#### Fostering Success through Educational Heterogeneity: A Mixed-Method Study on Functional Diversity and Employee Performance

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## ABSTRACT

The study underscores the critical role of education levels in influencing job performance. It employed a mixed-method sequential explanatory approach, collecting data through questionnaires and interviews from subordinate staff and department heads at Allama Iqbal Open University and its regional offices. Pearson correlation tests and regression analysis were used to analyze the data. The findings indicated a negative correlation between diverse educational backgrounds and performance, highlighting the importance of education relevance over qualification level. The study recommends that education should be synchronized with job demands, exploring various factors, conducting extensive cross-organizational research, and implementing targeted interventions to enhance performance.

Key Words: Workplace diversity, employee performance, educational diversity.

## **INTRODUCTION**

Human resources are a crucial asset for organizations, and selecting and retaining the right talent is of utmost importance. The digitalization of the global landscape has expanded opportunities for talent acquisition, transcending geographical boundaries and encompassing various demographic factors like age, ethnicity, culture, religion, gender, race, and qualifications. This diversity presents both challenges and opportunities for organizations in a fiercely competitive environment. Scholars have explored diversity from multiple dimensions, including Observable characteristics (age, gender, race) and non-visible attributes (communication mode, work experience, qualifications), highlighting their direct link to employee performance.

Managing diversity in the workplace poses a substantial challenge for human resource managers and organizations are increasingly focusing on leveraging the skills and competencies of their employees to enhance overall performance. While diversity can lead to both advantageous and detrimental effects on organizations, the importance of managing it as a social phenomenon intertwined with business strategies is clear. Despite the rich cultural diversity in Pakistan, the intricacies of concealed diversity within the workforce have not been extensively studied, unlike in other countries like Nigeria, India, Australia, and Singapore, where such investigations have been conducted. With a growing emphasis on diversity in Pakistan, particularly in educational institutions, the study was conducted at Allama Iqbal Open University to determine the implications of diversity on the performance of non-academic staff supporting a diverse student population. This study examines how varying educational backgrounds influence employee performance within Pakistan's public sector, specifically at Allama Iqbal Open University, shedding light on the significance of non-academic staff in supporting students from diverse, remote regions. It offers insights for administrators and policymakers, contributing to diversity literature. Objectives of the study was (1) to determine the effects of functional diversity on the performance of AIOU employees. (2) to examine how varying levels of education affect employee performance.

# LITERATURE REVIEW

Qualifications and educational requirements, as highlighted by Daniel (2009), play a significant role in shaping career paths, often outweighing experience and strongly influencing job performance. Tracy and David (2011) emphasized the essential role of education for both employees and employers, underscoring that inadequate qualifications can limit job prospects and hinder performance. Different qualification levels are predictive of varying mobility rates, affected by the experiences of individuals with diverse professional backgrounds compared to those with limited experience but formal qualifications. Moretti (2004) stressed the positive correlation between well-educated regions and improved economic performance, while other researchers argued that education can reduce crime rates and promote civil liberties (Lochner & Moretti, 2004). Glaeser, Scheinkman, and Shleifer (1995) highlighted the connection between a region's financial growth and education. However, Zeng, Zhou, and Han (2009) reported that highly qualified managers overseeing experienced subordinates may face declining work performance due to limited development opportunities. In Pakistan, the prevalent belief is that highly educated individuals secure prestigious positions and benefits, leading workers to invest significant effort in Pursuing higher education in hopes of enhancing career opportunities. However, the reality often diverges due to competition and the nature of formal education, potentially resulting in disappointment and demotivation that can impact job performance.

## **Employee Performance**

Saeed and Asghar, (2012) argued that significant organizational factors influencing employee performance include company culture, incentives, salary, job satisfaction, and job security. Irun (2014) stated that staff assess their own actions, effort, and assess their output in both quantity and quality. She proposed that if individuals perform well, it can positively influence their colleagues and contribute to the organization's financial development. Yang, (2008) discussed the complexity of evaluating an individual's performance and highlighted the use of both financial and non-financial rewards when it is measurable. Armstrong, (2000) advocated for a comprehensive approach to performance management, emphasizing the consideration of both actions and results while Robbins, (1999) employee performance refers to the recognition and appreciation of productivity by companies. Aguinis, (2009) emphasized that performance focuses on what employees do rather than their actions or behavior. These perspectives collectively aim to understand the nature of performance and its relationship with job expectations and organizational goals, emphasizing the need for a clear and precise definition of job performance in terms of tasks and behaviors.

#### **Job Performance**

Job performance, as defined by Motowidlo, (2003), refers to the value an employee brings to an organization through their specific behaviors over a defined period. This definition

underscores several important aspects of understanding job performance. Firstly, it focuses on the actions employees take, rather than the outcomes or results of those actions, as outcomes can be influenced by external factors beyond an individual's control, such as the organizational culture and environmental conditions.

Secondly, the definition highlights that job performance is comprised of specific, identifiable behavioral episodes that directly impact organizational goals. These distinct units of work behaviors can be observed and analyzed through techniques like job analysis.

Job performance reflects behavior that is in line with the organization's objectives. Individual actions can either positively or negatively contribute to the organization, and the effectiveness of a specific action is determined by its outcomes. Job performance encompasses a range of actions and dimensions, providing a framework for discussing various models and dimensions of job performance.

#### **Education and Work Performance**

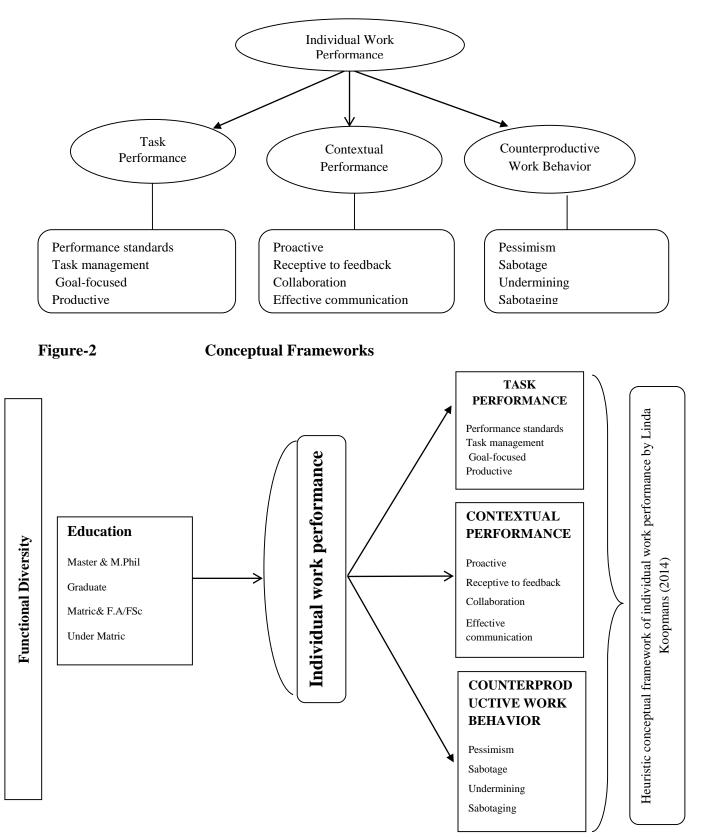
Tracy and David (2011) stress the importance of education for securing employment and job performance. Cohen and Levinthal (2000) link industry innovation to variance in cognitive abilities and educational attainment. Jehn and Bezrukov (2004) find positive impacts of organizational diversity on team performance mediated by task conflict. However, Cohen et al. (2000) note potential adverse effects of education on group performance and cultural integration. Horwitz (2005) highlights the influence of qualification diversity on turnover trends. Jehn, Northcraft, and Neale (1999) associate broader education disparities with increased task-related discussions among employees. Knight, Pearce, Smith, Olian, Sims, and Smith (2009) describe the negative connection between qualification diversity and decision-making harmony at the executive level, leading to dissatisfaction and divergence.

Conversely, Eduard (2010) argues that lower-qualified employees may develop an inferiority complex, negatively affecting their performance, confidence, and relationships in the workplace, potentially leading to insubordination. To maintain a competitive edge, educational institutions should make efforts to recruit highly skilled employees. Furthermore, motivated employees' commitment can significantly impact their performance. Administering salary incentives is a tool that can positively affect employee performance and efficiency.

## **Review of Theoretical Model**

Workplace diversity literature is underpinned by three fundamental theoretical frameworks. Social categorization involves classifying individuals based on characteristics like age, gender, and ethnicity, potentially leading to the development of stereotypes. Social identity theory proposes that an individual's self-concept is shaped by their identification with social groups characterized by strong identities. The similarity/attraction theory posits that shared characteristics like age, ethnicity, or values foster interpersonal attraction, while the information and decision-making theory explores how sharing information within teams influences performance. Social categorization and similarity/attraction theories frequently forecast negative consequences, such as decreased communication and heightened turnover, while the information and decision-making theory expects positive outcomes through diverse information processing. Social Identity Theory, as developed by Tajfel & Turner, proves instrumental in comprehending the relationship between workplace diversity and public sector performance, focusing on individual awareness and effective management of diverse factors. This study applies Social Identity Theory to investigate workplace diversity's impact on employee performance at AIOU.





## **METHODOLOGY**

The study employed a sequential explanatory research design, combining quantitative and qualitative methods. Initially, a structured questionnaire assessed educational diversity among staff and its impact on individual work performance. Subsequently, qualitative data from semistructured interviews further enriched and validated the quantitative findings. The study used stratified proportionate random sampling, ensuring fair representation of each stratum in the sample for methodological rigor.

#### **Research Instrument Validity and Reliability**

This study utilized a two-phase approach. In the first phase, separate questionnaires were given to employees and their supervisors or department heads due to AIOU's widespread locations. The quantitative data analysis formed the basis for the subsequent qualitative phase involving interviews with top management. To ensure questionnaire validity, nine experts evaluated face and content validity, and reliability was confirmed through a pilot study with 100 employees and five supervisors or department heads, demonstrating acceptable reliability with Cronbach's Alpha values of 0.65 and higher.

## **DATA ANALYSIS**

Education	Frequency	Percent
Postgraduate	145	26.6
Bachelors Degree	143	26.2
SSC &HSSC	129	23.7
Primary	128	23.5

#### Table 1

Table 1 provides an overview of the 545 responses received. Among the respondents, 46.6 percent (145 individuals) held postgraduate degrees, while 46.2 percent (143 individuals) had completed their graduation. Additionally, 23.7 percent (129 individuals) held F.A. or matriculation qualifications, and 23.5 percent (128 individuals) had education levels below matriculation.

## Table 2

Mean and standard deviation of educational diversity, (n=544)					
Category	Minimum	Maximum	Mean	Std. Deviation	
Education	1	4	3.54	.71	

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Table 2 summarizes the educational characteristics of the 545 respondents. The mean education score of 3.54 indicates a relatively low level of education diversity, suggesting that participants generally share somewhat similar educational backgrounds. Further insights can be gained from the standard deviation, which assesses the spread of education levels among the respondents. A lower standard deviation suggests less diversity, while a higher one indicates greater variability in educational qualifications.

## Table 3

Qualification	n	Mean	SD	df	F	Sig.
Postgraduate	145	3.3157	.35250	3.541	.453	.715
Bachelor's	143	3.3131	.33648			
SSC &HSSC	129	3.2829	.37541			
Primary	128	3.2765	.33627			

The discrepancy between the qualifications and performance of the respondents. (n=544)

A one-way analysis of variance (ANOVA) test was used to assess whether there were notable differences in performance among respondents with various qualifications. The participants were categorized into four groups based on their education level: Postgraduate, bachelor's degree, HSC &HSSC, and primary. The results, as presented in Table 3, revealed that there were no statistically significant differences (p > .05) in performance based on respondents' qualifications (df = 3,541, F = 0.453, p = 0.715). The mean performance scores for each educational group were as follows: postgraduate (M = 3.315, SD = 0.3525), Bachelors (M = 3.313, SD = 0.3364), SSC &HSSC (M = 3.289, SD = 0.3754), and Primary (M = 3.276, SD = 0.3363). In summary, the study did not find any significant performance differences related to respondents' educational qualifications.

# Table 4

Ine correlation between educational diversity and employee performance				
	Education	Employee's		
	diversity	performance		
Education Diversity Pearson Correlation	1	004		
Sig. (2-tailed)		.934		
Ν	545	545		

The correlation between educational diversity and employee performance

Pearson correlation coefficient was employed to evaluate the relationship between educational diversity and employee performance. The analysis showed that there was a non-significant negative correlation between educational diversity and employee performance (r = -0.004, n = 545, p = 0.934 > 0.05 level of significance). This result suggests that as educational diversity increased, employee performance did not significantly decline.

# Table 5

The regression model examines how educational diversity influences employee performance.ModelRR SquareAdjusted R SquareStd. Error of the Estimate1.004.000-.0026.300

The R-squared value, which represents the coefficient of determination, is zero (0.00). This suggests that when only educational diversity is considered in the model, there are other diversity factors that significantly influence employee performance.

#### Effect of Educational Diversity on Employee's Performance Unstandardized Model Standardized t Sig. Coefficients Coefficients В Std. Error Beta 1 (Constant) 59.478 1.392 42.721 .000 Educational -.006 .076 -.004 -.083 .934 diversity

The research indicates that educational diversity among AIOU staff has a slightly negative impact on their performance, as reflected by a non-significant p-value of 0.934, which exceeds the 0.05 threshold. In practical terms, this translates to a minor negative effect on employees' performance, approximately -.006. This finding suggests that educational diversity, while present,

# **DISCUSSION AND CONCLUSIONS**

does not significantly influence performance.

Table 6

The study conducted at Allama Iqbal Open University in Islamabad indicated a negative correlation between educational diversity and employee performance. This suggests that as the diversity in educational backgrounds among employees increases, there is a corresponding decrease in their performance levels. However, the low R Square value suggests the influence of other diversity factors. A one-way ANOVA test found no significant performance differences based on qualifications. Respondents emphasized the importance of education relevance for performance enhancement and noted that education acquired during employment doesn't always lead to improved competencies. While education can enhance qualitative aspects of work, quantitative factors tend to prevail in official contexts. Some individuals pursue higher education for financial benefits, resulting in a disconnect between education and performance improvement. For some, higher education increases stress and reduces performance, while others seek higher qualifications primarily for "qualification allowance," indicating that education's impact on performance varies.

The findings further emphasize that higher qualifications do not necessarily impact performance; rather, the subject matter and relevance of education are more critical than the qualification level itself. To enhance performance, educational institutions should align their curricula with job requirements, especially in areas where specific skills and competencies are essential for high performance. Although education fosters critical thinking, deep understanding, and innovative problem-solving, these attributes are not always captured by quantitative measures, which often dominate official evaluations. This discrepancy can lead to an underestimation of education's true value. Pursuing higher qualifications for financial benefits during employment highlights a disconnect between educational motivation and career development, potentially increasing anxiety and reducing individual productivity. While education improves basic cognitive skills such as critical thinking and problem-solving, its impact is contingent upon factors like relevance, practical application, and continuous learning.

#### RECOMMENDATIONS

Further research should investigate diversity across a wider spectrum, conduct longitudinal studies, and perform cross-functional assessments to gain a deeper understanding of the complex relationship between diversity and employee performance. Qualitative research can capture employee and supervisor perspectives, and interventions should be developed to optimize educational diversity's impact. Causative factors, the effectiveness of development programs, and the role of diversity management practices warrant exploration. Moreover, the influence of educational systems on performance and the connection between diversity and innovation should be studied.

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