critical tool for assessing the company's performance (Sadq et. al., 2020).

### **2.1.2. Literature Review of Organizational Performance**

Organizational performance has continually become an essential area of management study. It has been developed as a strategic direction to overcome the problems of external adaptation of organizations, in an attempt to find a sustainable competitive ability within the local and global competition during the past thirty years. Researchers are curious about the concept since the first 1980s due to its beneficial effect on overall organizations' performance (Greenwood et. al., 2011; Gumede, 2016). Organizational performance is one of the concepts that has sparked controversy and broad discussion among researchers. It has received many researchers' attention in various disciplines, which led to their difference in setting a specific definition for it.

Mustafa (2002: 415) defined organizational performance as achieving the individual, work team, or organization planned efficiently and effectively. Fleming (2010) defined it as carrying out the duties, responsibilities, and duties of the job according to the rate required to be performed by the trained, qualified worker. Organizational performance is the individuals performing the tasks assigned to them within clear conditions for the organization and their works to achieve the organization's goals at a specific time, taking into account efficiency and effectiveness at work. Organizational performance is realized as one of the essential administrative processes and one of the sensitive topics that must be taken care of when thinking and planning the development processes in any establishment, through which the senior management can design and prepare development programs commensurate with the organization's conditions, needs, and actual capabilities, without a procedure. An assessment of their conditions will be complex for the organization to prepare appropriate plans and programs (Muwafi, 2007), given the magnitude of individuals' positive impact on their work in the organizations they work (Arnold & Publick, 2003: 14).

Jabouri (2009) examined the influence of IT on organizational performance in Iraqi electrical industries. The researcher obtained empirical data from Iraq electric industry's general company and analyzed the actual use of techniques and computers and their influence to raise the performance. The results found that using IT techniques and computers affects organizational performance. In this research, Khan (2010) assessed the impact of HRM on the performance of petroleum industries in Pakistan. The research obtained a sample of 150 administrators of twenty industrial

establishments. To examine the empirical data, the researcher used correlation and linear regression analyses. Results showed a strong relationship between HRM and the performance of these organizations. In India, Singh (2004) analyzed the impact of human resource practices on organizational performance. The results showed a positive relationship between many human resource practices such as selection, performance evaluation, training, compensation system, and employee participation in the performance of organizations, and among these practices, the training, and compensation system had the greatest impact on organizational performance.

In this context, Gumede (2016) considered organizational performance as a tool through which a company's mission and strategies are translated into objectives and metrics based on four pillars or four primary dimensions: financial performance, customer satisfaction, operational efficiency, and the opportunities the company provides for its workers to learn and grow. As shown, organizational performance is related to internal processes, which included all internal activities and activities that distinguish the organization from other organizations, through which the needs of customers and the objectives of the owners are met. Ahmed et al. (2008) examined the empowerment strategy's role in improving organizational performance. The study also showed that the empowerment method is one of the modern and contemporary issues in business organizations that express an administrative philosophy that aims to achieve performance improvement through its basic requirements. The empirical results also showed a mutual influence between the empowerment strategy and improving performance, which requires the exploitation and investment of empowerment levels. In the surveyed organization, in order to be a building tool in developing scientific capabilities.

Accordingly, the measures associated with the balanced scorecard's internal operations are supposed to emerge from the processes that significantly influence customer satisfaction. The companies and organizations must decide what operations it is supposed to outperform or differentiate from other competitors and set standards of excellence or distinction based on the diversity of its workforce (Sultana et. al., 2013). The learning and growth dimension focuses on developing the capabilities of employees within the organization as they are its infrastructure that builds and develops the organization in the long term, as well as the nature and quality of organizational systems and procedures that ultimately lead to customer satisfaction



goals. Thus, the focus should be on employee satisfaction, retention, and productivity (Hamis & Ijad, 2009). In Jordan, research conducted by Dahkoul (2018) analyzed employee performance, particularly in the industrial sector, and explores the impact of employee satisfaction, management standards, and training on employee performance while exploring the effect of mediation on employee engagement. The researcher applied a survey to collect empirical data from 100 administrative and executive managers. The research found that employee satisfaction, management standards, and training are key factors to employee performance, affecting employee engagement, leading to employee performance.

According to Corina et. al. (2011), Organizational performance means transforming inputs into outputs to achieve specific results. Ely and Thomas (2001) describe performance due to the execution or achievement of work, tasks, or goals to a certain desired level of satisfaction. There are several ways of knowing the performance of an organization, with the exception of this thesis, we will check it with the ability of the organization to meet the expectations of two required key stakeholders which include owners and customers. This is often measured in terms of the following criteria; Owners' satisfaction with financial returns or profits from organizational operations and customers' satisfaction with their satisfaction with the quality of the institution's products and services. Organizational performance is a process of enhancing both the effectiveness of an organization and the well-being of its members through planned interventions. One of the three critical points of corporate growth that leads to organizational performance is when many organizations increase organizational culture to influence organizational performance (Jon & Randym 2009). Thus, organizational performance can be measured as the valuable output of a system in products or services. Further, organizational performance is the degree of achievement by which an employee achieves the organizational task of the workplace called performance. An employee's career is built by the degree to which a particular goal or task is achieved that defines performance limits (Swanson, 2000).

In Russia, Fey and Bjorkman (2000) examined the impact of HRM practices, which related to employee development, compensation, and feedback system on MNC, the performance of (10) foreign companies operating in Russia. The study used both regression and correlation analysis. The study concluded that there is a strong relationship between HRM and organizational performance. In their research,

Abdullah et al. (2020) attempted to study information systems' effect on improving faculty performance. The researchers used a sampling technique to obtain data from academic members. However, the surveys obtained 305 functional questionnaires and evaluated the data using partial least square PLS. The result was concluded that information systems have a significant favorable influence on the performance of academic members.

### **3. CHAPTER THREE: Methodology and Findings**

This chapter has explained the methodology employed in this study. The method was applied to obtain empirical data from survey samples through responses to survey questions. It is statements on the management of cultural diversity (MCD) and organizational performance (OP). Therefore, it also reintroduces the study's primary purpose and presents more information on the survey contributors and their position. It discussed the methods, design, survey measurement, conceptualization, and operationalization of the study's main variables and their components, then explained the study population and sampling and addressed the study subjects. However, this chapter also establishes reliability, validity, model measurement, and data analysis.

#### **3.1. The Method and Design**

This study's primary objective is to examine the management of cultural diversity and its impact on telecommunications companies' organizational performance in Iraq. The study used a quantitative research method to collect data and test hypotheses. Hypotheses are based on the study model's role - collecting empirical data through the survey tool, supporting the cross-section. Using a survey questionnaire is the most appropriate way to quickly collect information from the study sample at the lowest budget (Rossi et. al., 2013).

This method contains different volumes and analytical measures that support clarification, description, search, and brightness of study subjects (Singh & Manoj, 2015). According to Gilbert and Sutherland (2013), a study design should be established once the study's primary purpose and survey questions have been completed. We used a study design to framework the methods and procedures applied to obtain and present the data. Therefore, the current study's design is more appropriate as it permitted the respondents to willingly provide relevant information about the study topic by using a seven-point scale.

##### **3.1.1. The Problem Statement and Research Question**

The current environments of organizations, including Iraqi telecommunications companies such as Asia, Korek, and Zain, have witnessed developments and transformations in various fields that encompassed all human culture, the most

prominent of which is the scientific development in management and organization through concern for human behavior (Bekai, 2016). Besides the shift of the view to work from classical mechanics to the modern humanistic perspective. As for organizations, they are treated as organizational systems that contain the human being within groups working together to achieve economic and social goals.

Meanwhile, Iraqi profit, and non-profit organizations or companies no longer compete between themselves and other international companies. However, this situation puts all types of organizations to develop better approaches for managing their businesses. These approaches should be aimed at increasing relevance, innovativeness, and competitive advantage. Indeed, this view developed until it recently included the cultural aspect of organizations and all this in light of the development of behavioral sciences in the organization's field. Considering difference and cultural diversity refers us to focus on the organization's primary cultural element representing the fundamental values that constitute the organization's identity and the subcultures represented in the values that employees carry in their various cultures (Seyed-Mahmoud, 2004). Thus, this study problem embodies how the management of cultural diversity in Iraqi telecommunications companies influences organizational performance.

### **3.1.2. The Purpose and Importance of the Study**

It can be clear from the previous discussion on the management of cultural diversity in the organizational setting and how to achieve it within it, which is important at this point (Holmgren and Jonsson, 2013). Cultural diversity is not a passing point in most organizations; hence, the study was empirically conducted in Iraqi telecommunications companies, namely, Asia, Korek, and Zain. This study also intends to understand better the management of cultural diversity in telecommunications companies' work environment, which operates in Iraq, and how it has been viewed and approached to improve the organizations' service performance.

At the end of the study, the researcher aims to provide telecommunications companies recommendations on managing cultural diversity and utilizing this growing trend of a diverse cultural market. With the focus on telecommunications companies, this study is directed by the following objectives:

1. Realize how different color-blind (CB) working opportunities, particularly within telecommunications companies (Asia, Korek, and Zain) operating in Iraq.
2. Identify the fairness (FAI) within telecommunications companies (Asia, Korek, and Zain) operating in Iraq in their workplace.
3. Recognize how telecommunications companies (Asia, Korek, and Zain) operating in Iraq manage their cultural diversity in their work.
4. Finding the role played by the management of cultural diversity in organizational performance.

This study focuses on a topic of great importance to organizations, namely cultural diversity, and performance. This topic has become a problem for managers, whether they realize it or not, and the interest in cultural diversity has increased in recent times by researchers (Holmgren and Jonsson, 2013). Accurate leads of cultural diversity to avoiding many of the problems in organizations, especially those containing many races, improve performance; it is no secret that telecommunications companies in Iraq and foreign employees attracted to working in Iraq have become inevitable. Therefore, this study is essential as it highlights the vital aspects of cultural differences within these companies and their compatibility with the overall organizational values. Accordingly, this study reveals to managers and organizations, particularly those interested in the diverse workforce and how employee cultural diversity affects organizational performance.

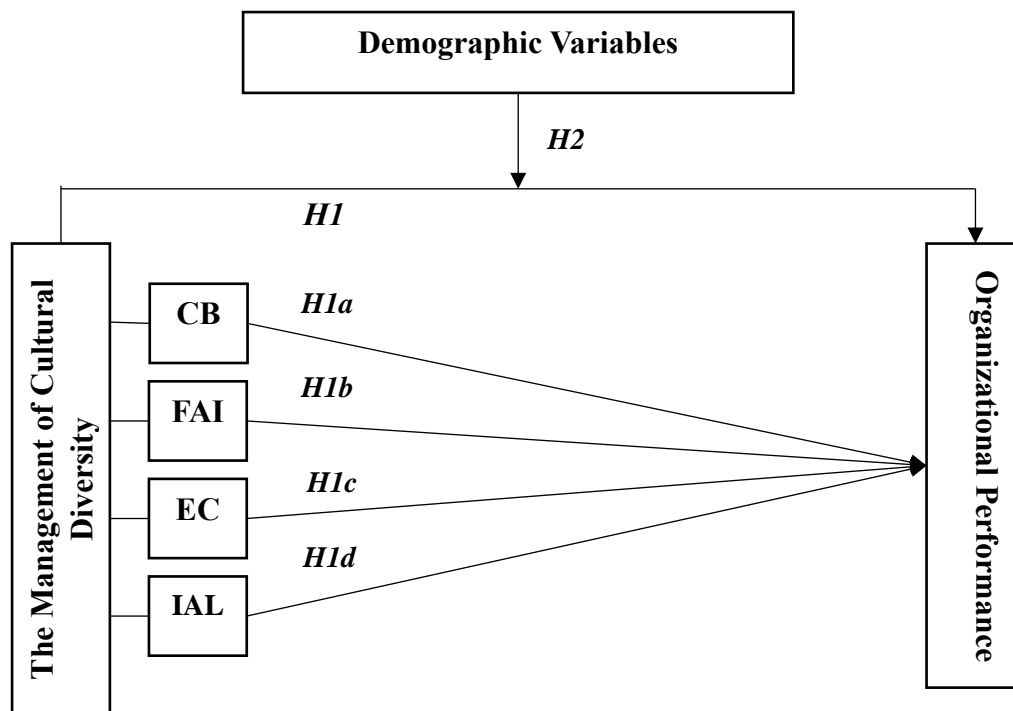
As Stahl et al. (2010) noted that organizations widely accept cultural diversity as a means of making a competitive advantage. This is because organizations can benefit from the wide range of skills, knowledge, and capabilities found in a culturally diverse workforce. Managing cultural diversity at work is becoming increasingly necessary as more organizations adopt global workforce policy, linking some of its effects to organizational performance outcomes and increased globalization, and an increased process of interaction between people of different cultures, beliefs, backgrounds, and organizations. (Anjorin and Jansari, 2018). Accordingly, the evaluation of managing cultural diversity is the essential component of effective employee management, which can improve performance and employee productivity in the workplace (Mazur, 2010).

Ang et al. (2007) recognized that cultural diversity could positively or negatively affect organizations. However, the nature of the effect depends on the type of cultural diversity in the place rather than the diversity itself. Differences in culture make management and know-how attitudes a challenge to be achieved when adjustments in the cultural context make activity sharing and synergies between business units less efficient (Stahl et. al., 2010). According to Kottak (2011), the main goal of considering the management of cultural diversity is to promote its importance among individuals of diverse backgrounds and the understanding that cultural diversity reinforces the idea that diversity does not make and shape us, but rather is a motivator.

Therefore, an understanding of cultural diversity makes an inclusive and harmonious environment and enhances the organization's good reputation in attracting the best people in the market (Daft, 2010). It also makes workforces feel valued, rewarded, and motivated to achieve high organizational performance (Wambui et al., 2013). The study can contribute to the literature; hence the researchers may obtain a valued understanding of cultural diversity, knowledge, and skills and overview this study. The study also contributes to the literature on organizational performance and can give some recommendations for further improvement. Consequently, future researchers benefit from this study's results as they enhance performance in cultural diversity.

### **3.1.3. The Conceptual Study Model**

Several significant study models of cultural diversity (MCD) have developed throughout the past decades (Seyed-Mahmoud, 2004; Gumede, 2016; Bekai, 2016). In this regard, Mecheo (2016) constructed research and found that cultural diversity significantly affects organizational performance. Likewise, Gumede (2016), in his research model, presented that cultural diversity affects organizational performance significantly. The study model (Figure 1) is based on the use of independents and dependent variables. The independent variable is the management of cultural diversity (MCD), and the dependent variable is organizational performance (OP); accordingly, the following hypotheses were proposed.



**Figure 1.1.** *The Conceptual Study Model*

**Note.** *CB= color-blind, FAI= Fairness, EA= Equal access, and IAL= Integration and learning*

### 3.1.4. Hypotheses Development

In their research, Sultana et al. (2013) examined cultural diversity management's influence on an organization's performance and competitiveness. The researchers used a content analysis method (CAM) to explain cultural diversity management and its influence on improving performance and business competitiveness. The results showed that effective management of cultural diversity is positively and significantly linked to competitiveness and organizational effectiveness, resulting in improved organizational performance.

Makhdoomi and Nika (2018) analyzed the relationship between the cultural diversity of the workforce and organizational performance. The results confirmed an important relationship between cultural diversity management and organizational performance. The researchers also mentioned that several studies at the international level have tried to determine the relationship between cultural diversity and organizational performance. Organizations, including telecommunication companies, have various cultures, and nationalities, adding to their already diverse staff base.

Generally believed that cultural diversity has a positive impact on organizational performance. Cultural diversity improves inventiveness and advances decision-making success, thereby refining organizational performance (Pelled et. al., 1999).

In the United States, research conducted by Herring (2009) on the American national organizations survey data from 1996 to 1997 concerning diversity, and the study showed that cultural diversity increases sales, increases the number of customers, increase profits, a more significant market share, hence improves organizational performance with increased sales, customers and profits.

Al-Raisi et. al. (2019), in their research, displayed that cultural diversity impacts employees' performance and productivity. Mecheo (2016), in research, confirmed the influence of cultural diversity on organizational performance. Based on the empirical studies finding and study's model, the management of cultural diversity (MCD) in Iraqi telecommunications companies improves organizational performance (OP). Hence, the study hypothesized that:

***H<sub>1</sub>***: The management of cultural diversity is positively and significantly impact on organizational performance of the Iraqi telecommunications companies.

***H<sub>1a</sub>***: Color-blind (CB) is positively and significantly impact on organizational performance of the Iraqi telecommunications companies.

***H<sub>1b</sub>***: Fairness (FAI) is positively and significantly impact on organizational performance of the Iraqi telecommunications companies.

***H<sub>1c</sub>***: Equal access (EA) is positively and significantly impact on organizational performance of the Iraqi telecommunications companies.

***H<sub>1d</sub>***: Integration and learning (IAL) positively and significantly impact on organizational performance of the Iraqi telecommunications companies.

***H<sub>2</sub>***: The effect of the management of cultural diversity on organizational performance differs to according respondent's demographic characteristics.

### **3.1.5. Study Population and Sampling**

The current study population and samples are managers and employees working in Iraqi telecommunications companies the study population size is about



4500 managers and employees working for Iraqi telecommunications companies particularly in Northern Iraq. These companies are selected as multinational companies, and their managers and employees can respond to surveys and provide data about cultural diversity in their company. They also know their performance and are usually associated with their employees. Cultural diversity management means taking into account that differences exist between people and that these differences if properly managed, are an excellent resource for organizations to get better results. The management of cultural diversity by telecommunications companies is also a regulatory commitment to recruit, retain, reward and promote a heterogeneous mix of employees.

Iraqi telecommunications companies, like other companies, use different technologies to transmit information globally. Asia, Korek, and Zain are among the most important telecommunications companies providing wireless services, Internet data, and video communications. Telecommunications companies operating in Iraq are the overall size of the target population and samples. The study aims to explore the management of cultural diversity and its impact on organizational performance. Therefore, they can provide essential data to support the study's purpose and respond to its data; however, the study samples are employees who willingly accept the request to contribute to the survey. The experimental data collection was launched through personal visits and an invitation letter was sent by email to respondents working for the Iraqi telecommunications companies. However, in the final step of data collection, 359 completed surveys were submitted. In addition, five surveys were removed from 359 surveys because they had missing data, resulting in 354 final samples. As indicated by Sekaran and Bougie (2016) research sample or the primary data are people (respondents), where we obtained their opinions. By using the internet and also we classified demographic data questions.

### **3.1.6. Data of Sources**

For gaining the required data, the study used two sources; the first is published data to address the theoretical context; thus, the researcher reviewed sources embodied in theories, articles, international conference proceedings, books, and other sources on the internet. The practical part was conducted using empirical data; in this regard, the survey questionnaires are used as the primary data collection tool. The survey

comprises three parts and two forms of variables. The first part is demographic variables: respondents' gender, level of education, age group, nationality, overall career experience, respondent job position, and organization or company. The other two-parts survey includes model constructs or the main study variables, namely, color-blind (CB), fairness (FAI), equal access (EC), and integration and learning (IAL), and organizational performance (OP) that reflects efficiency, productivity, quality of service, effectiveness, quality of working life, innovation, and profitability.

### **3.1.7. Scales Measurement**

#### **3.1.7.1. Management of Cultural Diversity (MCD) Scale**

According to Seymen (2006), different ways of dealing with cultural diversity management have been proposed in organizations, especially multicultural companies. Organizations need to learn how to manage diversity in the workplace to be successful in the future (Bindu, 2015). Therefore, initiatives that clearly focused on cultural diversity included diversity groups, multicultural working groups, advocacy groups, diversity languages, intercultural training, and diversity workshops (Bhawuk et. al., 2002). In this context, cultural diversity measures can also be included in current training tools, staff development, formal recruitment, selection, evaluation, guidance, or training without explicitly identifying them. However, cultural diversity helps the foundation transform its business from a virtual office into an online marketplace. Hence, cultural diversity helps expand the organization's perspective, approach, and strategic tactics, launch a new product, develop a marketing plan, create a new idea, design a new process and evaluate emerging trends (Adler, 2002). Cultural diversity is generally believed to have a positive impact on organizational performance. Because diversity enhances creativity and improves decision-making effectiveness, it thus improves organizational performance (Bindu, 2015). However, individuals must be treated equally regardless of where they belong (Ely & Thomas, 2001; Podsiadlowski et. al., 2009).

To measure the management of cultural diversity (MCD) in Iraqi telecommunications companies such as Asia, Korek, and Zain. We adapted the management of cultural diversity constructs from Podsiadlowski et al. (2013); these constructs are color-blind (CB), fairness (FAI), equal access (EC), and integration and learning (IAL). Podsiadlowski et. al. (2013) argued that both color blindness and

fairness make it more important to ensure equal and fair treatment and avoid discriminatory practices. However, they are different in ensuring equal employment opportunities: color blindness focuses on equal employment opportunities without identifying potential differences due to different cultural backgrounds. Ensures equal and fair treatment by addressing the need for specific support for minority groups and reducing social inequalities.

**Table 3.1.** *The Indicators of Management of Cultural Diversity Constructs.*

Author(s) (year)	Constructs	Indicators	Definition
Podsiadlo wski et al. (2013)	Management of Cultural Diversity (MCD)	<i>CB1</i> <i>CB2</i> <i>CB3</i> <i>CB4</i>  <i>FAI1</i> <i>FAI2</i> <i>FAI3</i>  <i>EC1</i> <i>EC2</i> <i>EC3</i>  <i>IAL1</i> <i>IAL2</i> <i>IAL3</i> <i>IAL4</i>	<p><b>Color-blind (CB)</b> involves taking into account qualifications rather than cultural backgrounds; The right individuals when suited to the required job qualifications.</p> <p><b>Fairness (FAI)</b> this includes equity as essential to giving employees from disadvantaged groups specific support for further development and equal employment opportunities. People think about the demographics of a society.</p> <p><b>Equal access (EC)</b> jobs for which individuals from different cultural backgrounds are exceptionally qualified. Matching employees' cultural backgrounds with clients/clients enhance quality and performance. Individuals fit when diversity matches customer/client diversity.</p> <p><b>Integration and learning (IAL)</b> cultural diversity brings new ideas and knowledge to the workplace of various business units and improves organizational performance. Cultural diversity helps us become more innovative and improve organizational performance. Cultural diversity helps develop new skills and approaches to work and organizational performance. It also adjusts strategies to suit the resources brought in by employees from different backgrounds to improve organizational performance.</p>

The perspective of equal access understands the cultural diversity of organizations as a business strategy that provides access to a diverse customer base and international markets by reflecting the organization's external environment internally. The perspective of integration and learning is broader, suggesting that

everyone can benefit from a diverse work environment, the organization as a whole, and its employees (Ely & Thomas, 2001). Integration and learning also refer to the benefits gained specifically from diversifying the workforce by recognizing and accepting diversity, creating a productive work environment, and using diverse talent to achieve organizational goals (Fish, 1999), see Table 3.1, below. Though, the survey used the following scale measurements; 7= Completely Agree, 6= Mostly Agree, 5= Somewhat Agree, 4= Neither Agree nor Disagree, 3= Somewhat Disagree, 2= Mostly Disagree, 1= Completely Disagree.

### **3.1.7.2. Organizational Performance (OP) Scale**

As defined by Narasimhan and Das (2001), organizational performance is a company's ability to meet the demands of its customers and to act as a barometer of market competition. Therefore, organizational performance refers to the strategic dimensions through which the company chooses to compete. Organizational performance is a basic concept for organizations in general, the primary management task is to achieve the goals and objectives for which the organization was founded. To achieve this, organizations must use management, planning, and performance appraisal. However, the key is to address the gap between them through performance management based on measurement and planning (Younis et. al., 2019; Zhang et. al., 2020).

In this context, Lee et al. (2018) claimed that organizational performance is the effort and activity of individuals to carry out and improve a particular job in different ways. According to Jon and Randy (2009), organizational performance enhances corporate efficiency and the well-being of its employees as compared to planned engagement. One of the three main points of organizational development leading to organizational performance is the development of the efforts of many organizations to increase organizational learning, including knowledge about workforce diversity to influence organizational performance. Accordingly, companies' capabilities and resources must be accommodated in emerging competitive priorities. Achieving competitive advantage depends on the effective transformation of competitive importance into strategic capabilities.

As shown in Table 3.2. the researcher also developed the survey instrument's second part, which is organizational performance (OP), and adapted from research

conducted by Koohang et al. (2017), who studied the impact of leadership on trust, knowledge management, and organizational performance. In general, organizational performance can be described as how a person, group of individuals or an object performs a work or activity. In organizational research, performance can be visualized at different levels of analysis. Here, we distinguish between organizational, team, and individual levels (Knies et al., 2016). Organizational performance is also the relationship between cost or lower economy and sound tuberculosis, higher cost and estimated output, or efficiency between outputs and effectiveness achieved (Chen and Barnes, 2006).

**Table 3.2.** *The Indicators of Organizational Performance Construct.*

<b>Author(s) (year)</b>	<b>Constructs</b>	<b>Indicators</b>	<b>Definition</b>
Koohang et al. (2017)	Organizational Performance (OP)	OPI- OP8	<b>Organizational Performance (OP)</b> includes companies that can achieve the desired result as an essential part of the service organization. Completion of jobs/jobs with minimum expenditure of time and effort. The quality of the company's service (as a measure of excellence and significant differences). The ability of companies to generate, create, enhance and produce services is vital. The quality of work and life within our company is the opportunity for employees to improve their personal lives through their work environment and experiences to improve their competitive advantage. The Department encourages joint teamwork and participation in providing opinions to improve the performance of the Service. The company's innovation process transforms an idea/invention into a service that creates value and vitality for endurance. A company's profitability is a financial profit or gain that can bring a competitive advantage.

From this point of view, the interest of institutions (especially those that are keen to achieve excellence and continuity) in managing performance in all its aspects and seeking to improve its levels is urgent, especially in light of the new administrative developments that focus on performance and are basically clear, and the impact of

applying each method and its role in the development (Zhu & Sarkis, 2004). However, the survey instrument used the following measuring scale; 7= Completely Agree, 6= Mostly Agree, 5= Somewhat Agree, 4= Neither Agree nor Disagree, 3= Somewhat Disagree, 2= Mostly Disagree, 1= Completely Disagree.

### **3.1.8. Data Analysis Methods**

The fundamental component of statistical analysis is based on the idea that the researcher has obtained an extensive data set mainly by surveys and desires to investigate the associations between individual points in that data set. While authors may look at a few of the methods they can use on a collection of data to show and explain the results of the data itself (Grice, 2001). In this context, the study's data was analyzed using two statistical programs: SPSS- 24 and partial least squares (PLS-SEM). First, we established survey reliability and validity by applying average variance extracted (AVE), composite reliability (CR), and Cronbach's alpha. Then we launched a measurement model by runs factor analysis. As indicated by Hair et al. (2012), for establishing survey reliability and validity, the average variance extracted (AVE) loaded values should be higher than  $>0.50$ .

The values of composite reliability (CR) for each model construct should be  $>0.80$ . however, the values of Cronbach's Alpha should be equal to 0.7 or higher (Hensele & Sarstedt, 2013; Ringle et. al., 2012). For the measurement model, the indicators loadings should be equal to 0.7 or higher  $>0.7$ . Descriptive statistics also applied to define the significant features of the variables quantitatively. Finally, the correlation analysis was used to determine relationships between the management of cultural diversity and organizational performance, based on the data set obtained from respondents in telecommunication in Iraq. Consequently, regression analyses are measured to test the study hypotheses.

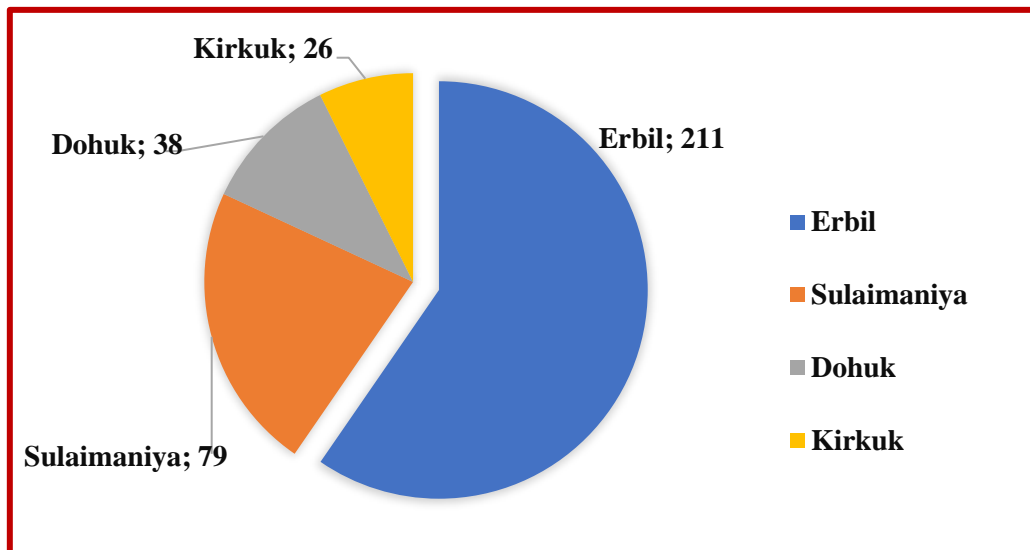
## **3.2. Findings**

In this section, we aimed to test the study hypotheses, which related to the impact and association between the management of Iraq's telecommunication companies' cultural diversity and organizational performance. However, before checking hypotheses, we establishing model's validity, and reliability. Therefore, it covers findings on regarding demographic variables and the statistical investigation of

empirical data, such as descriptive statistics analysis, correlation analysis, regression, and variance analysis. The results are revealed in the tables and figures below.

### 3.2.1. Findings Regarding Demographic Variables

In this study, the subjects are employees working in Iraqi telecommunications companies. Who freely accepted the invitation to participate in the survey by responding to the survey questionnaires indicators on cultural diversity and organizational performance management, which was self-administered among employees in Asia, Korek, and Zain and their branches. Figure 3.1 showed that 59.6% (n= 211) of the overall survey samples their company in Erbil. Sulaimaniya followed them that 22.3% (n= 79) of the general study sample their company in Sulaimaniya City. While 10.7% (n= 38) indicated that their company in Dohuk City. Finally, 7.3% (= 26) who participated in the survey mentioned that their company telecom is in Kirkuk.



*Figure 3.1. The Survey Samples Place of Organization.*

The study subjects are managers and employees in telecommunication companies in Iraq, who freely contributed to the survey were male 64.7% (n=229) and female 35.3% (n= 125), as revealed in Figure 3.2. As shown in Table 3.3 and Figure 3.3, below 55.4% (n= 196) of the overall survey participators were in the age group of 31–40 years that was the peak amount. 34.5% (n= 122) aged belong to the group less than 30 years, however, 6.8% (n= 24) respondents aged fall in the group 41-50 years. Finally, 3.4% (n= 12) went to the last group 51-60 years.

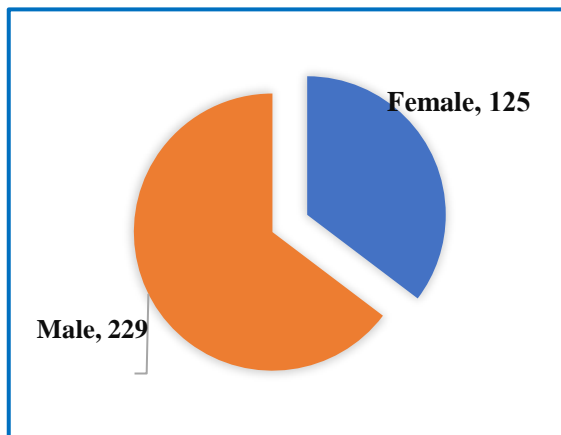


Figure 3.2. Respondent's Gender.

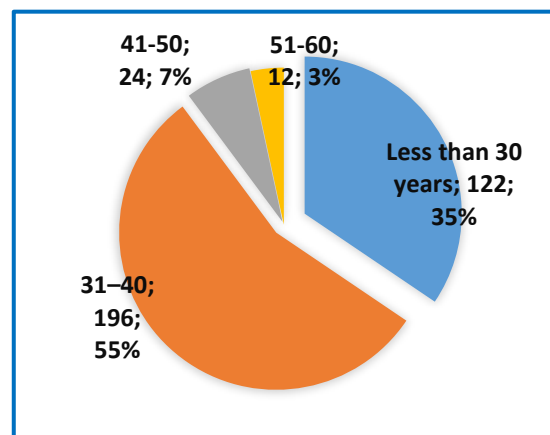


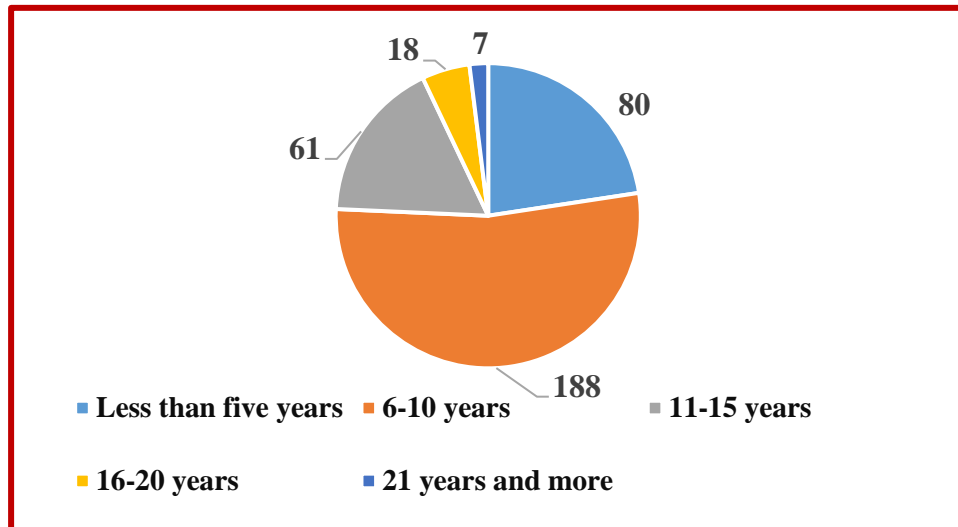
Figure 3.3. Respondent's Age Groups.

Table 3.3. Profile of the Study Subjects.

Profile	Description	Frequency	Percentage	Total
Gender	Female	125	35.3	354
	Male	229	64.7	
Age Groups	Less than 30 years	122	34.5	354
	31-40	196	55.4	
	41-50	24	6.8	
	51-60	12	3.4	
Overall Experience	Less than five years	80	22.6	354
	6-10 years	188	53.1	
	11-15 years	61	17.2	
	16-20 years	18	5.1	
	21 years and more	7	2.0	
Respondent's Level of Education	High School	9	2.5	354
	Bachelor Degree	278	78.5	
	Master Degree	61	17.2	
	PhD	6	1.7	
Respondent's nationality	Iraqi	333	94.1	354
	Other Nationality	21	5.9	
Respondent's job position	Management Position	129	36.4	354
	Employee	225	63.6	

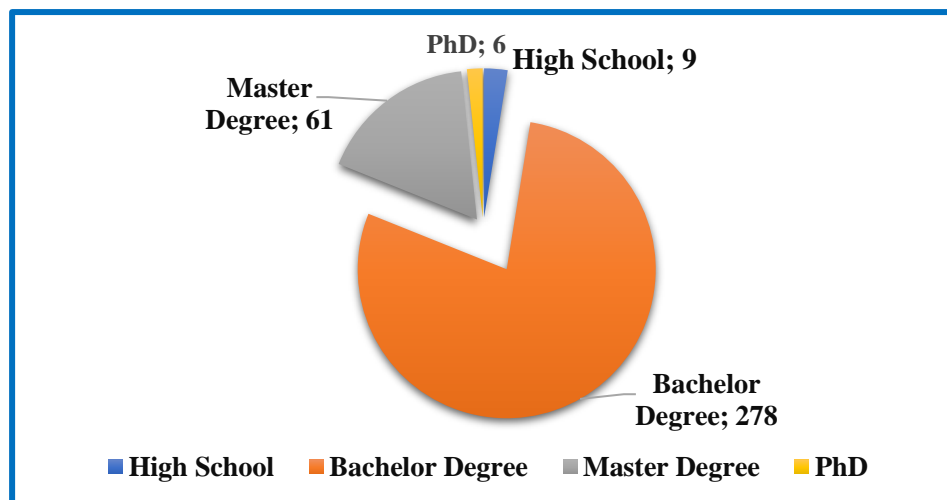
As summarized in Figure 3.4., the outcomes displayed that 53.1% (n= 188) over half of the survey respondents experienced between 6-10 years, 22.6% (n= 88) experienced was less than five years. While 17.2% (n = 61) overall experience between 11 years to 15 years. Although 5.1% (n=18) had the experience of 16 years to 20 years, finally, 2% (n= 7) survey respondents had experienced 21 years and more (see Table 4.1).





*Figure 3.4. Respondent's Overall Experience.*

The telecommunication companies' managers and employee's highest degree obtained in this study was bachelor degree 78.5% (n= 278), followed by master's degree holders 17.2% (n=61), and bachelor degrees 2.5% (n=9); nevertheless, Ph.D. degrees came at last 1.7% (n=6) of the overall sample.



*Figure 3.5. Respondent's Level of Education.*

Regarding the respondent's nationality, 94.1% (n= 333), of the overall survey samples indicate their nationality as Iraq, and other nationalities 5.9% (n= 21). Finally, 63.6% (n= 225) indicated their job position as employee and management positions reached 36.4% (n= 129), see Table 3.3.

### 3.2.2. Establishing Model's Validity and Reliability

Table 3.4. showed the model constructs' results for establishing the survey reliability and validity by checking the values of average variance values extracted (AVE) and the composite reliability (CR), and Cronbach's  $\alpha$ . For establishing the survey validity, the AVE values should be greater than 0.50, and the CR values must be greater than 0.80. The AVE results of all model constructs, namely, color-blind, fairness, equal access, integration, and learning, and organizational performance, are (0.680, 0.568, 0.591, 0.743, and 0.803) respectively, which all higher than 0.50. The composite reliability (CR) values are (0.906, 0.889, 0.833, 0.809, and 0.952), respectively, all greater than 0.80; these results indicated the study model's validity. Besides, the results of Cronbach's  $\alpha$  are (0.876, 0.744, 0.817, 0.911, and 0.941), respectively. Therefore, we can approve that the survey was reliable since Cronbach's for all variables was greater than 0.60.

**Table 3.4. Reliability and Validity.**

Constructs		AVE	CR	Cronbach's $\alpha$
<i>Management of Cultural Diversity</i>	<i>CB</i>	0.680	0.906	0.876
	<i>FAI</i>	0.568	0.889	0.744
	<i>EA</i>	0.591	0.833	0.817
	<i>IAL</i>	0.743	0.809	0.911
<i>Organizational Performance</i>	<i>OP</i>	0.803	0.952	0.941

**Note:** CB = color-blind, FAI = fairness, EA= equal access, IAL= integration and learning, and OP= organizational performance.

#### 3.2.2.1. Internal Validity

The survey questionnaire indicators that measured the model constructs were checked for establishing internal validity. Table 3.5. presented the management of cultural diversity (MCD) and its components: color-blindness, fairness, equal access, integration, and learning that revealed a wide range of positive and significant relationships between them indicators. This demonstrates that the independent variables reached internal validity, which is presented the possibility of measuring the management of cultural diversity variables.

**Table 3.5. Correlation Matrix of Management of Cultural Diversity Constructs.**

	<i>CB1</i>	<i>CB2</i>	<i>CB3</i>	<i>CB4</i>	<i>FAI1</i>	<i>FAI2</i>	<i>FAI3</i>	<i>EC1</i>	<i>EC2</i>	<i>EC3</i>	<i>IAL1</i>	<i>IAL2</i>	<i>IAL3</i>	<i>IAL4</i>
Correlation	<i>CB1</i>	1												
	<i>CB2</i>	.696	1											
	<i>CB3</i>	.687	.600	1										
	<i>CB4</i>	.601	.487	.758	1									
	<i>FAI1</i>	.556	.500	.571	.646	1								
	<i>FAI2</i>	.639	.559	.644	.587	.475	1							
	<i>FAI3</i>	.393	.421	.439	.320	.222	.435	1						
	<i>EC1</i>	.329	.373	.408	.302	.264	.497	.407	1					
	<i>EC2</i>	.447	.427	.565	.415	.363	.502	.437	.636	1				
	<i>EC3</i>	.317	.250	.419	.301	.255	.381	.633	.496	.663	1			
	<i>IAL1</i>	.484	.425	.659	.627	.455	.552	.386	.269	.461	.386	1		
	<i>IAL2</i>	.493	.410	.662	.569	.471	.615	.429	.306	.454	.448	.900	1	
	<i>IAL3</i>	.595	.486	.716	.635	.541	.571	.422	.338	.475	.404	.824	.837	1
	<i>IAL4</i>	.609	.487	.688	.536	.482	.604	.479	.410	.605	.515	.552	.574	.588

**Note:** CB = color-blind, FAI = fairness, EA= equal access, IAL= integration and learning.

The correlation matrix outcomes related to organizational performance’s internal validity showed many positive and significant correlations between the organizational performance indicators. Therefore, it means that indicators of organizational performance are measured through internal validity, as shown in Table 3.6.

**Table 3.6. Correlation Matrix of Organizational Performance Construct.**

	<i>OP1</i>	<i>OP2</i>	<i>OP3</i>	<i>OP4</i>	<i>OP5</i>	<i>OP6</i>	<i>OP7</i>	<i>OP8</i>
Correlation	<i>OP1</i>	1						
	<i>OP2</i>	.645	1					
	<i>OP3</i>	.573	.678	1				
	<i>OP4</i>	.691	.667	.807	1			
	<i>OP5</i>	.527	.689	.705	.673	1		
	<i>OP6</i>	.631	.652	.679	.737	.750	1	
	<i>OP7</i>	.511	.544	.597	.616	.652	.726	1
	<i>OP8</i>	.661	.689	.706	.771	.690	.741	.679

**Note:** OP = organizational performance.

### 3.2.2.2. Model Measurement

In this study, the measurement model is evaluated using factor analysis, called component reduction. Procedures respond to and analyze model structures into complex variables known as factors that make the measurement. For example, Management of Cultural Diversity (MCD) has four structures: color blindness, equity, equal access, integration, and learning. However, building organizational performance

contains eight composite indicators for taking and narrating results. Also, for further examination, factor analysis is employed and the results are shown in the following subgroups.

**Table 3.7. KMO and Bartlett's Test for Model Constructs**

<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b>		<b>0.893</b>
<b>Bartlett's Test of Sphericity</b>	<b>Approx. Chi-Square</b>	<b>3850.553</b>
	<b>Df</b>	<b>91</b>
	<b>Sig.</b>	<b>0.000</b>

As the first step of factor analysis, we validated the Kaiser-Meyer-Olkin KMO and Bartlett test values related to the model structures to determine the appropriateness of the factor analysis. The usual range of Kaiser Meyer Belkin is between (0.50 to 1.000); The data is fitted from a factor analysis when the Kaiser Meyer Olkin value is more significant than 0.5. Bartlett's test for the ambassador must be great. Table 3.7 showed that the values of Kaiser Meyer Olikin equal (0.893) more than (0.50). The Chi-Square in Bartlett's Test of Sphericity (3850.553), *df* (91), p-value equals (0.000), which is statistically significant, which is less than (0.05.) Thus, all model constructs' data are fitted to the study model.

**Table 3.8. Measurement Model**

<b>Contracts</b>	<b>Indicators</b>	<b>Factors Loadings</b>
<b>Color-blindness</b>	<i>CB1</i>	0.896
	<i>CB2</i>	0.894
	<i>CB3</i>	0.740
	<i>CB4</i>	0.752
<b>Fairness</b>	<i>FAI1</i>	0.723
	<i>FAI2</i>	0.788
	<i>FAI3</i>	0.868
<b>Equal Access</b>	<i>EC1</i>	0.813
	<i>EC2</i>	0.878
	<i>EC3</i>	0.918
<b>Integration and Learning</b>	<i>IAL1</i>	0.906
	<i>IAL2</i>	0.897
	<i>IAL3</i>	0.895
	<i>IAL4</i>	0.796
	<i>OP1</i>	0.770
	<i>OP2</i>	0.825
	<i>OP3</i>	0.914

<b>Organizational Performance</b>	<i>OP4</i>	0.920
	<i>OP5</i>	0.876
	<i>OP6</i>	0.927
	<i>OP7</i>	0.784
	<i>OP8</i>	0.913

Extraction Method: Principal Component Analysis.

a. One or more commonality estimates greater than one was encountered during iterations. The resulting solution should be interpreted with caution.

Table 3.8. showed that the extraction method principal component analysis was used to reveal the model constructs' factor loadings. The factor loads the values of all survey indices with their significance-level constructs. The factor loading of each indicator with its masonry greater than 0.50 indicates the required accuracy in measuring the underlying masonry. The loaded values for color-blindness, the first component of the management of cultural diversity, ranged between 0.740 to 0.896, all greater than 0.50. The loading values of fairness were high as well and ranged from 0.723 to 0.868. However, equal access loaded values between 0.813 to 0.918. Integration and learning as the fourth component of cultural diversity management have high loading values ranging from 0.796 to 0.906. When we look at Table 3.7, we see that all the loaded values on organizational performance were high and ranged between 0.770 to 0.927. Thus, the factor loadings for all model constructs are accepted; this result also established the research model's validity, which means a high level of relationships between all model constructs.

### 3.2.3. Descriptive Statistics

Through the use of descriptive statistics, we tested study variables, mainly by analyzing survey participants' responses to measure the significance of study variables on a seven-point scale. Descriptive statistics also describe the variables' critical features using statistical mean, standard deviations, and agreement weight. When the researcher obtains the empirical data from survey participators, it is necessary to summarize that data to find an average (mean) for that data set; the mean measures the data set center. There are three common ways to link the center of a group of numbers (mean, median, and mode). Statistical means collect all the numbers and divide them by numbers (Nicholas, 2006; Mustafa et. al., 2020). The standard deviation is a type of mean of these deviations from the mean. When the researcher has a set of observations

where there is a discrepancy, the observed values deviate from the norm by varying amounts.

### 3.2.3.1. Descriptive Statistics of the Management of Cultural Diversity

As summarized in Table 3.9., the descriptive results, scores of statistical mean, standard deviation, and weight of the agreement for the management of cultural diversity are (5.095 and 1.09052), respectively, the weight of agreement came at the rate of 72.78% of the overall responses. These results displayed that the managers and employees in Iraqi telecommunication companies agreed on the significance of effectively managing cultural diversity. Managing cultural diversity requires allowing different race, religion, languages, and backgrounds, energizing communication skills between cultural groups of employees, and eliminating all forms of discrimination. In addition, the company's effective HRM increases opportunities and benefits from all human elements, capabilities, and talents through various training programs based on cultural diversity. Table 3.9. also revealed the results of management of cultural diversity constructs, namely, color-blindness, fairness, equal access, integration, and learning; the mean scores of these constructs are (5.1222, 4.7702, 5.0245, and 5.3644), respectively, Std. Deviation values are (1.30851, 1.18428, 1.14651, and 1.32447). however, the weight of the agreements reached (73.17%, 68.14%, 71.77%, and 76.63%). These results indicated that telecom companies in Iraq focused on equal employment opportunities without recognizing potential differences due to different cultural backgrounds, as fairness ensures equality and fair treatment by meeting the need for specific support for minority groups and reducing social inequalities.

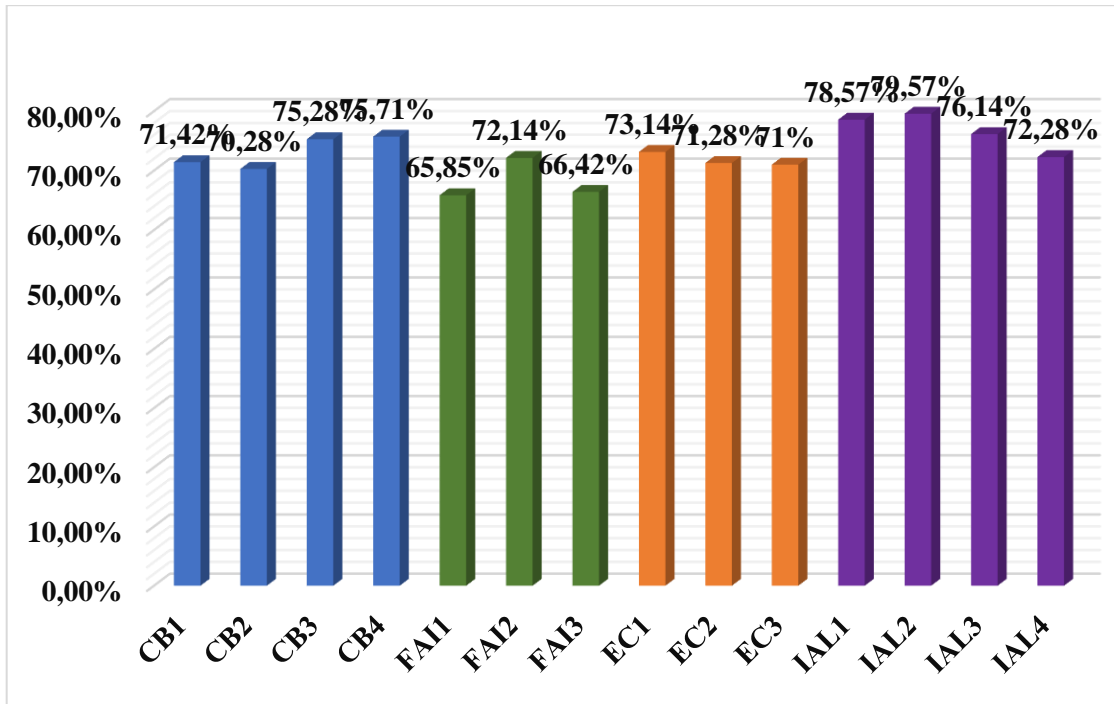
**Table 3.9. Results of Management of Cultural Diversity Constructs**

<b>Descriptive Statistics</b>						
<b>Constructs</b>	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Weigh of Agreement</b>
<i>CB</i>	354	1.00	7.00	<b>5.1222</b>	<b>1.30851</b>	<b>73.17</b>
<i>FAI</i>	354	1.00	7.00	<b>4.7702</b>	<b>1.18428</b>	<b>68.14</b>
<i>EA</i>	354	1.00	7.00	<b>5.0245</b>	<b>1.14651</b>	<b>71.77</b>
<i>IAL</i>	354	1.00	7.00	<b>5.3644</b>	<b>1.32447</b>	<b>76.63</b>
<i>MCD</i>	354	1.14	7.00	<b>5.0950</b>	<b>1.09052</b>	<b>72.78</b>

*Note: CB = color-blindness, FAI = fairness, EA= equal access, IAL= integration and learning, MCD = management of cultural diversity, and OP = organizational performance.*

When we look at Table 3.10. and Fig. 3.6., all indicators of management of cultural diversity constructs reached high agreements by survey participators within Iraqi telecommunication companies. Fig. 3.6. also revealed that (*CB4 and CB3*) came to the higher agreement rates (75.71% and 75.28%). It means that Iraqi telecommunications companies are considered individuals who fit with their companies when they match their required job qualifications. However, they welcome people from different cultural backgrounds as long as they meet the requirements of the telecom companies. In the same regard, 71.42% and 70.28% of the survey sample agreed on (*CB2 and CB1*), respectively, that employee promotion depends on performance, not on an employee's cultural background. Thus, managers at Iraqi telecommunications companies consider qualifications, not the cultural background.

Results displayed that (*FAI2*) agreed by 72.14% that the Iraqi telecommunications companies are culturally diverse. Therefore they take equal employment opportunities seriously. Followed by (*FAI3 and FAI1*), were agreed by 66.42% and 65.85%, it means that they favor fairness as essential to give workforces from underprivileged groups precise support for their further development. Accordingly, individuals were fit into Asia, Korek, and Zain when they reflect on the demographics of the society in which they are positioned see (Table 3.10.).



**Figure 3.6.** The Agreement Percentages on Management of Cultural Diversity Indicators

Regarding equal access as the significant component of managing cultural diversity, survey respondents agreed on all indicators (EC1, EC2, and EC) by 73.14%, 71.28%, and 71%, respectively, shows that Asia, Korek, and Zain providing specific jobs for individuals from different cultural backgrounds are exceptionally well qualified. It focuses on matching employees' cultural backgrounds with clients and enhancing the quality and performance of their companies. Accordingly, individuals were a good fit for these when the diversity of employees matched the diversity of customers.

**Table 3.10.** Descriptive Statistics Results of Management of Cultural Diversity Indicators

Descriptive Statistics						
Constructs	N	Minimum	Maximum	Mean	Std. Deviation	Weigh of Agreement
<i>CB1</i>	354	1	7	5.00	1.502	71.42
<i>CB2</i>	354	1	7	4.92	1.582	70.28
<i>CB3</i>	354	1	7	5.27	1.566	75.28
<i>CB4</i>	354	1	7	5.30	1.481	75.71
<i>FAI1</i>	354	1	7	4.61	1.555	65.85



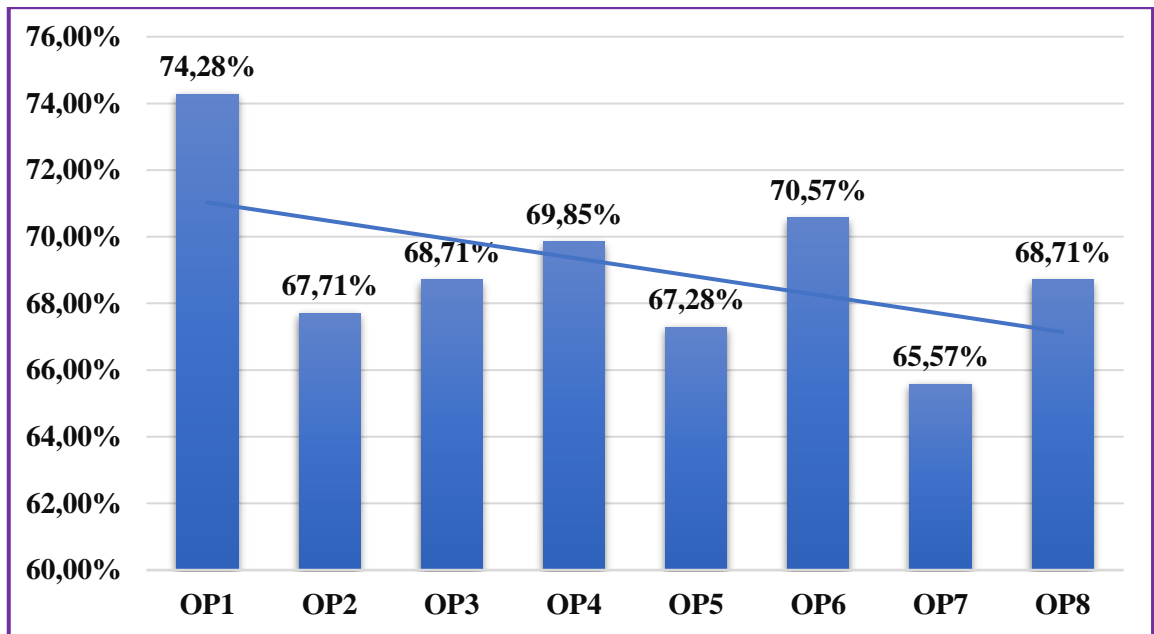
<i>FAI2</i>	354	1	7	<b>5.05</b>	<b>1.523</b>	<b>72.14</b>
<i>FAI3</i>	354	1	7	<b>4.65</b>	<b>1.571</b>	<b>66.42</b>
<i>EC1</i>	354	1	7	<b>5.12</b>	<b>1.353</b>	<b>73.14</b>
<i>EC2</i>	354	1	7	<b>4.99</b>	<b>1.356</b>	<b>71.28</b>
<i>EC3</i>	354	1	7	<b>4.97</b>	<b>1.310</b>	<b>71</b>
<i>IAL1</i>	354	1	7	<b>5.50</b>	<b>1.545</b>	<b>78.57</b>
<i>IAL2</i>	354	1	7	<b>5.57</b>	<b>1.508</b>	<b>79.57</b>
<i>IAL3</i>	354	1	7	<b>5.33</b>	<b>1.548</b>	<b>76.14</b>
<i>IAL4</i>	354	1	7	<b>5.06</b>	<b>1.356</b>	<b>72.28</b>

*Note: CB = color-blindness, FAI = fairness, EA= equal access, IAL= integration and learning, MCD = management of cultural diversity, and OP = organizational performance*

Further, results from Fig. 3.6. and Table 3.10. established that managers and employees working in Iraqi telecommunications companies, such as Asia, Korek, and Zain, significantly agreed on the importance of integration and learning. Thus, they highly decided on (IAL2 and IAL1), by 79.57% and 78.57%, that cultural diversity brings new ideas and knowledge to various business units and improves organizational performance. Thus, diversity benefited Iraqi telecommunications companies to become more innovative and improve organizational performance. Finally, in regard (IAL3 and IAL4), managers and employees who participated in the survey agreed by 76.14% and 72.28% cultural diversity supports telecommunications companies to develop new skills, approaches to work, and organizational performance. Thus, they adjust their strategies to suit the resources brought in by employees from different backgrounds to improve organizational performance.

### **3.2.3.2. Descriptive Analysis of Organizational Performance**

Table 3.11. demonstrated statistical mean scores, standard deviation, and weight of the agreement for the telecommunication companies' organizational performance are (4.8362 and 1.25864), respectively. The weight of agreement came at the rate of 69.09% of the total responses. Results demonstrated that the managers and employees in Iraqi telecommunication companies agreed on managing cultural diversity as an essential factor for improving organizational performance.



*Figure 3.7. The Agreement Percentages on Organizational Performance Indicators*

Fig. 3.7. clearly showed that the first question of organizational performance (OP1) reached the highest agreement rate between managers and employees in Iraqi telecommunication companies, by 74.28% regarding telecommunication companies can yield the desired result as an essential part of the service companies. This was followed by questions (OP6 and OP4), which achieved 70.57% and 69.85% of the responses surveyed to corporate governance encourage joint teamwork and the sharing of opinions to improve service performance. As they can generate resources, create, enhance, and produce services is vital.

The result on (OP3, OP8, OP2, OP5, and OP7) showed the agreement rates, which were 68.71%, 67.71%, 67.28%, and 65.57% that all accepted as agreed responses, which show that surveyed telecommunication companies have service quality (as a measure of excellence and significant variations). Their profitability was a financial gain or gain that achieved a competitive advantage. Telecom companies in Iraq can accomplish jobs with minimal time and effort. The quality of work and life within these companies can improve their personal lives through their work environment and experiences that can enhance their competitive advantage. However, the process of innovation transforms an idea/invention into a service that creates value and the vitality of endurance.

**Table 3.11. Descriptive Statistics Results of Organizational Performance Indicators**

<b>Descriptive Statistics</b>						
<b>Construct indicators</b>	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Weigh of Agreement</b>
<i>OP1</i>	354	1	7	<b>5.20</b>	<b>1.248</b>	<b>74.28</b>
<i>OP2</i>	354	1	7	<b>4.74</b>	<b>1.404</b>	<b>67.71</b>
<i>OP3</i>	354	2	7	<b>4.81</b>	<b>1.463</b>	<b>68.71</b>
<i>OP4</i>	354	1	7	<b>4.89</b>	<b>1.510</b>	<b>69.85</b>
<i>OP5</i>	354	1	7	<b>4.71</b>	<b>1.593</b>	<b>67.28</b>
<i>OP6</i>	354	1	7	<b>4.94</b>	<b>1.619</b>	<b>70.571</b>
<i>OP7</i>	354	1	7	<b>4.59</b>	<b>1.553</b>	<b>65.57</b>
<i>OP8</i>	354	1	7	<b>4.81</b>	<b>1.540</b>	<b>68.71</b>
<i>Organizational Performance</i>	354	1.25	7.00	<b>4.8362</b>	<b>1.25864</b>	<b>69.09</b>

*Note: OP = organizational performance.*

### **3.2.4. Hypotheses Testing**

#### **3.2.4.1. Correlation Analysis**

The main objective of correlation analysis is to find an appropriate formula for determining the relationships between two or more variables. The correlation analysis starts from the distribution of the variables shown in the correlation table with two points. Each ordered pair of values of the predict variable and outcome variable represents the number of statistical units taken by the two variables (Grice, 2001; Mustafa et. al., 2020). The correlation coefficient, (r), evaluates the strength of the linear correlation between variables. Therefore, the value of correlation coefficient (r) is between (+1) and (-1):

- Values of (r) near to (+1) or (-1) represent a significant linear correlation.
- A value of (r) near to (0) indicates that the linear correlation is very weak or not significant.
- However, it could be that there is no correlation between the predict and outcome variables at all, or the correlation is non-linear.

In this study, we have established correlations between model constructs as the primary step before checking hypotheses. Table 3.12. showed the correlation results that the management of cultural diversity as predict variable is positively and significantly correlated to improving organizational performance. The value of r (0.695\*\*) significant and (p0.000<0.05). This finding suggests that the management of

cultural diversity is an essential factor that comes from effectively investing the advantages of the different cultures in growing and improving organizational performance and making use of it by transforming cultures from a cause of conflict into a source of efficiency and competitive advantages.

**Table 3.12. Results of Correlations Analysis between Model Constructs**

	<b>CB</b>	<b>FAI</b>	<b>EA</b>	<b>IAL</b>	<b>MCD</b>	<b>OP</b>
<b>CB</b>						
<b>FAI</b>	0.701**					
<b>EA</b>	0.463**	0.609**				
<b>IAL</b>	0.603**	0.581**	0.507**			
<b>MCD</b>	0.852**	0.848**	0.750**	0.812**		
<b>OP</b>	<b>0.695**</b>	<b>0.675**</b>	<b>0.539**</b>	<b>0.639**</b>	<b>0.749**</b>	1.000

\*\* . Correlation is significant at the 0.01 level (2-tailed).  
b. Listwise N = 354

**Note:** CB = color-blindness, FAI = fairness, EA= equal access, IAL= integration and learning, MCD = management of cultural diversity, and OP = organizational performance.

Results presented that color-blindness, fairness, equal access, integration, and learning positively and significantly linked to organizational performance. Table 3.12 revealed that color-blindness, fairness, integration, and learning have positive and strongest relationships with organizational performance. The value of r (0.695\*\*, 0.675\*\* and 0.639\*\* ) respectively, significant at the p-values (0.000, 0.000, and 0.000). While the results showed the low relationship between equal access and organizational performance, the value of r (0.539\*\*) significant and p-value ( $p < 0.05$ ).

### 3.2.4.2. Regression Analysis

Regression analysis is an examination technique that calculates the estimated relational effect between predictor variables and one or more outcome variables. We checked the model hypotheses with regression analysis, mainly relational effects between selected variables and predicted values based on the model. The regression analysis results are the calculation that represents the best estimate of the dependent variables from several independent or predictor variables. Therefore, regression analysis is used when the independent variables significantly correlated with the dependent variable; independent variables can be either stationary or categorical.

**Table 3.13. Regression Analysis (Model Summary)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	<b>0.805<sup>a</sup></b>	<b>0.648</b>	<b>0.647</b>	0.74818	
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	362.174	1	362.174	<b>646.996</b>	<b>0.000<sup>b</sup></b>
Residual	197.042	352	0.560		
Total	559.216	353			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Management of Cultural Diversity

As summarized in Table 3.13., the results showed the value of R Square's coefficient (0.648), indicating the outcome variable organizational performance due to the change in predicted variables embodied by management of cultural diversity and its dimensions. Therefore, color-blind, fairness, equal access, integration, and learning assume 64.8% of the managers' and employees' perceptions of working at Iraqi telecommunication companies. Furthermore, the results presented an f-test significance where F (646.996), df (1, 352) significance at p-value ( $p < 0.05$ ), which is appropriate for the study model. Thus, these results are clarified that the study model is significant in how the management of cultural diversity and its dimensions impact organizational performance in terms of improving business activities, enhancing employee productivity, company profitability, innovation, reducing costs, flexibility, and better time investing improve quality.

**Table 3.14. Path analysis coefficient, t-value, and p-value for the SEM.**

Hypotheses	Interaction	Standardized Path Coefficient	t-value	p-value	Decision
<i>H<sub>a</sub></i>	MCD->OP	$\beta = 0.805$	25.436	0.000	Supported
<i>H<sub>b</sub></i>	CB->OP	$\beta = 0.772$	22.762	0.000	Supported
<i>H<sub>c</sub></i>	FAI->OP	$\beta = 0.738$	20.521	0.000	Supported
<i>H<sub>d</sub></i>	EA->OP	$\beta = 0.577$	13.252	0.000	Supported
<i>H<sub>e</sub></i>	IAL->OP	$\beta = 0.687$	17.752	0.000	Supported

*Note.* CB = color-blindness, FAI = fairness, EA = equal access, IAL = integration and learning, MCD = management of cultural diversity, and OP = organizational performance.

Table 3.14. showed that management of cultural diversity positively impacted organizational performance, with a strong coefficient of effect up to ( $\beta=0.805$ ), and ( $p=0.000 < 0.05$ ) significant. Results also revealed that color-blindness is positively and significantly affected organizational performance ( $\beta=0.772$ ), and ( $p=0.000 < 0.05$ ).

When we look at results in Table 3.14, we can see that fairness as the second component of management of cultural diversity positively and significantly impacted organizational performance with a strong coefficient of effects up to ( $\beta=0.738$ ), and ( $p=0.000$ ). Employment equal access is positively and significantly impacted organizational performance based on survey responses ( $\beta =0.577$ ), and ( $p=0.000$ ), which is less than (0.05). Additionally, culturally integration and learning also positively and significantly impacted organizational performance ( $\beta =0.687$ ), and ( $p=0.000<0.05$ ).

### 3.2.4.3. Variance Analysis

We used an independent t-test and variance analysis (ANOVA) based on the parametric method to check the variance hypotheses. The significance level of the acquired data is accepted as the p-value greater than (0.05), Levene’s test for equality of variances  $F(0.202; p0.653>0.05)$  for management of cultural diversity, and  $F(0.655; p0.419>0.05)$  for the organizational performance. The group statistics showed male and female statistical means (4.8897 and 5.2071), respectively, of management of cultural diversity and (4.6620 and 4.9312) for organizational performance, both smellier at their nature. These results established no variances among male and female managers’ and employees’ regarding the management of cultural diversity and its impact on organizational performance (Table 3.15.).

**Table 3.15. Independent Samples Test According Gender**

Group Statistics					
Constructs	Respondent's Gender	N	Mean	Std. Deviation	Std. Error Mean
MCD	Female	125	4.8897	1.17686	.10526
	Male	229	5.2071	1.02579	.06779
OP	Female	125	4.6620	1.24303	.11118
	Male	229	4.9312	1.25963	.08324
Constructs			Levene's Test for Equality of Variances		
			F	Sig.	
MCD	Equal variances assumed		.202	.653	
	Equal variances not assumed				
OP	Equal variances assumed		.655	.419	
	Equal variances not assumed				

We have used the ANOVA test of the age groups, as it has more than two levels. The ANOVA test was also used to reveal variance in the survey samples’

responses regarding the management of cultural diversity and its impact on the telecommunication companies' organizational performance. Outcomes in Table 3.16. displayed that there is no variance in the means based on age groups, F (3.179;  $p0.054 > 0.05$ ), for management of cultural diversity, and F (1.898;  $p0.139 > 0.05$ ), for organizational performance, as shown in (Table 3.16.).

**Table 3.16. ANOVA test According to Age Groups**

ANOVA						
Constructs		Sum of Squares	df	Mean Square	F	Sig.
<b>MCD</b>	Between Groups	11.137	3	3.712	<b>3.179</b>	<b>0.054</b>
	Within Groups	408.661	350	1.168		
	Total	419.798	353			
<b>OP</b>	Between Groups	8.694	3	2.898	<b>1.842</b>	<b>0.139</b>
	Within Groups	550.522	350	1.573		
	Total	559.216	353			

As revealed in Table 3.17., the results of Levene's test for equality of variances, F(0.858;  $p0.355 > 0.05$ ) of cultural diversity. Besides, for the organizational performance, Levene's test for equality of variances F (3.672;  $p0.056 > 0.05$ ). However, group statistics showed Iraqi and other nationality statistical means (5.0598 and 5.6531), respectively, of management of cultural diversity, and (5.7767 and 5.7798) related to the organizational performance of the telecommunication companies in Iraq, which is both the Iraqi and other nationalities preceptions smellier at their nature. These results showed no variances among perceptions of Iraqi and different nationalities regarding the management of cultural diversity and its impact on organizational performance.

**Table 3.17. Independent Samples Test According to Respondent's Nationalities**

Group Statistics					
Constructs	Respondent's Nationality	N	Mean	Std. Deviation	Std. Error Mean
<b>MCD</b>	Iraqi	333	<b>5.0598</b>	1.09712	.06012
	Other Nationalities	21	<b>5.6531</b>	.81325	.17746
<b>OP</b>	Iraqi	333	<b>5.7767</b>	.95319	.06867
	Other Nationalities	21	<b>5.7798</b>	.94696	.20664
<b>Constructs</b>			Levene's Test for Equality of Variances		
			<b>F</b>	<b>Sig.</b>	
<b>MCD</b>	Equal variances assumed		<b>0.858</b>	<b>0.355</b>	
	Equal variances not assumed				
<b>OP</b>	Equal variances assumed		<b>3.672</b>	<b>0.056</b>	

	Equal variances not assumed		
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Table 3.18. demonstrated the results of Levene’s test for equality of variances,  $F(0.302; p0.433 > 0.05)$  of management of cultural diversity. The organizational performance,  $F$  is  $(0.555; p0.311 > 0.05)$ . While the group statistics showed statistical means according to respondent’s job positions managers and employees (5.3599 and 4.9432), respectively, of management of cultural diversity, besides the mean values (5.1870 and 4.6350) related to the organizational performance, which is both the preceptions smellier at their nature. This indicates no variances among managers' and employees' perceptions of cultural diversity management and its impact on organizational performance.

**Table 3.18. Independent Samples Test According to Respondent’s Job Position**

Group Statistics					
Constructs	Respondent's job position	N	Mean	Std. Deviation	Std. Error Mean
<i>MCD</i>	Management Position	129	<b>5.3599</b>	.96153	.08466
	Employee	225	<b>4.9432</b>	1.13235	.07549
<i>OP</i>	Management Position	129	<b>5.1870</b>	1.10730	.09749
	Employee	225	<b>4.6350</b>	1.29782	.08652
<i>Constructs</i>			Levene’s Test for Equality of Variances		
			F	Sig.	
<i>MCD</i>	Equal variances assumed		<b>0.302</b>	<b>0.433</b>	
	Equal variances not assumed				
<i>OP</i>	Equal variances assumed		<b>0.555</b>	<b>0.311</b>	
	Equal variances not assumed				

#### 3.2.4.4. Accepting/Rejecting the Hypotheses

Before testing hypotheses, this study has established survey reliability and validity by applying average variance extracted (AVE), composite reliability (CR), and Cronbach’s alpha. Then we launched a measurement model by runs factor analysis. However, for the measurement model, the indicators loadings were all equal to 0.7 or higher. Finally, as shown in Table 3.19., the outcomes reviewed the tested hypotheses related to the management of cultural diversity and its impacts on the organizational performance of the Iraqi telecommunication companies; after the empirical data analysis, all the proposed hypotheses were accepted.



**Table 3.19. Result of tested Hypotheses**

<b>Hypotheses</b>		<b>Path coefficient and p-value</b>	<b>Results</b>
<b>H1</b>	The management of cultural diversity such as (color-blindness, fairness, equal access, integration, and learning positively and significantly impact organizational performance.	<b><math>\beta = 0.805, p=0.000</math> Significant</b>	<b>Accepted</b>
<b>H1a</b>	Color-blindness (CB) is positively and significantly impacts organizational performance (OP).	<b><math>\beta = 0.772, p=0.000</math> Significant</b>	<b>Accepted</b>
<b>H1b</b>	Fairness (FAI) is positively and significantly impacts organizational performance.	<b><math>\beta = 0.738, p=0.000</math> Significant</b>	<b>Accepted</b>
<b>H1c</b>	Equal Access (EA) is positively and significantly impacts organizational performance.	<b><math>\beta = 0.577, p=0.000</math> Significant</b>	<b>Accepted</b>
<b>H1d</b>	Integration and learning (IAL) positively and significantly impact organizational performance.	<b><math>\beta = 0.687, p=0.000</math> Significant</b>	<b>Accepted</b>
<b>H2</b>	The effect of the management of cultural diversity on organizational performance differs according to respondent's demographic characteristics: <i>According to respondent's gender</i>	<b><math>F(0.202; p0.653&gt;0.05)</math> <math>F(0.655; p0.419&gt;0.05)</math></b>	<b>Rejected</b>
	<i>According to respondent's age</i>	<b><math>F(3.179; p0.054&gt;0.05)</math> <math>F(1.898; p0.139&gt;0.05)</math></b>	<b>Rejected</b>
	<i>According to respondent's nationality</i>	<b><math>F(0.858; p0.355&gt;0.05)</math> <math>F(3.672; p0.056&gt;0.05)</math></b>	<b>Rejected</b>
	<i>According to respondent's job positions.</i>	<b><math>F(0.302; p0.433&gt;0.05)</math> <math>F(0.555; p0.311&gt;0.05)</math></b>	<b>Rejected</b>

## **4. CHAPTER FOUR: Conclusions and Recommendation**

### **4.1. Discussions on Empirical Findings**

The ultimate purpose of this study was to explore the management of cultural diversity and its impact on organizational performance. To arrive at this, we analyzed the empirical data and tested the study hypotheses. The results showed that managers and employees of Iraqi telecommunications companies agreed on the importance of effective management of cultural diversity. Managing cultural diversity involves permitting and handling employees' different race, religion, languages, social backgrounds, and intercultural communication skills to be activated and eliminating all forms of discrimination. When companies effectively manage their diverse employees, they can maximize opportunities, and benefits from all human elements, capabilities, and talents through different training programs based on cultural diversity. The study revealed, through descriptive analysis, that the telecom companies surveyed in Iraq focus on equal employment opportunities without recognizing potential differences due to different cultural backgrounds, as fairness ensures equality and fair treatment by meeting the need for specific support for minority groups and limiting aspects of social inequality. In this context, management of cultural diversity is a practice used to deal with different human resources to develop, manage, and change their organizational culture. This is done by exploiting human differences and dividing sources to increase the efficiency of an individual's work, improve organizational performance, and improve employee skills (Shen et. al., 2009). Management of cultural diversity comes from re-highlighting the importance of the cultural mix in the growth, improvement of organizational performance by transforming it from a cause of conflict into a source of creativity and achieving an appropriate advantage (Andresen, 2007; Mustafa et. al., 2020).

The study showed that Iraqi telecommunications companies are considered individuals who fit with their companies when they match their required job qualifications. However, they welcome people from different cultural backgrounds as long as they meet the requirements of the telecommunications companies that needed skills and experience-however, employee promotion is based on performance, not on an employee's cultural background. Thus, managers at Iraqi telecommunications

companies consider qualifications, not the cultural background. Therefore, they take equal employment opportunities very seriously. Iraqi telecom companies preferred equity as necessary to give employees from disadvantaged groups specific support for their further development. Accordingly, individuals were assimilated to Asia, Korek, and Zain when they think about the demographics of the society in which they are in. In this regard, companies can gain various benefits when managing cultural diversity is effectively implemented. As the management of cultural diversity is a core practice that enhances overall organizational performance and also generates a competitive advantage. This is mainly due to diverse perspectives, backgrounds, priorities, and orientations helping companies identify business opportunities and succeed in new markets. Besides, diverse workforce views lead to higher quality decisions, help enhance organizational performance, solve complex problems, and ultimately lead to better and more creative decisions (Agrawal, 2012).

Regarding equal access as an important component in managing cultural diversity, respondents agreed that Asia, Korek and Zain provided specific jobs with people from diverse cultural backgrounds having exceptionally good qualifications. It focuses on matching employees' cultural backgrounds with clients and enhancing the quality and performance of their companies. Accordingly, individuals were a good fit for these when the diversity of employees matched the diversity of clients. Moreover, the results showed that managers and employees working in Iraqi telecom companies largely agreed on the importance of integration and learning. Thus, they highly agreed that cultural diversity brings new ideas and knowledge to various business units and improves organizational performance. Therefore, diversity benefited Iraqi telecommunications companies to become more innovative and improve organizational performance. Our findings in line with Ayega et. al. (2018) who investigated the relationship between cultural diversity and employee performance, and the results revealed that cultural diversity is positively and significantly related to employee performance; therefore, effectively managing cultural diversity improves the company's performance.

The findings on organizational performance demonstrated that the managers and employees in Iraqi telecommunication companies agreed that managing cultural diversity was an essential factor for improving organizational performance as Iraqi telecommunication companies can yield the desired result as a critical part of the

service companies. Where management encouraged employees to join teamwork and participation in providing opinions to improve service performance, they also can resourcefully generate, create, enhance, and produce services is vital. The result showed that surveyed telecommunication companies have service quality (as a measure of excellence and significant variations). Their profitability was a financial gain or gain that achieved a competitive advantage. Telecom companies in Iraq can accomplish jobs with minimal time and effort. The quality of work and life within these companies can improve their personal lives through their work environment and experiences that can enhance their competitive advantage. However, the process of innovation transforms an idea/invention into a service that creates value and the vitality of endurance.

## **4.2. Conclusions**

In this study, we establish correlations between model constructs as a key step before hypotheses are verified. The results showed that managing cultural diversity is positively and significantly associated with improving organizational performance. The results also revealed that color blindness, fairness, integration, and learning have very positive and intrinsic relationships with organizational performance. In contrast, the results showed a low relationship between equal access and organizational performance.

The results of the impact showed that the management of cultural diversity had a positive impact on organizational performance, with a strong coefficient of influence. In addition, the results revealed that color blindness positively and significantly affects organizational performance. Equity as the second component in managing cultural diversity has positively affected organizational performance to a large extent with a strong influence coefficient. Equal employment opportunity also has a positive and significant impact on organizational performance. Additionally, cultural integration, and learning positively affected organizational performance.

However, results established no variances among male and female managers' and employees' regarding the management of cultural diversity and its impact on the organization. The ANOVA test was also used to reveal variance in the survey samples' responses regarding the management of cultural diversity and its impact on the telecommunication companies' organizational performance. Results demonstrated no

variance in the means based on age groups of managers and employees of Iraqi telecommunication companies. Besides, the results showed no variances among perceptions of Iraqi and different nationalities regarding the management of cultural diversity and its impact on organizational performance. Further results indicated no variances based on job position among managers' and employees' perceptions of cultural diversity management and its impact on organizational performance.

### **4.3. Recommendations and Implications**

In businesses, including telecommunication companies, the management of cultural diversity has become increasingly important. Therefore, managing cultural diversity refers to the combination of social background, culture, and educational experiences, which is valuable. While there is a need to understand the differences between the diverse groups in an organization, it is necessary to address differences in senior management because they can affect organizational performance and culture. Another characteristic of a culturally diverse society is a market adjustment. Thus, a multicultural society also makes a multicultural market with different needs. In this regard, service companies, including telecommunications companies, will be ready to diversify their marketing and promotional campaigns for services. This is another context in which those engaged in cultural diversity provide a practical competitive advantage. An effectively managed cultural diversity officer can quickly take effective promotion tactics to satisfy a multicultural market and capture multicultural clients. Besides, diversified employees can provide better service ideas for multicultural customers.

This study has practical and managerial contributions. The results can benefit managers within telecommunication companies, mainly selecting and implementing the strategies related to culturally diverse workforces and making an appropriate environment for them. The study findings also contribute to better understanding organizational performance improvement and realizing the factors affecting employees and organizational performance. Cultural diversity is an additional value within organizations, including telecommunication companies, if the culturally diverse employees can take the necessary measures to reach lawfulness by identifying cultural differences as a natural thing in all humanity and an organizational feature. That enables the companies to benefit from its advantages and strategy, mainly investing

different abilities to enhance organizational performance. Effectively managing cultural diversity also allows companies to all to serve the operations and urgent response to the problems that may arise from cultural differences, which imposes on it the embodiment of the principle of respect for the other within organizational practices, especially from the point of view that it is a moral obligation.

#### **4.4. Limitations and Suggestions for Future Studies**

This study may not be without limits since the data collection instrument was a survey questionnaire. However, the empirical data was collected during the covid-19. Hence, it affected our abilities to obtain larger samples. The study population was only among the telecommunication companies in Iraq, such as Asia, Korek, and Zain; based on that, a larger sample may have produced better results generalization. So, future studies better attention to a different and larger population sample, such as manufacturing companies, including international companies.

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## LIST OF TABLES

<b>Table 3.1.</b> The Indicators of Management of Cultural Diversity Constructs.....	57
<b>Table 3.2.</b> The Indicators of Organizational Performance Construct. ....	59
<b>Table 3.3.</b> Profile of the Study Subjects.....	62
<b>Table 3.4.</b> Reliability and Validity.....	64
<b>Table 3.5.</b> Correlation Matrix of Management of Cultural Diversity Constructs.....	65
<b>Table 3.6.</b> Correlation Matrix of Organizational Performance Construct. ....	65
<b>Table 3.7.</b> KMO and Bartlett’s Test for Model Constructs.....	66
<b>Table 3.8.</b> Measurement Model .....	66
<b>Table 3.9.</b> Results of Management of Cultural Diversity Constructs .....	68
<b>Table 3.10.</b> Descriptive Statistics Results of Management of Cultural Diversity Indicators .....	70
<b>Table 3.11.</b> Descriptive Statistics Results of Organizational Performance Indicators	73
<b>Table 3.12.</b> Results of Correlations Analysis between Model Constructs.....	74
<b>Table 3.13.</b> Regression Analysis (Model Summary) .....	75
<b>Table 3.14.</b> Path analysis coefficient, t-value, and p-value for the SEM.....	75
<b>Table 3.15.</b> Independent Samples Test According Gender.....	76
<b>Table 3.16.</b> ANOVA test According to Age Groups .....	77
<b>Table 3.17.</b> Independent Samples Test According to Respondent’s Nationalities .....	77
<b>Table 3.18.</b> Independent Samples Test According to Respondent’s Job Position.....	78
<b>Table 3.19.</b> Result of tested Hypotheses .....	79

## LIST OF FIGURES

<b>Figure 1.1.</b> The Conceptual Study Model.....	53
<b>Figure 3.1.</b> The Survey Samples Place of Organization. ....	61
<b>Figure 3.2.</b> Respondent's Gender. ....	62
<b>Figure 3.3.</b> Respondent's Age Groups.....	62
<b>Figure 3.4.</b> Respondent's Overall Experience. ....	63
<b>Figure 3.5.</b> Respondent's Level of Education. ....	63
<b>Figure 3.6.</b> The Agreement Percentages on Management of Cultural Diversity Indicators .....	70
<b>Figure 3.7.</b> The Agreement Percentages on Organizational Performance Indicators..	72

## LIST OF ATTACHMENTS

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<b>Gender</b>	Female	<b>Level of Education</b>	High School
	Male		Bachelor Degree
<b>Age Group</b>	Less than 30 age		Master Degree
	31-40 age		PhD
	41-50 age	<b>Your Nationality</b> .....	
	51-60 age		
	61 age and above		
<b>Overall Experience</b>	Less than 5 years	<b>Your Position</b> .....	
	6-10 years		
	11-15 years		
	16-20 years	<b>Place of Organization</b> .....	
	21 years and more		

#### *Organizational Performance (OP)*

		Completely Agree	Mostly Agree	Somewhat Agree	Neither Agree nor	Somewhat Disagree	Mostly Disagree	Completely Disagree
<b>OP1</b>	Our company can yield the desired result as an essential part of the service							
<b>OP2</b>	Our company can accomplish jobs/functions with a minimum expenditure of time and effort.							
<b>OP3</b>	Our company has the service quality (as a measure of excellence and significant variations).							
<b>OP4</b>	Our company can resourcefully generate, create, enhance, and produce services is vital.							

<b>OP5</b>	The quality of work-life within our company is the opportunity to improve their personal lives through their work environment and experiences that can improve competitive advantage.							
<b>OP6</b>	The management of our company encourages joint teamwork and participation in providing opinions to improve							
<b>OP7</b>	Our company's innovation process transforms an idea/invention into a service that creates value and is vital to							
<b>OP8</b>	Our company's profitability is a financial profit or gain that gives the ability to achieve a competitive advantage.							

***Management of Cultural Diversity (MCD)***

<b>Color-Blind (CB)</b>		<b>Completely Agree</b>	<b>Mostly Agree</b>	<b>Somewhat Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Somewhat Disagree</b>	<b>Mostly Disagree</b>	<b>Completely Disagree</b>
<b>CB1</b>	Our company considers qualifications, not the cultural background.							
<b>CB2</b>	Employee promotion in our company is dependent upon performance, not on an employee's cultural background.							
<b>CB3</b>	Individuals from different cultural backgrounds are welcome as long as they meet the organization's requirements.							
<b>CB4</b>	Individuals fit into our company when they match the required job qualifications.							
<b><i>Fairness (FAI)</i></b>								

<b>FAI1</b>	We favor fairness as essential to give employees from disadvantaged groups specific support for their further							
<b>FAI2</b>	Our company is culturally diverse, as we take equal employment opportunities							
<b>FAI3</b>	Individuals fit into our company when they reflect on the demographics of the society in which we are positioned							
<b>Equal Access (EC)</b>								
<b>EC1</b>	There are specific jobs/functions for which individuals of different cultural backgrounds are exceptionally							
<b>EC2</b>	Matching employees' cultural backgrounds with our clients/customers fosters our company's quality and performance.							
<b>EC3</b>	Individuals fit into our company when our employees' diversity matches the diversity of our clients/customers.							
<b>Integration and Learning (IAL)</b>								
<b>IAL1</b>	Cultural diversity brings new ideas and diverse knowledge to the workplace for various business units and improves organizational performance.							
<b>IAL2</b>	Cultural diversity helps us to become more innovative and improve organizational performance.							
<b>IAL3</b>	Cultural diversity helps our company to develop new skills, approaches to work, and organizational performance.							
<b>IAL4</b>	Our company adjusts its strategies to fit the resources that employees from various backgrounds bring to improve organizational performance.							



## **CURRICULUM VITAE (CV)**

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### **Educational Achievement**

- **BSc:** Business Administration, University of Sulamaniya 2008 (Iraq).
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2. English (Very Good).
3. Arabic (Very Good).
4. Turkish (Good).

### **Working Experience**

- High commission Independent elections (Registration Officer), Sulamaniya- Iraq (2009-2010).
- Delta Company (Warehouse Manager), Sulamaniya- Iraq (2010-2011).
- Iraq.com Company for Telecommunication Services (Data entry), Sulamaniya- Iraq (2011).
- Government officer / general directorate for rapier and safety road, Sulamaniya (Administrator), (2011-2017).

### **Interesting and Knowing About:**

- Traveling and get information about the culture and history of other countries.
- Language learning
- Building knowledge about management specialization in all its aspects