

UNIVERSITY OF KWAZULU-NATAL

The Impact of Cultural Diversity on Organizational Performance and Success

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DECLARATION

I declare that this report is my own work (except where specifically acknowledged), has not been previously accepted for any other degree and is not being currently considered at any other Institution. This report is submitted in partial fulfilment of the requirements for the Masters of Business Administration Degree at the University of KwaZulu-Natal.

Signature:

Date:

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ABSTRACT

Global organisations are in the midst of cultural change and transformation. The global markets are demanding that organisations remain relevant, competitive and flexible to adequately react to changes in the market. Customer demands, new product developments, business mergers, investments and skills requirements are some of the driving forces behind why organisations are recruiting more skilled and experienced individuals, sometimes recruiting even outside their home base. While these aforementioned drivers are behind this change in South Africa, another important driver is the Employment Equity Programs. This has brought together a very culturally diverse workforce that's expected to work together to achieve one goal. With cultural diversity comes sensitive issues that organisations need to understand and manage, in order for them to perform and be highly competitive.

This study on South African organisation, Engen Refinery is focused on finding out if cultural diversity exists and if it requires the organisation's response, if managing cultural diversity has an impact on performance and finally recommending strategies, methods and tools that this organisation can use to manage its diverse employees. This study was conducted using Quantitative Methodology, on a sample of 119 employees, using a Census Technique. Using a questionnaire to collect data, findings from this study showed that in this particular organisation employees don't have an issue of communication between cultures, there are no official programs and systems to manage cultural diversity, and employees are able to interact and that directly influences how they perform their daily tasks. Recommendations from this study note the importance of starting team building activities and social gatherings to increase employee interactions, implementing cultural diversity programs and policies and restructuring work teams to become more multicultural. Key limitations of the study include the fact that the findings are unique to this particular organisation and thus cannot be applicable to other South African organisations, they are reflective of a section of the petroleum industry and lastly are reflective of a particular period of time and conditions and can change over time.

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LIST OF ACRONYMS

CWD	Cultural Workforce Diversity
EE	Employment Equity Program
HR	Human Resources
Ha	Null Hypothesis
Ho	Alternative Hypothesis
OPS	Operations Department
SA	South Africa
SHRM	Strategic Human Resources Management

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CHAPTER 1: INTRODUCTION

1.1 Introduction

In current work environments, people of different cultures and backgrounds have to work together, be able to interact and communicate on a daily basis. This can be exciting and interesting, yet it also brings about frustration and uncertainty at times. It therefore becomes essential for any progressive organisation to continuously seek ways to embrace and address these changes. Successful organisations today must realise that innovation and competitive advantage will be achieved through differences rather than similarities. According to Sales (2010), organisations have to find a balance between those differences rather than seeing them as discrepancies that should be diminished. Sales (2010) stresses nine significant ways through which an organisation, because of its diverse workforce, can acquire competitive advantage over its counterparts. Organisations can benefit from their diversity because they are able to solve their problems better, their communication is improved and their flexibility to market conditions and innovation is enhanced.

It is therefore vital for organisations such as Engen Refinery to fully understand the differences and the diverse cultures within its workforce. Cultural diversity plays a big role in the intricacy of diversity. The refinery's demographics has slowly changed over the years, thus its diverse workforce has created a very challenging situation for the organisation. The organisation's management has come up with ways and methods to manage this situation in efforts to guarantee its organizational survival and competitiveness. It is important that they manage this issue so that a culture of inclusion, which enables the organisation to attract, retain and maintain the necessary talent and ensure its competitive advantage, is created.

1.2 Motivation for the Study

This study and its findings are significant to various identified stakeholders as discussed below.

1.2.1 Business Need

Berk (2015) expresses that companies no longer only compete amongst themselves but with other global companies, as is the case with South Africa. This competition, between companies on a global scale, creates pressure to be highly competitive, continuously innovative and to remain relevant. In addition to this, initiatives such as Employment Equity and Skills Transfer not only correct the imbalances of the past and grow the South African economy but also increase the pool of mixed cultures in a specific work environment. This assertion therefore necessitates a study to examine and understand how South African companies can better benefit from this increasing cultural diversity, better manage it and as a result be sustainable, relevant and highly competitive in their respective markets. According to Moran (2014), a business that is able to acknowledge and manage this cultural diversity issue will be able to:

- a. Have employees that can easily communicate despite their cultural differences.
- b. Have a broader understanding of its market and the demands of its diverse customer base.
- c. Create an environment where employees are able to express themselves freely and achieve their full potential, resulting in a highly productive workforce.
- d. Remain flexible and able to react quickly to any change in conditions on the market.
- e. Have increased employee loyalty, resulting in high retention rates.
- f. Increase creativity and problem solving by bringing in diverse minds.
- g. Enhance thinking and problem solving skills.

1.2.2 Academic Need

While the study of Cultural Workforce Diversity (CWD) has been conducted by many researchers there are still gaps that warrant further research. Most of these researchers look at the issue of diversity as a whole but fail to examine its various components. This study will delve into diversity in the workplace but specifically focus on the cultural aspect of it. Most diversity studies have focused on countries outside South Africa, thus as a result most of the issues and solutions from those studies don't apply in a South African context. According to research conducted on Culture and Diversity in the Workplace 2013, South Africa is one of the most diverse nations globally, thus presenting it as a significant case study when conducting any study on diversity. This study is useful particularly for South

Africa because it is an emerging economy which has to support its shortage of skills by recruiting individuals from other countries with different cultures from South Africa. It is therefore vital to understand how these various cultures will cope with each other in one environment.

1.3 Focus of the Study

This study focuses on Engen Refinery's permanent operations employees, at a lower level of the overall organisation. The refinery is one of the Petroleum's divisions situated in the Bluff, in the south of Durban. The Refinery is mostly dominated by the Operations staff and other smaller departments like Administration and Contracts/Procurement. The reason the Operations Department was selected for this study was that it met the criteria of the definition of a culturally diverse workforce and it also forms the majority of the overall refinery workforce.

1.4 Problem Statement

South African companies no longer compete amongst themselves but with other global companies. This situation puts a burden on Engen to come up with better strategies on how they need to manage their businesses. These strategies should be aimed at increasing the relevance, innovativeness and competitive advantage of Engen. According to Marler & Fisher (2013), organisations can achieve this through Strategic Human Resources Management (SHRM). This, according to Marler and Fisher (2013), is an approach of managing the human resources of the organisation such that it strategically supports the overall vision of the organisation. Amongst the Strategic Human Resources (HR) issues, an area of focus for most organisations is Diversity Management. Organisations such as Engen need to find a balance between these cultural differences and use that to achieve their main vision.

This study was conducted on the Refinery's workforce and covered their understanding, their views and their challenges around Cultural Diversity. This study of cultural diversity will utilise a quantitative research methodology. This study is a follow up from various descriptive studies by other researchers and tackles the research questions by means of a questionnaire and statistical techniques. On completion of this study, the following became clear: cultural diversity is an issue that South African companies need to focus on and there is a strong link between managing cultural diversity and employee performance. Strategies,

methods and tools that Engen and other South African organisations can use to manage cultural diversity are proposed.

1.5 Objectives of the Study

With the focus on Engen Refinery, this study is guided by the following objectives:

- a. Understand how different cultures interact in a work environment.
- b. Understand communication and networking patterns of culturally diverse employees in the workplace.
- c. Understand how leadership manage cultural diversity in the workplace.
- d. Understand the effectiveness of cultural diversity and its relationship with employee performance.

1.6 Limitations of the Study

A few limitations emerged from the study:

- a. The intention was to sample all Operations employees, but this was not possible because some were not interested in participating in the study, others gave no reason for not participating; while others felt that their views were going to be shared with the HR department.
- b. This study was not reflective of Engen Petroleum as a whole but a section of it.
- c. The findings of this study are not reflective of all South African organisations.
- d. The findings of this study are a reflection of a particular period of the study. A change in conditions may yield different results, solutions and recommendations.
- e. Time became a limitation because of the sample size and location of the respondents.

Outline of Study

The study is divided into six main chapters: Chapter One introduces the study as well as its research objectives. It also presents the rationale of the study, its focus and its limitations. Chapter Two examines existing literature on culture and diversity. Chapter Three focuses on research methods and processes and also discusses the methods selected for this study and the basis for their selection. Chapter Four presents the results from the chosen sample in tables and figures. In Chapter Five, the results from the survey are discussed and the findings are compared to the literature and studies examined in previous chapters. Finally,

Chapter Six concludes the study based on the findings of the previous chapter and provides recommendations for action.

Summary

Corporations and organisations are becoming increasingly multicultural, due to global market demands. Managing these cultures has become an issue for most global organisations especially in South Africa. As one of the world's most diverse countries, there is a need to not only understand the cultures in South Africa, but the issues that emerge when individuals from various cultures work in the same environment and ways and means through which organisations can manage them for their benefit. This study answers the question of whether cultural diversity is an issue faced by organisations in South Africa, whether managing it will lead to improved employee performance and lastly what recommended strategies, tools and approaches organisations can use to manage these cultural differences and the issues emerging from it.

In trying to answer the research questions and meet the main objectives of the study, create 21 sub-questions were developed to engage employees of different cultures. In addition to that, five hypotheses around gender, age, religion, years of experience and race were constructed to understand perceptions of other cultures. This study targeted 150 permanent employees in the Operations Department of the Engen Refinery. Their responses were used to conclude and make recommendations to enable Engen Refinery better manage its multicultural employees.

A key limitation of this study is that its results, conclusions and recommendations only apply to this organisation (Engen Refinery) and cannot be applied nor used to conclude on diversity issues in other South African organisations. The following Chapter of this report, reflects other authors' views on cultural diversity.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

This chapter unpacks theoretical and empirical literature on diversity, culture and cultural diversity. It begins by taking a broader look at what diversity is, within the context of a working environment. It examines the work of different researchers and authors on diversity and how it surfaces in between human beings. It also examines how diversity is influenced from a personal, social and organizational point of view. Once an understanding of what influences diversity is established, the literature looks at the value that an organisation will get from acknowledging and understanding what diversity is.

This literature classifies diversity according to different perspectives such as information, decision making and social organisation. The literature delves deeper into diversity by looking into and explaining one of its characteristics called culture. Culture and its differences are presented in this literature as key models that have been developed by different authors. The literature review defines and unpacks cultural diversity and looks at its climate factors and societal dimensions. Lastly this review will look at the effects and challenges of cultural diversity on an organisation and its workforce as a whole, and how and why these challenges and effects should be managed by organisations and the guiding principles to manage them (Darshana Lakmal 2014).

2.2 Definition of Diversity

Generally, most people define diversity as recognizing and celebrating what makes people different like culture, ethnicity, religion among others. Bell (2012) defines diversity as real or perceived differences amongst people in race, ethnicity, sex, age, religion, family status, weight, appearances and other identity-based attributes that affect their interactions and relationships. According to Cole and Kelly (2011), two general approaches to defining workforce diversity seem to dominate: The first and narrow view defines workforce diversity only as a term related to equal employment opportunity. The narrow view typically adopts categories of race, colour, religion, sex and national origin. The second argues that workforce diversity is a broader concept that includes all the ways in which people can be different. According to Weiliang *et al.*, (2011), organisations are realizing that diversity can be viewed as a resource that can give them a competitive edge. Most

organisations that prioritise diversity have highly motivated employees that are always willing to perform to the best of their ability, in order to increase productivity and profitability (Chuah 2013). According to Dahm (2003) diversity is so sensitive and emotional such that companies need to pay attention to it and use it as a tool to better themselves. Sales (2010) further emphasises Dahm's proclamation by saying that if diversity is given sufficient attention, it can raise the company's overall performance in ways not otherwise attained. Presently, companies are embracing a more inclusive definition of diversity that recognizes a spectrum of differences that influence how employees approach work, interact with each other, derive satisfaction from their work and define who they are as people in the work place.

2.3 The value of understanding diversity

According to Kottak (2011), the major goal of understanding diversity is to promote its importance amongst human beings and to understand that human diversity promotes the idea that diversity does not create them and us, but a more interesting us. According to Wambui *et al.*, (2013) understanding diversity creates an environment that is inclusive, harmonious and promotes the good reputation of the organization as one that is able to attract the best workers in the market. It also makes employees feel valued, rewarded and motivated to give out high organisational performance. South Africa is one of the most diverse nations in the globe and has a high level of stereotyping and discrimination of other diverse groups (Culture and Diversity in the Workplace 2013). The researchers presented above are all in agreement that individuals shouldn't hope that diversity issues will take care of themselves but should put in effort and create systems to address them. They suggest that strategies that clearly specify interventions like policies and procedures should be put in place.

2.4. Diversity and Identity

A key ingredient that one needs to acknowledge when looking at diversity is identity, and identity comes from the personal, social and organisational dimensions (Culture and Diversity in the Workplace 2013).

2.4.1. Personal Identity - Banks (2014) points out that both the environment in which one lives in and one's genetics are the most significant contributors to an individual's personal character. Individuals are regarded as different and unique because of their personalities. It

is therefore very important to try to understand the behaviour of others so everyone can live and work together (Maree & Mbigi 1995).

2.4.2. Social Identity - According to Haslam *et al.*, (2014), when a person is born, their social identities are shaped by the people around them. As people grow up, they go through a process they don't have control over called the socialisation process and will come to a certain stage of their lives where they are able to make their own choices of who and what they want to associate themselves with (Jenkins 2014).

2.4.3. Organisational Identity - According to Grobber *at al.*, (2002) the time people spend at work and the roles they play in their organisations end up having a big impact on their personality. According to Hogg and Terry (2014), organisational identity is mostly influenced by the social and personal identities that the employees have.

2.5. Culture and its Key Dimensions

Authors like Robbins *et al.*, (2009) have looked at frameworks like the Kluckhorn Strodtbeck Framework, the Hofstede Framework and the Trompenaars Framework, to understand culture and their differences from a national and organisational perspective. According to Taras *et al.*, (2012), these frameworks show that each culture has its own norms that have a significant impact on how it will affect other cultures inside and outside work. These frameworks create awareness about the global cultural issues that people need to be aware of to avoid cultural clashes. They also make it clear that no culture is bigger than the other and that before cultures could be looked at holistically, they need to be looked at and understood on their own.

2.6. Generational Gap and the Diversity in the Workplace

Today's workforce is diverse, regardless of the gender, culture, working style, ethnicity, background, origin and age. Workplace demographics span four different generations for the first time in modern history. These four generations are Traditionalists, Baby Boomers, Generation X and Generation Y, all of whom are heavily influenced by the events of their time. This raises new challenges for their employers. Companies need to be make adjustments in the workplace in order to create a productive environment for all employees, irrespective of their generation (Darshana Lakmal 2014). Young *et al.*, (2013)

state that organisations need to ensure that they identify the differences in these generations and try and address them. These differences come in many ways such as their work life balance and how they approach their day to day tasks. Zemke *et al.*, (2013) define generation as human clusters who were born at different times. Each cluster has certain things that are similar about them based on the era they grew up and lived in. Understanding this makes it easy for those in management to lead these clusters and make the right decisions when the need arises. These generations are separated into four categories (Culture and Diversity in the Workplace 2013), as shown in Figure 2.1.

Generation	Born	Age Now
Matures	1920–40	62–82
Boomers	1940–60	42–62
Generation X	1960–80	22–42
Millennials	1980–2000	<22

Figure 2.1: Generation Classification

Adapted from the Culture and Diversity in the Workplace Handbook, June 2013.

- a. **Matures** – Most of these individuals are already retired, with a small portion that still work, holding high positions in organisations. Family and religion mostly influence how this group behaves. This group is not that flexible, doesn't believe in changing how things work but stick to their old tricks. Matures identify themselves with certain strong values like loyalty, hard work, traditionalism, admiration for authority, tolerance and more. Most traditionalists have not embraced new technology and those that have are amongst the fastest-growing group of internet users (Dahlroth 2012).
- b. **Boomers** – This group is aged between 40 to 50 years old and is mostly self-absorbed. They, also like Matures, prefer the old and tested ways of doing things, hence they are not flexible. They identify themselves with values like assurance, team positioning, personal fulfilment, health and wellness and more (Dahlroth 2012).
- c. **Generation X** – This is the generation that doesn't fear authority as opposed to the generations before them. This generation is able to question things and mostly

decisions. They identify themselves with values like global awareness, technoliteracy, pleasurable, casualness, independence and logicity (Dahlroth 2012).

- d. Millennials** –The individuals in this group are in their twenties. They mostly account for the smallest percentage in organisations. This generation is no stranger to high technology and this makes their perspectives very global and connected. This age group is very flexible and relaxed with diversity than other generations. They identify themselves with values like self-assurance, accomplishment, friendliness, ethics, street smooth and diversity. According to Dahlroth (2008), dealing with diversity issues requires that these differences need to be considered at all times. When employees are aware of these differences amongst them, they will be able to work more productively (Zemke *et al.*, 2013). This awareness even helps management when it develops policies to manage these situations. According to Young *et al.*, (2013), awareness of these generational differences can improve communication and boost employee morale. Increased effectiveness in the workplace comes from the contribution made by improved communication and interaction.

2.6.1. Implications of Gaps for Organisations.

According to Zemke *et al.*, (2013), responding to these generational differences and conflicts requires the same skills needed to deal with other issues related to diversity like awareness, communication, and the ability to manage conflict productively. Awareness of the generalized differences among the generations can help all employees work more productively with each other. Knowing in advance how each generation can be triggered, either positively or negatively, can help organisations develop balanced policies and can help individual managers and employees structure their work interactions in ways that benefit all individuals from different generations. Young *et al.*, (2013) also state that effective communication strategies enable employees and managers to avoid experiencing low morale and lost productivity that accompanies the use of negative stereotypes. According to Young *et al.*, (2013), communication skills are also the foundation of effective conflict resolution skills. Developing employees' awareness of inter-generational issues and enhancing their skills in conflict resolution and communication should contribute to increased effectiveness in the workplace. Developing skills should be the higher priority for organisations who want to better deal with generational diversity (Darshana Lakmal 2014). Awareness of generational trends is helpful, but it also carries

the danger of reinforcing stereotypes, either positive or negative. According to Dahlroth (2012), an over-reliance on the detailed profiles of each generation will get organisations in trouble. Instead, organisations should develop in their employees the skills to manage all differences, including generational differences, in ways that promote respect and empowerment for everyone.

2.7. Cultural Diversity

According to Scheider and Northcraft (2011) culture is a complex, multidimensional construct that can be studied on several levels such as international, national, regional, business, and organizational. Each individual is generally influenced by a wide range of cultural factors: ethnic, organizational, and national. Commonly used definitions of cultural diversity include racial, sexual, organizational, professional, and national heterogeneity (Berry & Sam 2013). Cultural diversity is here defined as the heterogeneity of national cultures of team members. An individual's national culture is considered to be that of his or her country of residence according to Berry and Sam (2013). Culture has been defined as the collective programming of the mind which distinguishes the members of one group or category of people from another. However, according to Gill *et al.*, (2012) individuals from different cultural backgrounds communicate and make decisions differently and their verbal and nonverbal communication styles differ.

Cultural diversity increases alternatives for everyone, and is at the core of one's development (Ely & Thorma 2001), and the matter is not only economic growth, but the means to achieve knowledge, emotion, morality, and spirit against the background of cultural tolerance. Cultural tolerance is respect, sharing, and mutual understanding. According to Berry and Sam (2013), cultures that are unable to gain a position in the global culture would be gradually turned into cultures that are dependent on the dominant culture.

There have been so many changes in the cultural make-up of organisations that it becomes imperative for leaders and supervisors to understand cultural diversity and how it can affect their organization. Cultural diversity has been defined as the representation, in one social system, of people with distinctly different group affiliations of cultural significance (Scheider & Northcraft 2011).

Although certain types of diversity appear to be beneficial, studies focused on race and gender have demonstrated both positive and negative outcomes, suggesting that certain conditions may moderate these outcomes. To date, however, most scholars have only speculated as to what these conditions might be. As a result, consultants and managers interested in diversity have had to rely largely on some combination of common sense and good faith to explain why and how companies should address the issue. Berry and Sam (2013) set out to develop a theory, grounded in people's experiences in culturally diverse work groups, about the conditions under which diversity enhances or detracts from how work groups function.

In this study, the demographic variables include race, ethnicity, sex, social class, religion, nationality, and sexual identity, all of which contribute to cultural identity. According to Scheider and Northcraft (2011), cultural identities stem from membership in groups that are socio-culturally distinct. They are often associated with particular physical (e.g. skin colour), biological (e.g. genitalia), or stylistic (e.g. dress) features, though these may be more or less identifiable, depending in part on people's choices about whether and how they wish to be identified by others. They (Scheider & Northcraft, 2011) posit that members of a cultural identity group tend to share certain worldviews, norms, values, goal priorities, and sociocultural heritage. The cultural markers of such groups can be communicated through communication styles, rules, shared meaning, and even dialects or languages, which others may or may not recognize as culturally linked.

The degree to which one personally identifies with one's cultural identity and the value one places on them vary across cultural groups and across members within cultural groups. Stahl *et al.*,(2010), further add that a person may vary in the degree to which he or she identifies with, values, or expresses a particular cultural identity at any given time, depending on the salience and meaning of that identity in the context within which he or she is operating, hence cultural identity, as we understand it, is socially constructed, complex, and dynamic. According to Simpson and Yinger (2013), cultural identities are associated in the larger society with certain power positions, such that some cultural identity groups have greater power, prestige, and status than others. These writers further support their agreement by the following examples: In Western society, men as a group are more powerful, have higher status and hold more positions of formal organizational and political power than women as a group; whites are more powerful than people of colour; Christians are more powerful than Jews; presumed heterosexuals are more powerful than

gays/lesbians/bisexuals; and the middle/upper-middle/ upper classes are more powerful than the working and lower classes.

The distribution of power among cultural identity groups, both inside the organization and in the larger society is key to how people think, feel, and behave at work (Hogg, van Knippenberg & Rast 2012). Similarly, Hogg, Knippenberg and Rast (2012) argue that much of what we think of as the effects of membership in particular identity groups, such as race or sex are in fact produced by the status or value our society ascribes to those groups. According to Ely, Padaric and Thomas (2012), status differentials in organisations are reinforced when higher-status identity groups are disproportionately represented in positions of authority and are challenged when they are not perceptions of one's relative status in the organization. This in turn influence one's expectations and behaviours (Ely, Padaric & Thomas 2012)..

Simpson and Yinger (2013) emphasise that empirical evidence showing differential impacts of race and sex as a function of the social status accorded to different race and sex groups supports the general position of these theories that to understand the impact of cultural diversity in work groups, one must consider the relative power positions of cultural groups both in and outside of the organization. By casting the demographic variables of interest in this study as aspects of cultural identity, the meaning and consequences of which are socially constructed and dynamic, one is positioned to consider the role that different work group conditions might play in shaping whether and how cultural diversity influences work group functioning.

Stahl *et al.*, (2010) state that both this approach and attention to organizational and societal power differences between cultural identity groups, shapes the conceptual framing of diversity. While at the personal level culturally complex encounters can be challenging and painful due to the differences in values, norms, identities and meaning embodied in actors from different cultural backgrounds, they can also be enriching, and contribute to professional and personal development. Similarly, Stahl *et al.*, (2010) note that while the intercultural interface can lead to frictional loss at the organisational level, there is an emerging view that cultural diversity can be leveraged to achieve creativity and synergy.

The cultural composition alone does not determine the outcome of cross-cultural work because the protagonists are embedded in organizational contexts, which play a major role in shaping the dynamics. Reciprocally, the understanding of the organizational dynamics

cannot dispose of the different cultural worldviews through which actors give meaning to social situations (Culture and Diversity in the Workplace 2013). Cultural references and organizational contexts have to be articulated to understand what is going on when working across cultures.

2.8. Understanding Culture together with Diversity

According to Berry and Sam (2013), certain words, like diversity and culture, are jointly used together in different spaces, without a proper understanding of their meanings. While particular situations are described using the same words by many at the same time they fail to understand their meaning. Individuals fail to understand that diversity can mean similarities between things or human beings, and as a result when people are asked to describe diversity they associate it to differences.

Cultures originate from common views, ethics, customs, conducts and are spread from generation to generation through a process of learning. Individuals in communities and in work environments are able to work together if there is an understanding of each other's culture. If that is not the case, issues can bring about prejudice and discrimination (Culture and Diversity in the Workplace 2013). This comes in a process called Cultural Exchange, where individuals from different cultures share experiences of their culture and interactions like this enhances their knowledge about other cultures. The aim of this exercise is to firstly develop a good understanding between individuals and their counterparts about their cultures and learn to value those cultural differences such that there is less misunderstanding (Gill *et al.*, 2012). Cultural components of conduct such as the language one speaks, religion one embraces, values one complies to, standards and customs learned from childbirth are shared by a group of people that associate themselves to that particular culture (Culture and Diversity in the Workplace 2013)

2.9. Cultural Diversity Climate Factors

Below are the two most discussed climate factors that are common in most organisations.

2.9.1. Prejudice and Discrimination

Simpson and Yinger (2013) refer to prejudice as attitudinal bias and a means to prejudge something or someone on the basis of some characteristic. It is usually referred to as negative attitudes toward certain groups and their members. He also states that

discrimination refers to a bias someone may have toward a person based on that person's group identity. This bias emanates from what a person hears and believes about a particular person without experiencing it or finding out. Simpson and Yinger (2013) further state that in most instances, this refers to attitudes that are mostly negative, tend to create segregation between people and also affect how they communicate and interact in whatever environment they are in.

Colella and Dipboye (2012) describe discrimination as an unfair behavioural bias demonstrated against other people. These authors also state that discrimination can be more about ones' view toward an individual, specifically their identity. Colella and Dipboye (2012) found that people that prejudice and discriminate are mostly those with personality types that are more similar. This is because in their opinion, these individuals are different and do not belong to their group. These authors also found that if the controlling personalities are prejudiced and discriminatory, they are not tolerant and if they are, it's at a lesser degree to members of their group. Individual behaviours must be challenged when there is an appearance of a double standard on what is accepted behaviour. If a leader exhibits any prejudice or discrimination, subordinates will probably find it difficult to trust the leader and the same will apply amongst employees (Shih *et al.*, 2016). This, in turn, will influence the subordinate's motivation and desire to be productive. The relationship amongst people should be based on trust and free of prejudice or discrimination, (Shih *et al.*, 2016). These views therefore have significant impact on how people treat and react to one another. Shih *et al.*, (2016) study further reveals that as far as communication is concerned, when one shares a common culture it is much easier to communicate as opposed to the one of different culture.

2.9.2. Stereotyping

Colella & Dipboye (2012) describe stereotyping as a process by which individuals are viewed as members of groups and the information stored in ones' minds about the group is ascribed to the individual. Thus, while the emphasis in prejudice is on attitudes and emotional reactions to people, the emphasis here is on processes of group identity categorization and on the assumed traits of these categories (Martin *et al.*, 2014). In simpler terms stereotyping is a fixed and distorted generalization made about all members of a particular group. While generalizations (sometimes viewed as a negative thing) are helpful in simplifying the world for us and useful in making decisions, stereotypes are not.

They are usually distortions and inaccuracies rooted in false assumptions and faulty analysis. Therefore in valuing diversity, there must be a recognition of what stereotyping is and a basing of ones' beliefs about group characteristics on reliable sources of data and information with a realisation that intra-group differences exist (O'Reilly 2012).

Another fact that we must remember in valuing diversity is that stereotypes represent not merely an acknowledgment of differences but also an evaluation of them. Usually this evaluation is seen in a negative context. According to Lee & Jeyaraj (2013), organisations face the challenge of how to acknowledge differences in positive terms. Power struggles and role conflicts can be the result of stereotyping in organizations. For example, placing women, who stereotypically have had lower status than men in society, in senior management positions creates status incongruence in the minds of many. This can cause difficulties in the leader/subordinate relationship and can cause power differences in an organization. This is done in such a way that members of minority groups may find it difficult to exert influence over decision processes in the organization (Young 2012). Additionally, role conflicts can arise when roles that a person is expected to perform outside of work conflict with the expectations on the job. For example, former senior leaders initially did not support women in combat roles because they weren't personally comfortable sending mothers and daughters into combat situations. It was difficult for them to envision mothers shooting guns and dropping bombs.

2.10. Cultural Diversity in the Workplace and its Societal Dimensions

According to Mor Barak (2013), viewing biases logically would afford the opportunity to accurately perceive others, gain better exposure to, and obtain more information about a diverse group. The new knowledge and perspectives brought by diversity can become a resource for innovation and adaptability (van Dyne 2015). Experiencing greater creativity and innovation can breed positive intergroup relations and commitment to change, if members of an organization understand the strategic resource potential of diversity. As diversity becomes a learning resource that influences future change, it can gain momentum or succumb to inertia. Those who believe that diversity is a source of creativity and learning are more likely to show behavioural support and facilitate its implementation with greater focus, persistence, and effort. Positive attitudes and emotions can counter dysfunctional reactions and create upward spirals through contagion (van Dyne 2015).

Klarsfeld (2014) says that change in all elements brings new collective schemas, values, and beliefs about diversity, thus creating a new interpretive scheme. This would influence the manner in which the organisation deals with future outcomes and unintended side effects. For instance, intergroup conflict can be regarded as substantive and a source of debate and dissent instead of a problem. How to sustain diversity change would be evident if an organisation builds resilience, that is, the ability to bounce back and recover from declining diversity change by learning from past events. According to Klarsfeld (2014), the new perspective, knowledge, and ideas brought by diversity can become a resource for knowledge and innovation. According to Stone *et al.*, (2012), programmes that increase diversity in the workplace are generally viewed positively, as they improve the workforce by giving opportunities to individuals who may or may not have received them.

Currently organisations are realising the importance of diversity and are employing what is called ‘change management’ which according to Dowson *et al.*, (2013) can be defined as the management of organisational features and functions such as strategies, structures, systems, processes, people and culture, to continually renew the organisation’s directions and capabilities to serve the ever-changing needs of the marketplace, the organisation and the employees. Again, the South African experience can be used to illustrate diversity. As mentioned earlier, there are five major ethnic groups, eleven different languages, besides the seven other non-official languages, and four main religions in South Africa (Culture and Diversity in the Workplace 2013). The reality may cause significant diversity in the South African workplace. In addition to these differences, there are others that are intermingled, causing a greater diversity of cultures influenced by other primary cultures. Although diversity can be regarded as a means to create communication problems, enormous potential synergies can be derived by combining the strengths and richness of cultural diversity to improve the economic performance and well-being of all South Africans. In other words, living and working in a culturally diverse setting should be exciting and challenging. This argument is reinforced by the view that individuals join and leave groups and organisations throughout their careers, bringing their own individual past experiences with diversity to a new context with each transition.

(Culture and Diversity in the Workplace 2013) explain that the South African business environment is particularly dynamic and challenging, as it consists of both developed and developing components. South Africa’s communities are still highly segmented. During the previous dispensation, the focus was on differences, and thus former legislation

affected the different population groups in varying ways, which often led to conflict. Current constitutional, legal and societal pressures are used to encourage firms to implement unbiased, democratic and representative policies and structures. With these new pressures, business leaders should focus on how diversity in the workplace can strengthen, rather than weaken, organisations. It is increasingly common for firms to become aware of the value and power of diversity by employing people from different backgrounds.

The advantages of becoming aware of the value and power of cultural diversity include a better understanding of cultural similarities and differences (Thomas 2012). These can lead to improved teamwork through effective communication that can enhance decision-making and team performance on complex tasks. This may eventually give an organisation a competitive advantage in the marketplace (Culture and Diversity in the Workplace 2013).

2.11. Effects of Cultural Diversity on Employee Performance

Young (2013) articulates that both cultural diversity and employee performance produce multiple benefits to the workplace. One of the major principles of diversity is that a company that has diverse employees has a greater understanding of the global marketplace (Klarsfeld 2014). According to (Culture and Diversity in the Workplace 2013), employers reported that their diverse organizations benefit from a variety of viewpoints, higher productivity and profit due to company cultures that encourage employees to perform to their highest ability. Employers may also recognize immediate benefits of workplace diversity. Customers who speak different languages or come from overseas may require customer service in their language. In industries such as marketing and advertising, knowing what consumers across different backgrounds want is crucial to success. Kristinsson (2011) expressed the following advantages of having a culturally diverse workforce:

a. High level of Productivity

When management takes the welfare of its employees to heart by means of offering them proper compensation, health care and employee appraisal; and recognizing their cultural backgrounds, this creates a feeling of belonging to the company irrespective of their cultural background. As a result, they also remain loyal and hardworking which helps to increase the company's productivity and profit. Individuals tend to be motivated and challenged by other cultures at the same time resulting in them performing to the best of their ability and beyond.

b. Exchange of varieties of ideas and team work

A single person taking on multiple tasks cannot perform at the same pace as a team can. Therefore, each team member brings different ideas to the team and offers a unique perspective during problem solving to effectively arrive at the best solution at the shortest possible time. Individuals from other cultures are workaholics, while others like taking ownership of tasks and some even believe in not leaving work before a task is complete. Attitudes such as these rub off on other members and becomes a culture (Kristinsson 2011).

c. Learning and growth

Diversity at the workplace creates an opportunity for an employee's personal growth. When employees are exposed to new cultures, ideas and perspectives, it can help each individual to intellectually broaden their horizon and have a clearer insight of their place in the global environment and hence their own surroundings. Different cultures bring different work ethics that most probably will challenge the teams to perform to the best of their ability. Different cultures work differently, have different views and approaches to solutions and from that team members can learn to be better people (Kristinsson 2011).

d. Effective Communication

Workplace diversity can immensely strengthen a company's relationship with some specific group of customers by making communication more effective. Customer service representatives can be paired up with customers from their specific area or location, making the customer feel at home with the representative and thus with the company. Better communication between diverse members improves understanding of tasks and facilitates the process of delivering the required output quicker and more efficiently (Kristinsson 2011).

e. Diverse Experience

Co-workers from different backgrounds bring to the table some unique perceptions and experience during teamwork or group tasks. Pooling the diverse skills and knowledge of culturally distinct employees together can immensely benefit the company by strengthening the responsiveness and productivity of the team to adapt to the changing conditions (Kristinsson 2011).

2.12. Challenges of Diversity in the Workplace

Taking full advantage of the benefits of diversity in the workplace is not without its challenges. Some of those challenges that emerge as a result of diversity in the work place are mentioned below. These challenges need not be overlooked by organisations as they significantly impact their effectiveness and productivity (Culture and Diversity in the Workplace 2013).

a. Communication

According to Young (2013), cultural diversity may come with a huge language barrier that may hinder the process of working together towards a common outcome. Perceptual, cultural and language barriers need to be overcome for diversity programs to succeed. Ineffective communication of key objectives results in confusion, lack of teamwork, and low morale. This can impact the perceived results and it results in the organisation losing a lot of clients and profits (Culture and Diversity in the Workplace 2013).

b. Resistance to change

Cultural diversity brings about change, as it necessitates finding a common understanding and collaboration between employees. There are always instances when employees refuse to accept the fact that the social and cultural makeup of their workplace is changing. Mor Barak (2014) states that the “we’ve always done it this way” mentality silences new ideas and inhibits progress. This mentality can also create a lack of trust and uncertainty of every action or development to be made by organisations.

c. Implementation of diversity in workplace policies

According to Klarsfeld (2014), organisations find it hard to come up with standardized policies to accommodate a much diversified group of employees. This can be an unsurmountable challenge to advocates of diversity. In response to this, diversity advocates, armed with the results of employee assessments and research data, must therefore build and implement a customized strategy to maximize the effects of diversity in the workplace for their particular organization.

d. Successful Management of Diversity in the Workplace

The very same individuals that are trying to address the issue of cultural diversity may themselves have the very same issue amongst themselves thus making it difficult for them to manage it. Diversity training alone is not sufficient in determining the success of an organization's diversity management plan. A strategy must be created and implemented to create a culture of diversity that applies to every department and function of the organization (Mor Barak 2013).

2.13. Communication and Networking of Employees at Workplace

Emuze & James (2013) contend that differences in perception, jumping to conclusions, stereotyping, lack of knowledge, lack of interest, difficulties in self-expression and emotions are the factors that cause problems for effective communication. Verwey & Du Banks (2014) agree to the above and add that insufficient motivation for effective communication leads to reliance on stereotypes, in order to understand past and anticipate future behaviours. Without direct interaction, people have less psychological empathy for each other's work environment and limitations. Parties should have the opportunity to discuss their perceptions of each other and find ways to correct misconceptions (Young 2012). The aforementioned research agrees that one of the ways of minimising the effects of some of these factors is introducing intergroup mirroring with the assistance of a trained facilitator. The objective is for the conflicting groups to express their perceptions, discuss their differences, and then work out strategies to mend relationships.

Young (2012) regards the satisfaction of team members as equal to productivity, because it is a critical goal of overall efforts. He further elaborates that managers play a significant role in their relationships with teams in terms of satisfaction and productivity.

2.14. Cultural Diversity Management

Mor Barak (2014) describes cultural diversity management as a strategic approach to human resource management; supported by some programs, activities and tools; directed towards integration and development of diversity; that is both physical and job-related, and showed by members of an organisation. Banks (2014) also defined diversity management as the organisational commitment to recruit, retain, reward and promote a heterogeneous mix of employees, including Afro-American, women, and disabled people. With a change

in its meaning, authors note that diversity management is voluntary, because it is not imposed, and is a diversified approach to human resource management, in efforts to create an inclusive working environment. Cultural diversity management promotes the participation of everyone in working activities, it supports the individual characteristics of each member of the organisation and it utilizes their characteristics as a strategic lever (Berry 2013).

Van Dyne (2015) describes this management like an approach that manages every employee according to his/her characteristics, the uniqueness of his/her specific contribution and of his/her background in order to valorise them, to help them work together efficiently and to increase their communication and relations. To speak of cultural diversity management means to understand that differences exist between people and that these differences, if they are managed correctly, are a huge resource for organisations to obtain better outcomes (Moran *et al.*, 2014).

Current political, social and economic occurrences require that managers, entrepreneurs, and politicians put cultural diversity management at the top of their agenda. In fact, cultural diversity management is very important more recently in key social gatherings. Changes ranging from the increase in migration and the presence of ethnic minorities have created a mosaic of societies, with multi-ethnic, multicultural and multi linguistic cultures, and in addition there is an increasing presence of women in the workplace, recent economic trends, the internationalisation of various firms, the globalization of enterprises and markets, and the creation of international supply networks. (Van Dyne 2015). In this reality, traditional approaches and practices of human resource management and of recruitment, retention and motivation of women and ethnic minorities must be revised (Moran *et al.*, 2014). In organisations, the necessity of managing a multi-ethnic and multicultural workforce has gained increasing importance.

Managing diversity requires that the traditions, cultures and educational backgrounds of every group is respected. While it is fundamental to understand similitudes and differences among the diversity groups in the organisation, it is important to first of all address the differences in senior management as these could affect the organisational culture (Wangen & Winchester 2013). Another characteristic of a multi-ethnic society is the market diversification. A multi-ethnic society also creates a multi-ethnic market with various needs. Firms must be aware of the requirement to diversify their advertising and marketing

campaigns. This is another context in which the diversity workforce is a great competitive advantage. In fact, a diverse workforce can quickly create different advertising strategies to gratify the multi-ethnic market and to get the attention of the multi-ethnic and multicultural public (Van Dyne 2015). Moreover, a diverse workforce can offer better ideas for products and services to a multicultural public (Wangen & Winchester 2013).

2.15. Reasons for Cultural Diversity Management

- a. Talent Shortage:** Diversity management can reduce turn over and absenteeism. In order to get the best out of their workforce, companies should not exclude any particular individual on the basis of their gender, race, or religion (Dike 2013). Dike (2013) further adds that in excluding these individuals, the company will be excluding individuals that could potentially develop products or contribute greatly to the success of the organisation in areas like marketing, computing or engineering or elsewhere.
- b. Range of Consumer Need:** According to Mor Barak (2013), in recent years, organisations have recognised that they can best serve different customer groups in many different markets with a more diverse workforce even if the locality or home base of the organisation is located in a culturally imaginous market. There may be a significant number of customers that are located in other more diverse communities either in its home country or abroad. In communities where other languages dominate, organisations believe in hiring employees who speak the dominant languages. They could also have diverse workforce design products that attract diverse consumers or customers (Dowson *et al.* 2013). These people are able to understand and work with the company in understanding what the customer needs.
- c. Globalisation:** Globalisation can be defined as a process where organisations or businesses start to operate on an international scale. Companies are more open to internationalise their operations so they can choose an efficient location to operate. Prices of inputs vary all over the world, which propels companies to shift some of their production to countries (particularly developing countries) with cheaper labour among other reasons. Workforce diversity is a critical measure to companies who seek to establish themselves (Globalisation and Business... 2013). Globalisation therefore forces people of different cultures to adapt their behavioural patterns and norms to those of the other group.

2.16. Managing Cultural Diversity in the Workplace

Effective managers are aware that certain skills are necessary for creating a successful, diverse workforce. Firstly, managers must understand issues such as discrimination and their consequences. Secondly, managers must recognize their own cultural biases and prejudices (Prause 2015). Diversity is not about differences among groups, but rather about differences among individuals. Each individual is unique and does not represent or speak for a particular group. Finally, managers must be willing to allow the organization go through change management if necessary (Morais 2014). Organizations need to learn how to manage diversity in the workplace to be successful in the future (Bindu 2015).

Unfortunately, there is no single recipe for success in this regard, as it mainly depends on the manager's ability to understand what is best for the organization based on teamwork and the dynamics of the workplace. According to Morais (2014), managing diversity is a comprehensive process for creating a work environment that includes everyone. When creating a successful diverse workforce, an effective manager should focus on personal awareness. Both managers and associates need to be aware of their personal biases. Therefore, organizations need to develop, implement, and maintain ongoing training because a one-day session of training will not change people's behaviours. Managers must also understand that fairness is not necessarily equality. Managing diversity is about more than equal employment opportunity and affirmative action (Globalisation and Business... 2013).

Managers should expect change to be slow, while at the same time encouraging change (Prause 2015). Another vital requirement when dealing with diversity is promoting a "safe" place for associates to communicate (Moran 2014). Social gatherings and business meetings, where every member must listen and have the chance to speak, are good ways to create dialogue. Managers should implement policies such as mentoring programs to provide associates access to information and opportunities. Also, associates should never be denied necessary, constructive, and critical feedback in learning about their mistakes and successes (Wambui 2013).

- a. **Communication:** Providing information accurately and promptly is critical to effective work and team performance. This is particularly important when a project for instance is undergoing challenges and needs immediate corrective actions. However,

individuals from different cultures vary in how they relate to bad news. Individuals from some Asian cultures are reluctant to give supervisors bad news, while those from other cultures may exaggerate it (Bindu 2015).

- b. Team-building:** Some cultures in the United States are individualistic, and people want to be alone most of the time. Other cultures value cooperation within or among other teams. Team-building activities can become more problematic as teams are comprised of people from a wide range of cultural backgrounds. Effective cross-cultural team-building is essential to benefiting from the potential advantages of cultural diversity in the workplace. Team-building creates an environment where people can understand one another better, are able to complement their thinking and in return implement that in their work (Wambui 2013).
- c. Calendars:** The business world generally runs on the western secular year, beginning with January 1 and ending with December 31. However, many cultures use other calendars to determine holidays such as New Year's or specific holy days. For example, Eastern Orthodox Christians celebrate Christmas on a different day from western Christians. For Muslims, Friday is a day of prayer. Jews observe holidays ranging from Rosh Hashanah to Yom Kippur. These variations affect the workplace as people require time off to observe their holidays. It is therefore very important that organisations create cultural calendars. A cultural calendar will have all these cultural activities attached to it, making it known to all employees that a specific event will be celebrated and when this celebration will be. A cultural calendar is a helpful tool to ensure meetings are successful, employees take time off to celebrate their cultural events while ensuring that they meet deadlines. With this calendar, co-workers won't have a problem filling in for one another while they participate in these cultural events (Culture and Diversity in the Workplace 2013).

2.17. Guiding Principles of Diversity Management

Presented below are the guiding principles of diversity management:

- a.** Managing cultural diversity is defined as planning and implementing organizational systems and practices to manage people so that the potential advantages of diversity are maximized while its potential disadvantages are minimized (Wambui *et al.*, 2013).

- b. Effectively managing cultural diversity provides a distinct advantage in an era when flexibility and creativity are keys to competitiveness. An organization needs to be flexible and adaptable to meet the needs of new customers (Wambui *et al.*, 2013).
- c. A multicultural environment promotes creativity and heterogeneous groups have been shown to produce better solutions to problems and a higher level of critical analysis. This can be a vital asset at a time when organisations are undergoing tremendous change and self-examination to find new and more effective ways to operate (Wambui *et al.*, 2013).
- d. With the effective management of cultural diversity, an organisation develops its reputation as an employer of choice. Not only will it have the ability to attract the best talent from a shrinking labour pool, but it will save time and money in recruitment and turnover costs (Wambui *et al.*, 2013).

2.18. Conclusion

The literature clarifies that all organisations with a diverse workforce need to manage it effectively. The literature presented a wide range of similar and contrasting views on diversity by various authors. Globalization and competition are forcing organisations to focus on drivers that improve their competitive advantage on the market. Human resource happens to be one of these drivers. The researchers examined in this chapter have highlighted cultural diversity as a critical human resource issue that organisations have to deal with on a regular basis in efforts to continuously improve their overall performance.

Managing the human resource side of the business means that organisations have to engage with a diverse workforce in terms of culture, gender, ethnicity and more. Culture is a system of rooted principles, morals and customs. They define who people are and how they deal with situations at home, at work and in broader society. In organisations worldwide, cultural diversity issues can be a barrier between employees as they perform their roles daily. Culture tends to group people according to their beliefs and practices. That can impede how employees communicate and interact with each other.

Culture is seen as a basis for creating stereotypes, discrimination and prejudice against other employees. There is consensus among the authors referenced in aforementioned sections that if cultural diversity is well managed, it will be of immense benefit to an organisation as they gain a competitive advantage over others. Cultural diversity can be a

foundation of creativity and innovation if managed correctly. Having a culturally diverse work force or group brings together different skills and work ethics that may rub off on other employees, all of which will benefit the organisation. Team building exercises, work groups and social gatherings were highlighted as one of many ways to manage cultural diversity in a workplace. The application and accuracy of this information will be partially tested in this research study, as outlined in the research questions and objectives. The research method is now unpacked and discussed in Chapter 3.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

The research methodology utilised in this study will be explained in this Chapter. This methodology was used to collect data in response to the research questions of the study. This chapter will also reintroduce the objectives of the study, and present more information on the participants and location of the study. It will also discuss the data collection strategies, the research design methods and analyse the data emanating from the data collection process.

3.2 Research Method and Design

According to Gilbert & Sutherland (2013), a research design must be developed once the questions and objectives of the study have been finalised. A research design was used by the researcher to outline the methods and procedures used to compile and present the data. Maxwell (2013) identifies five types of research design methods, but stresses that the most common ones are exploratory, explanatory and descriptive.

3.2.1 Exploratory Research

When a study is done, certain concepts that the researcher will use must be cleared, certain priorities need to be formed and definitions must be developed and simplified. According to Singh & Manoj (2015), a researcher can do the above by conducting an exploratory study. When a researcher wants to ask questions that will help him understand a certain phenomenon or understand new insights, an exploratory study can be conducted (Oborisade 2013).

3.2.2 Explanatory Research

This type of research focuses on understanding why certain things happen. It focuses on understanding the underlying causes and the reasons for their occurrence. (Maxwell 2013).

3.2.3 Descriptive Studies

According to Toury (2012), these types of studies look at situations or phenomena that produce a specific outcome or result. These studies will go as far as describing

characteristics of that outcome. These studies are usually qualitative or quantitative in nature.

3.2.3.1 Qualitative Research

According to Singh & Manoj (2015), this study aims at providing a better understanding of the characteristics and quality of phenomena through a process of enquiry.

3.2.3.2 Quantitative Research

Oborisode (2013) explains this research as a statistical technique used to analyse data, using numbers. A sample can be used as a source of this data. The most common ways of acquiring data in this method is through interviews, questionnaires or any other structured method.

This study on cultural diversity utilised a quantitative research methodology. This study is a follow up from other descriptive studies done by other researchers, further describing and explaining these studies in a more detailed manner. This study tackled the research question by means of a questionnaire and statistical techniques. This choice of study is also informed by the pursuit to understand and link behaviours, so that remedies and interventions can be put in place to correct or promote those behaviours.

3.3 Aim and Objective of the Study

The intention of this study was to understand the impact of cultural diversity on a work environment, specifically at Engen Refinery. This study is guided by the following objectives:

- a.** Understand how different cultures interact in a work environment
- b.** Understand communication and networking patterns of culturally diverse employees in the workplace
- c.** Understand how leadership manage cultural diversity in the workplace.
- d.** Understand the effectiveness of cultural diversity and its relationship with employee performance.

These objectives were used to develop the questions in the questionnaire sent to participants.

3.4 Participants and Location of the Study

This study took place at the refinery, in one of Engen Petroleum's divisions situated in Bluff, to the south of Durban. The data was collected from permanent employees of the Operations Department at the Refinery, employees who work at lower levels of the organisation. The Operations Department was preferred for this study because it met the criteria of a culturally diverse workforce and because it forms a majority of the refinery's diverse workforce.

3.5 Data Collection Strategies

The questionnaire was selected as an adequate method of primary data collection. A questionnaire is a research tool consisting of a set of guiding questions, used by researchers to acquire information from their research sample. While using a questionnaire provides a lot of advantages, Bell & Bryman (2013) point out that it is a more objective way of getting information compared to interviews. They also point out that this is a relatively quick method to collect information from a large portion of a group.

3.5.1 Sample Size and Population

Sometimes it becomes impossible to get the information that the researcher is looking for from the entire population, therefore a good representation of that population is used to make a generic conclusion. This representation of a population is called a sample. Chandrashekara and Suresh (2012) define a sample as a portion of the bigger collective of the intended species, that will have the qualities and characteristics that can be used to conclude about the population. Martelli and Greener (2015) state that it is very vital to take note of the size of the sample, all of which will depend on the confidence, error margin, type of analysis and the amount of the total population available. Another method that can be used to collect data is a census. A census survey collects complete information from all the participants in that targeted population.

This study targeted the total population for responses, hence a census method was chosen. The company records reflected 150 permanent Operations employees of different cultures. The questionnaire was distributed to all shifts; with an intention of capturing everyone's input. Responses from a total of 119 employees were captured and analysed, as some employees were not willing or available to participate.

3.6 Research Ethics and Approval

Before this study could start, permission to engage with the employees had to be granted by the Human Resources Department. The Department wanted to make sure they understood the overview of the study and the data collection method; identify any sensitive questions in the questionnaire; ensure that the study would not reveal private information to outsiders and competitors and make sure the exercise was going to be as voluntary as possible. An agreement was reached and signed in a form of the Gatekeepers letter, under the conditions that this study was solely for educational purposes, and confidential information would not be shared with anyone. An ethical document was thereafter compiled together with the Gatekeepers letter and submitted to the University of KwaZulu-Natal (UKZN) Research Ethics Committee for review and approval, which was granted.

3.7 Research Design and Methods

This sections looks at the selection of participants, the construction and administration of the questionnaire as well as the pretesting and validation tests.

3.7.1 Recruitment and Selection

In selecting the participants for the study, the HR database was accessed to determine the total number of employees, their demographics and their location in the organisation. Contractors were excluded from this study, as their experiences would be completely different to those of permanent employees. The reason for their exclusion was that they are only at the refinery for a specific period of time, sometimes for less than a year, which may affect the participant's responses and also result in wrong analysis and conclusions. Selecting the participants entailed talking to the employees and giving them an overall picture of the study. In addition, a content form, attached to the questionnaire and given out to all possible participants, explained more on the study and assured them of the confidentiality of their participation.

3.7.2 Questionnaire Construction and Administration

A Likert - type scale questionnaire was constructed with responses ranging from Strongly Disagree to Strongly Agree. The scale points were numbered from 1 to 5. The lowest score, 1 indicating Strongly Disagree, 2 indicating Disagree, 3 indicating Neutral, 4

indicating Agree and 5 indicating Strongly Agree were the range of responses available to the questions being asked. The questionnaire was divided into Sections A and B. Section A examined the demographical data and section B focused on the objectives. Section B consisted of the study's four objectives that were broken down into 21 questions.

Administration of the questionnaires includes acquiring access to the sample and trying to make the most of the response rate (Rossi *et al.*, 2015). Hard copies of the questionnaire were distributed to all participants. The questionnaire provided clear instructions on how the questions were to be answered. In addition, they were also assured of the utmost confidentiality of their responses. They were assured that their responses were not going to be shared with anyone other than the researcher. Upon completion, questionnaires were collected for data capturing.

3.7.3 Reliability and Validity

According to Bougie & Sekaran (2010), validity is a test of how precise and well an instrument that was used on the study measures a particular concept that it's intended to measure. The validity of the questionnaire was established using Face Validity. A group of senior academics and researchers confirmed that, on the face of it, the questionnaire was sufficient for the study.

According to Bougie & Sekaran (2010), an instrument needs to be consistent when it measures. This consistency can be measured by using a Reliability test. In short, this test is described as a test of worth or value of the survey data. Internal consistency reliability was verified using Cronbach's Coefficient Alpha. According to Sekaran and Bougie (2010), the greater the internal consistency reliability, the nearer the Cronbach's alpha figure that is to 1. Dennick and Takavol (2011) also confirm that the Cronbach's Alpha coefficient values that are above 0.7 are generally accepted.

3.8 Analysis of Data

Data was analysed using quantitative and descriptive approach methods. The Descriptive Statistics, by means of frequencies and percentages was used to determine the features of the sample and how the responses were in line with the objectives. In order to have a better look at the current state of affairs and to enable the researcher describe the characteristics of variables of interest of that study, descriptive studies are therefore conducted (Bazeley

& Jackson 2013). The mean and standard deviation established the overall responses to the objectives.

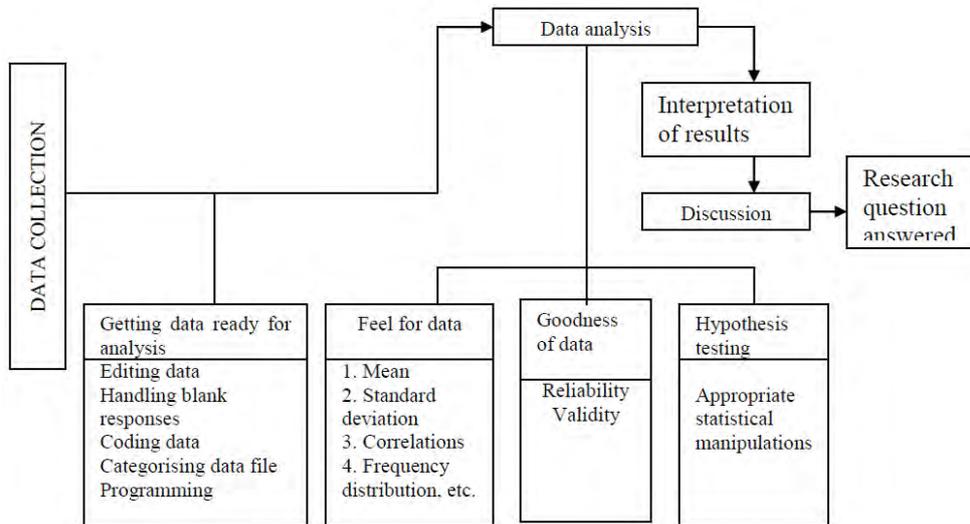


Figure 3.1: Typical Flow Diagram of Data Analysis Process

Source: Sekaran (2003:301)

3.8.1 Descriptive statistics

3.8.1.1 Frequency Distribution

According to Sweeney, Bazeley & Jackson (2013), a frequency distribution is a summary of data that shows the frequency in each of the classes of that study. In this study, the frequencies explained below were used.

3.8.1.2 Measures of Central Tendency

Bazeley & Jackson (2013) distinguish and explain measures of central tendency in this manner:

- a. An indication of a central point where most of the data is located. This gives a proper indication of the overall response to a certain question.
- b. Median as the point in the middle score or value in cluster of points arranged from low to high.
- c. Mode as the value that occurs with greatest frequency.

3.8.1.3 Measures of Variability:

Agresti & Franklin (2009:57-58) distinguish and explain measures of variability that were used in this study as follows:

- a. Range is the difference sandwiched between the major and the least observations.
- b. Variance is defined as the quantity of the squared deviances with the mean divided by the total number of values.
- c. Standard deviation specifies how values vary with regards to the mean of the distribution and is defined as the square root of the variance.

3.8.1.4 Measures of Relationship

According to Rossi *et al.*, (2013), this is the measure of the extent of a relationship between two variables. The following are the coefficients to measure these relationships:

- a. Correlation coefficients are descriptive statistics or numbers that express the magnitude of the association between two variables.
- b. Scatter plots displays the form, direction, and strength of the relationship between two quantitative variables.
- c. Contingency tables are also called cross tabulation tables and usually display the relationship between sets of nominal data.

3.8.2 Inferential statistics

Inferential statistics are referred to approaches used for making conclusions or predictions about a population, based on information obtained from a section of that population. For this study, a Normality Test was performed to ascertain whether the data follows a Normal Distribution and the results showed that the data does not follow it. Accordingly, the following non-parametric tests were used:

- a. Spearman's Rank Order Correlation: a non-parametric equivalent of the Pearson's Product
- b. Moment Correlation: a test that is used to determine the inter-correlations of the study objectives
- c. Mann-Whitney Test: the nonparametric equivalent of the t-test for the two groups, used to examine the influence of the biographic variables on the study's objectives.

- d. Kruskal-Wallis Test: a nonparametric equivalent of the Analysis of Variance (ANOVA) Test for more than two groups, used to examine the influence of the biographic variances on the study's objectives.

3.9 Summary

This chapter outlined the methodology used in this study and examined secondary literature to justify the selection of the chosen methodology. Most importantly this study utilised a quantitative approach in response to the research question. The sampling method chosen was census, using a questionnaire as a tool to collect data from respondents. For the data analysis exercise, the following tests were used: Reliability and Validity, Descriptive and Inferential Statistics

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

The values of the data are presented in this chapter using the concepts of reliability and validity. Characteristics of the sample and responses to questions relating to the objectives are presented through Descriptive Statistics. The correlation between the objectives and the influence of the biographical variables to the main objectives are analysed using Inferential Statistics, specifically the Spearman's Rank Order Correlation and Whitney and Kruskal-Wallis tests.

4.2 Reliability and Validity

Reliability and Validity tests are explained below.

4.2.1 Reliability

According to Bougie & Sekaran (2010), an instrument needs to be consistent when it measures. This consistency can be measured by using a Reliability test. In short, this test is described as a test of worth or value of the survey data. Internal consistency reliability was verified using Cronbach's Coefficient Alpha. The results are shown in Table 4.1 below. According to Sekaran and Bougie (2010), the greater the internal consistency reliability the nearer the Cronbach's alpha figure is to 1. Dennick and Takavol (2011) also confirm that the Cronbach's Alpha coefficient values that are above 0.7 are generally accepted. Table 4.1 displays that Cronbach's alpha for the survey is 0.825 which is considered good.

Table 4.1: Reliability Statistics for the Questionnaire.

Cronbach's Alpha	Number of Items
0.825	21

4.2.2 Validity

An instrument used on a study has to be tested on how well it measures what it is intended to measure (Bougie & Sekaran, 2010). The Validity of the questionnaire was established using Face Validity. It was confirmed that the questionnaire measured what it was intended to measure.

4.3 Descriptive Statistics

The features of the sample and the responses to the questions relating to the objectives were determined using Descriptive Statistics in the form of frequencies and percentages. It is very important to have a good understanding of a study; especially of the characteristics of the variables in that study through the use of Descriptive Studies (Kruger et al., 2009). The mean and standard deviation established the overall responses to the objectives of this study.

4.3.1 Characteristics of the Sample

Table 4.2 below shows the biographical details of the sample.

Table 4.2: Frequency Distribution of the Biographic Variables.

		n	%
Age	20-30	48	40.3%
	31-40	40	33.6%
	41-50	19	16.0%
	Above 50	12	10.1%
	Total	119	100.0%
Gender	Male	84	70.6%
	Female	35	29.4%
	Total	119	100.0%
Race	Black	60	50.4%
	Coloured	14	11.8%
	Indian	39	32.8%
	White	6	5.0%
	Other	0	0.0%
	Total	119	100.0%
Experience	1 to 5	37	31.1%
	6 to 10	29	24.4%
	11 to 15	24	20.2%
	16 to 20	14	11.8%
	Above 20	15	12.6%
	Total	119	100.0%
Religion	Christian	83	69.7%

	Hindu	23	19.3%
	Islamic	5	4.2%
	African	6	5.0%
	Other	2	1.7%
	Total	119	100.0%

- a. **Age:** A large percentage of respondents (40.3%) fell within the ages of 20-30, followed by 33.6% within the 31-40 age group, 16% within the 41-50 age group and lastly 10.1% above 50 years. The results showed that 73.9% of the respondents were between 20-40 years old.
- b. **Gender:** Most respondents were males (70.6%) followed by females (29.4%).
- c. **Race:** Most of the respondents (50.4%) were Blacks, then Indians (32.8%), followed by Coloured (11.8%) and lastly Whites (5%).
- d. **Experience:** A large percentage of the respondents (31.1%) had between 1-5 years experience, followed by 24.4% with 6-10 years experience, and 20.2% with 1-15 years experience. In addition, 12.6% of respondents had over 20 years experience and with 8% having over 16-20 years.
- e. **Religion:** Most respondents were Christians (69.7%), while others were Hindus (19.3%), followed Africans religions (5%), prescribed to Islam (4.2%) and followed other religions (1.7%).

4.3.2 Responses to Questions relating to the Objectives

The responses to the questions relating to the objectives are provided in Tables 4.2 to 4.5 below.

4.3.2.1 Objective 1: Interaction of different cultures in the work environment.

The responses are shown and analysed below.

Table 4.3: Responses to Objective 1.

	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total	
	n	%	N	%	n	%	n	%	n	%	n	%
Q1: I am more effective and productive when working in a group of mixed cultures	1	0.8%	7	5.9%	41	34.5%	53	44.5%	17	14.3%	119	100.0%
Q2: There is cultural tolerance amongst Engen employees	3	2.5%	12	10.1%	16	13.4%	69	58.0%	19	16.0%	119	100.0%
Q3: My strengths and weaknesses are well complimented by other cultures	2	1.7%	17	14.3%	25	21.0%	61	51.3%	14	11.8%	119	100.0%
Q4: Cultural Diversity awareness/lack of it will affect how I relate with other employees	0	0.0%	3	2.5%	19	16.0%	42	35.3%	55	46.2%	119	100.0%

Question 1

Table 4.3 shows that 44.5% of the respondents agreed that they are more effective and productive when working in a group of mixed cultures, followed by 34.5% who were neutral and 6.7% who disagreed/strongly disagreed.

Question 2

The results indicated that 74% of the respondents agreed/strongly agreed that there is cultural tolerance amongst Engen employees followed by 13.4% who were neutral and 12.6% who disagreed/strongly disagreed.

Question 3

The results indicated that 51.3% of the respondents agree that their strengths and weaknesses are well complimented by other cultures when doing their jobs, followed by 21% that remained neutral, 14.3% that disagreed, followed by 11.8% that strongly agreed and lastly 1.7% that strongly disagreed.

Question 4

A large percentage of the respondents (46.2%) strongly agreed that awareness/lack of it affects how they relate with other employees of different cultures, with 35.3% that also agreed, and 16% that was neutral, followed by 2.5% that disagreed and lastly with none (0%) disagreeing to this question.

4.3.2.2 Objective 2: Communication and Networking of employees at workplace.

The responses are shown and analysed below.

Table 4.4: Responses to Objective 2.

	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total	
	n	%	n	%	n	%	n	%	n	%	N	%
	Q1: I'm able to better communicate the information about my job to other cultures as much as I do to employees of my culture	1	0.8%	16	13.4%	23	19.3%	47	39.5%	32	26.9%	119

Q2: I feel that understanding my colleague of different cultures will help understand other business stakeholders better	0	0.0%	6	5.0%	13	10.9%	63	52.9%	37	31.1%	119	100.0%
Q3: Cultural stereotypes still exist and affect the functionality and relationships within employees	4	3.4%	12	10.1%	23	19.3%	45	37.8%	35	29.4%	119	100.0%

Question 1

A large percentage of the respondents (39.5%) agreed that they are able to better communicate the information about their jobs to other cultures as much as they do to employees of their respective cultures, followed by 26.9% that strongly agreed, 19.3% that was neutral, 13.4% that disagreed and lastly 0.8% that strongly disagreed.

Question 2

Most respondents (52.9%) agreed that understanding their colleagues of different cultures will help them understand other business stakeholders better, with 31.1% that strongly agreed to the same, 10.9% being neutral, 5% disagreeing and lastly 0% strongly disagreeing.

Question 3

A large percentage of the respondents (37.8%) agreed that cultural stereotypes still exist and that it affects the functionality and relationships within employees, with 29.4% strongly agreeing, 19.3% being neutral, 10.1% that disagreed and lastly 3.4% that strongly disagreed.

4.3.2.3 Objective 3: Cultural Diversity Management at the Refinery.

The responses are shown and analysed below.

Table 4.5: Responses to Objective 3.

	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total	
	n	%	n	%	n	%	n	%	n	%	N	%
	Q1: My employer has put in place a policy/measures to manage cultural diversity	8	6.7%	28	23.5%	32	26.9%	38	31.9%	13	10.9%	119
Q2: My employer promotes a culture that receives and appreciates the exclusive differences in individuals.	5	4.2%	19	16.0%	27	22.7%	48	40.3%	20	16.8%	119	100.0%
Q3: My employer has a workplace with no obstacles (e.g., communication, promotional chances, working relations, etc.) formed by cultural variances among employees.	9	7.6%	26	21.8%	25	21.0%	39	32.8%	20	16.8%	119	100.0%

Q4: Chances to progress and nurture at all levels are provided without cultural barriers or discrimination by my employer.	7	5.9%	16	13.4%	26	21.8%	45	37.8%	25	21.0%	119	100.0%
Q5: My culture is recognised by my employer, as a result I have a sense of belonging to the company	9	7.6%	12	10.1%	29	24.4%	50	42.0%	19	16.0%	119	100.0%
Q6: My company has a work environment that is free from cultural discrimination.	6	5.0%	17	14.3%	18	15.1%	49	41.2%	29	24.4%	119	100.0%
Q7: Engen values take into account my cultural values.	3	2.5%	14	11.8%	32	26.9%	53	44.5%	17	14.3%	119	100.0%

Question 1

A large percentage of the respondents (31.9%) agreed that the employer has put in place policy/measures to manage cultural diversity at the workplace, followed by 26.9% that was neutral, 23.5% that disagreed, 10.9% that strongly agreed and 6.7% that strongly disagreed.

Question 2

A large percentage of the respondents (40.3%) agreed that the company promotes a work culture that accepts and appreciates the unique differences in individuals, 22.7% being neutral, 16.8% that strongly agreed, 16% that disagreed and 4.2% disagreeing.

Question 3

While, a large percentage of the respondents (32.8%) agreed that the company has a work environment with no barriers (e.g., communication, promotional opportunities, working relationships, etc.) created by cultural differences amongst individuals, 21.8% disagreed, 21% that was neutral, 16.8% strongly agreed and 7.6% strongly disagreed.

Question 4

A large percentage of the respondents (37.8%) agreed that the company provides opportunities for them to grow and be nurtured at all levels without cultural obstructions or discernment, 21.8% chose to be neutral, 21% strongly agreed, 13.4% disagreed and lastly 4.9% strongly disagreed.

Question 5

A large percentage of the respondents (42%) agreed that their cultures are recognised by the employer, as a result they have a sense of belonging to the company, 24.4% was neutral, 16% strongly agreed, 10.1% disagreed and 7.6 % strongly disagreed.

Question 6

A large percentage of the respondents (41.2%) agreed that their employer's workplace is free from cultural discernment, with 24.4% strongly agreeing, followed by those that were neutral at 15.1%, followed by 14.3% that disagreed and lastly 5% that strongly disagreed.

Question 7

The respondents that felt Engen values take into account their cultural values were 44.5%, followed by 26.9% that was neutral, 14.3% that strongly agreed, 11.8% that disagreed and 2.5% that strongly disagreed.

4.3.2.4 Objective 4: Effect of cultural diversity on Employee Performance.

The responses are shown and analysed below.

Table 4.6: Responses to Objective 4.

	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total	
	n	%	n	%	n	%	n	%	n	%	n	%
	Q1: Cultural diversity is a challenge for me to do my job	29	24.4%	53	44.5%	22	18.5%	12	10.1%	3	2.5%	119
Q2: Cultural diversity management program/education would definitely enhance my performance in doing my job.	6	5.0%	14	11.8%	37	31.1%	47	39.5%	15	12.6%	119	100.0%
Q3: Being in a culturally diverse environment triggers my innovative and creative thinking when doing my job	2	1.7%	16	13.4%	32	26.9%	50	42.0%	19	16.0%	119	100.0%

Q4: Cultural diversity management has a direct influence on employee and skills retention.	1	0.8%	12	10.1%	35	29.4%	48	40.3%	23	19.3%	119	100.0%
Q5: A well-managed culturally diverse workforce contribute to the success and profitability of this business	1	0.8%	4	3.4%	5	4.2%	62	52.1%	47	39.5%	119	100.0%
Q6: My employer has clearly articulated how cultural diversity links to the functionality of the business.	7	5.9%	29	24.4%	42	35.3%	32	26.9%	9	7.6%	119	100.0%
Q7 Understanding cultural diversity will help me realise my strengths and weaknesses when doing my job	2	1.7%	10	8.4%	23	19.3%	61	51.3%	23	19.3%	119	100.0%

Question 1

A large percentage of the respondents (44.5%) disagreed that cultural diversity was a challenge for them to do their jobs, 24.4% strongly disagreed, followed by 18.5% that was neutral, followed by 10.1% that agreed and 2.5% which strongly agreed.

Question 2

A large percentage of the respondents (39.5%) agreed that cultural diversity management program/education would definitely enhance their performances in doing their jobs, 31% were neutral about it, followed by 12.6% that strongly agreed, followed by 11.8% that disagreed and 5% that strongly disagreed.

Question 3

A large percentage of the respondents (42%) felt that being in a culturally diverse environment triggers their innovative and creative thinking when doing their job, followed by 26.9% that was neutral, 16% that strongly agreed, 13.4% that disagreed and 1.7% that strongly disagreed.

Question 4

A large percentage of the respondents (40.3%) agreed that cultural diversity management has a direct influence on employee and skills retention, 29.4% chose to be neutral, 19.3% strongly agreed to the same, followed by 10.1% that disagreed and 0.8% that strongly disagreed.

Question 5

Most respondents (52.1%) agreed that a well-managed culturally diverse workforce contributes to the success and profitability of Engen, 39.5% of them strongly agreed, followed by 4.2% that remained neutral, followed by 3.4% that disagreed and lastly 0.8% that strongly disagreed.

Question 6

Some of the respondents (26.9%) agreed that the employer has clearly articulated how cultural diversity links to the functionality of the business, 35.3% chose to be neutral,

24.4% of the respondents disagreed, 7.6% strongly agreed and lastly 5.9 % strongly disagreed.

Question 7

Most of the respondents (51.3%) felt that understanding cultural diversity will help them realise their strengths and weaknesses when doing their jobs, followed by 19.3% that were neutral, 19.3% that strongly agreed, 8.4% that disagreed and lastly 1.7% that strongly disagreed.

4.3.3 Measure of Central Tendency and Dispersion

The overall responses and variation in the responses are shown in Table 4.7 below.

Table 4.7: Mean and Standard Deviations.

	N	Minimum	Maximum	Mean	Std. Deviation
Objective 1	119	1.50	5.00	3.8067	.60229
Objective 2	119	2.33	5.00	3.8936	.55901
Objective 3	119	1.14	5.00	3.4586	.85409
Objective 4	119	2.00	4.86	3.4274	.55125
Valid N (listwise)	119				

Objective 1 – Interaction of the different cultures at the work environment.

The mean score (M = 3.8067) indicates that subjects agree there is interaction of the different cultures in the work environment. The standard deviation (Sd = 0.60229) shows there is variation in the responses. Some subjects disagree (Min. = 1.50) that there is interaction of the different cultures in the work environment while others strongly agree (Max. = 5.00).

Objective 2 – Communication and Networking of employees.

The mean score (M = 3.8936) reveals that subjects agree there is communication and networking among employees. The standard deviation (Sd = 0.55901) illustrates that the responses vary. Some subjects disagree (Min. = 1.44) while others strongly agree (Max. = 5.00) that employees are communicating and networking.

Objective 3 – Cultural Diversity Management at the Refinery.

The mean score ($M = 3.4586$) shows that subjects slightly agree that there is cultural diversity management at the Refinery. The standard deviation ($Sd = 0.85409$) indicates a variation in the responses to cultural diversity management at the Refinery. Some subjects strongly disagree ($Min. = 1.14$) while others strongly agree ($Max. = 5.00$).

Objective 4 – Effects of Cultural Diversity on Employee Performance.

The mean score ($M = 3.4274$) indicates that subjects slightly agree that cultural diversity has an effect on employee performance. The standard deviation ($Sd = 0.55125$) reveals some variation in the responses. Some subjects disagree ($Min. = 2.00$) that cultural diversity affects employee performance while others strongly agree ($Max. = 4.86$).

4.4 Inferential Statistics

A test for Normality was conducted using the One –Sample Kolmogorov – Smirnov Test. The results showed that the data does not follow a Normal Distribution. Accordingly, non-parametric tests were used. In order to ascertain the correlation between the Objectives and the Mann-Whitney and Kruskal-Wallis test to study the influence of the Biographical Variables on the respective Objectives, Spearman’s Rank Order Correlation was applied.

4.4.1 Intercorrelations among the Objectives

The results are shown in table 4.8 below.

Table 4.8: Spearman’s Correlation – Intercorrelations.

		Spearman's rho		
		Correlation Coefficient	p	N
Objective 1	Objective 1	1.000	.	119
	Objective 2	.304**	.001	119
	Objective 3	.403**	.000	119
	Objective 4	.378**	.000	119
Objective 2	Objective 1	.304**	.001	119
	Objective 2	1.000	.	119
	Objective 3	.104	.262	119

	Objective 4	.250 ^{**}	.006	119
Objective 3	Objective 1	.403 ^{**}	.000	119
	Objective 2	.104	.262	119
	Objective 3	1.000	.	119
	Objective 4	.256 ^{**}	.005	119
Objective 4	Objective 1	.378 ^{**}	.000	119
	Objective 2	.250 ^{**}	.006	119
	Objective 3	.256 ^{**}	.005	119
	Objective 4	1.000	.	119
**At 0.01 level the Correlation is substantial (2-tailed).				

There is a positive and significant correlation between the interaction of different cultures in the work environment (Objective 1) and communication and networking of employees at the workplace (Objective 2) ($\rho = .304, p < 0.01$), cultural diversity management at the Refinery (Objective 3) ($\rho = .403, p < 0.01$) and effects of cultural diversity on employee performance (Objective 4) ($\rho = .378, p < 0.01$).

There is a positive and significant correlation between communication and networking of employees at the workplace (Objective 2) and effects of cultural diversity on employee performance (Objective 4) ($\rho = .250, p < 0.01$). However the correlation between communication and networking of employees at the workplace (Objective 2) and cultural diversity management at the Refinery (Objective 3) is positive but not significant ($\rho = .104, p > 0.05$)

There is a positive and significant correlation between cultural diversity management at the Refinery (Objective 3) and effects of cultural diversity on employee performance (Objective 4) ($\rho = .256, p < 0.01$).

There is a positive and significant correlation between effects of cultural diversity on employee performance (Objective 4) and cultural diversity management at the Refinery (Objective 3) ($\rho = .256, p < 0.01$).

4.4.2 Hypotheses

The following Hypotheses were formulated and tested to examine the influence of the Biographic Variables on the study Objectives.

4.4.2.1 Hypothesis 1

There is a statistically significant difference in the perceptions of the study objectives between males and females

The results are shown in Table 4.9 below

Table 4.9: Mann-Whitney Test – Perceptions of the Study Objectives by Gender.

	Mann-Whitney U	Z	p
Objective 1	1443.000	-.160	.873
Objective 2	1425.000	-.267	.790
Objective 3	1426.500	-.254	.799
Objective 4	1373.000	-.568	.570

The results in Table 4.8 show no statistically significant difference in the perceptions on the Interaction of Different Cultures in the Work Environment (Objective 1) ($Z = -.160$, $p > 0.05$), Communication and Networking of Employees at the Workplace (Objective 2) ($Z = -.267$, $p > 0.05$), Culture Diversity Management at the Refinery ($Z = -.254$, $p > 0.05$) and Effects of Cultural Diversity on Employee Performance ($Z = -.568$, $p > 0.05$) between Males and Females.

Accordingly, Hypothesis 1 is not supported.

4.4.2.2 Hypothesis 2

There is a statistically significant difference in the study's objectives among the age groups

The results are shown in Table 4.10 below.

Table 4.10: Kruskal-Wallis Test – Perceptions of the Study Objectives by Age Groups.

	Chi-Square	df	p
Objective 1	4.544	3	.208
Objective 2	8.796	3	.032*
Objective 3	2.507	3	.474
Objective 4	4.120	3	.249

There is a statistically significant difference in the perception of Communication and Networking of Employees at the Workplace (Objective 2) (Chi – Square = 8.796, df = 3, $p < 0.05$) among the Age Groups.

There is no statistically significant difference in the perceptions of Interaction of Different Cultures in the Work Environment (Objective 1) (Chi – Square = 4.544, df = 3, $p > 0.05$), Cultural Diversity Management at the Refinery (Objective 3) (Chi – Square = 2.507, df = 3, $p > 0.05$) and Effects of Cultural Diversity on Employee Performance (Objective 4) (Chi – Square = 4.120, df = 3, $p > 0.05$) among the Age Groups.

Accordingly, Hypothesis 2 is supported only for Communication and Networking of Employees at the Workplace.

4.4.2.3 Hypothesis 3

There is a statistically significant difference in the perceptions of the study objectives among the race groups.

The results are shown in Table 4.11 below.

Table 4.11: Kruskal- Wallis Test – Perceptions of the Study Objectives by Race.

	Chi-Square	df	p
Objective 1	5.019	3	.170
Objective 2	1.557	3	.669
Objective 3	3.132	3	.372
Objective 4	5.049	3	.168

The results in Table 4.10 show no statistically significant difference in the perceptions on the Interaction of Different Cultures in the Work Environment (Objective 1) (Chi – Square = 5.019, df = 3, $p > 0.05$), Communication and Networking of Employees at the Workplace (Objective 2) (Chi – Square =1.557, df = 3, $p > 0.05$) , Culture Diversity Management at the Refinery (Objective 3) (Chi – Square =3.132, df = 3, $p > 0.05$) and Effects of Cultural Diversity on Employee Performance (Objective 4) (Chi – Square =5.049 =, df = 3, $p > 0.05$) among the race groups).

Accordingly, Hypothesis 3 is not supported.

4.4.2.4 Hypothesis 4

There is a statistically significant difference in the perceptions of the study objectives among the years of experience groups. The results are shown in Table 4.11 below.

Table 4.12: Kruskal- Wallis Test – Perceptions of the Study Objectives by Years of Experience.

	Chi-Square	df	p
Objective 1	10.974	4	.027*
Objective 2	8.202	4	.084
Objective 3	4.227	4	.376
Objective 4	4.068	4	.397

The results in Table 4.11 show statistically significant difference in perceptions on the Interaction of Different Cultures in the Work Environment (Objective 1) (Chi – Square =10.974, df=4, $p < 0.05$)

There is no statistically significant difference in the perceptions of Communication and Networking of Employees at the Workplace (Objective 2) (Chi – Square =8.202, df=4, $p > 0.05$), Cultural Diversity Management at the Refinery (Objective 3) (Chi – Square =4.227, df=4, $p > 0.05$) and Effects of Cultural Diversity on Employee Performance (Objective 4) (Chi – Square = 4.068, df = 4, $p > 0.05$) on the years of experience.

Accordingly, Hypothesis 4 is supported only for Interaction of Different Cultures in the Work Environment.

4.4.2.5 Hypothesis 5

There is no statistically significant difference in the perceptions of the study's objectives.

Table 4.13: Kruskal-Wallis Test – Perceptions of the Study Objectives by Religion.

	Chi-Square	df	p
Objective 1	6.286	4	.179
Objective 2	5.696	4	.223
Objective 3	4.847	4	.303
Objective 4	3.074	4	.545

The results in Table 4.12 show no statistically significant difference in perceptions on the Interaction of Different Cultures in the Work Environment (Objective 1) (Chi – Square = 6.286, df = 4, $p > 0.05$), Communication and Networking of Employees at the Workplace (Objective 2) (Chi – Square =5.696, df = 4, $p > 0.05$), Culture Diversity Management at the Refinery (Objective 3) (Chi – Square =4.847.132, df = 3, $p > 0.05$) and Effects of Cultural Diversity on Employee Performance (Objective 4) (Chi – Square =3.074 =, df = 4, $p > 0.05$) among the race groups).

4.5 Summary

The instrument used in this study was tested for its reliability and validity using the Cronbach's Alpha and Face Validity tests. Characteristics of the sample and responses to questions relating to the objectives were also presented using Descriptive Statistics. The correlation between the objectives and the influence of the biographical variables to the main objectives were analysed using Inferential Statistics, specifically the Spearman's Rank Order Correlation and Whitney and Kruskal-Wallis tests. These results are interpreted, discussed and compared to the previous literature in Chapter 5.

CHAPTER 5: DISCUSSION OF RESULTS

5.1 Introduction

This chapter presents and discusses detailed findings from the study. The findings are further compared to what is expected and to the previous studies done by other researchers. The following were the objectives for this research:

- a. Understand how different cultures interact in a work environment
- b. Understand communication and networking patterns of culturally diverse employees in the workplace
- c. Understand how leadership manage cultural diversity in the workplace.
- d. Understand the effectiveness of cultural diversity and its relationship with employee performance.

5.2 Discussion of Results

5.2.1 Intercorrelations between Objectives 1, 2, 3 and 4

The results of the Intercorrelations between objective 1 to objectives 2, 3 and 4 show that in this organisation, interaction of different cultures positively influences communication and networking of employees. This basically means that these employees are able to interact and that improves how they communicate and network with each. Another outcome from this study is that this organisation is without prejudice and discrimination amongst employees as a result there is a visible connection between the cultures that exist.

A theory by Gill *et al.*, (2012) highlights that individuals from different backgrounds and cultures will always find it difficult to interact and make decisions. This will in turn affect the way they will communicate, be it be in a work environment or outside. The view by Gill *et al.*, (2012) is supported by Bank (2014) and Haslam (2014), who say that the fact that these individual's personal and social identities are different makes it very difficult to interact and communicate. Further support of these theories comes from Darshana Lakmal (2014) and Dahlroth (2012), who looked at the generation gap and concluded that the wider the gap, the harder it is for culturally diverse individuals to interact and communicate. Simpson & Yinger (2013) articulated that people of similar culture or with

certain character types are more inclined to prejudgment and discrimination and this will have an effect on how they interact and communicate with others. In this instance, the opposite applies, these employees make an effort in understanding cultures other than their own and over and above that don't discriminate on the basis of culture.

The results from the intercorrelations of objective 2 to objectives 1, 3 and 4 shows that in this organisation there is a positive link between the interaction of different cultures and cultural diversity management. This simply means that a better managed culturally diverse organisation will have a positive influence on how employees interact with one another. Mor Barak (2014) describes Cultural Diversity Management as a systematic or strategic approach to making sure that individuals from different environments are able to work together towards a common goal and most importantly are able to understand, communicate and interact when doing their daily tasks in a work environment. Moran *et al.*, (2014) supports Mor Barak (2014) by saying that one of the outcomes of a well-managed organisation is better communication and overall performance. Prause (2015) stresses that part of diversity management is addressing cultural biases and prejudices and that will result in better understanding, better communication/interaction and cultural tolerance amongst individuals. Morais (2014) says that organisations need to design and implement policies, as diversity management strategies, that are inclusive of all cultures. These policies will facilitate interaction between employees as they create an environment where every employee feels part of the organisation. Wambui (2013) talks about different ways and means to manage diversity and points out team building activities as one of them. Team building activities create a platform where employees can interact outside their work environment, on scenarios that can be linked to work situations. This literature therefore supports this positive link between diversity management and the interaction of culturally diverse employees.

The results of the Intercorrelations of objective 3 to objectives 1, 2 and 4 show that in this organisation there is better or improved interaction and networking between different cultures that have resulted in improved employee performance. The above finding proves that interaction and networking does exist in this organisation. An organisation that is able to manage its cultural diversity workforce issues, according to Bindu (2015), is able to improve their overall performance. Bindu (2015) further says that the above is true because the workforce is a reflection of all its stakeholders and managing their differences will result to meeting these stakeholder requirements. According to Wambui (2013) one of the

ways an organisation may improve their performance is through multi-cultural teams. According to a Handbook on Culture and Diversity in the Workplace (2013), the advantage of a diverse or multi-cultural work group is that it brings about a variety of skills, views and challenges that mostly result in high performance. Also according to the Handbook (Culture and Diversity in the Workplace 2013), a diversified workforce that is able to interact is able to share their perspectives, knowledge and ideas and is able to become a resource for knowledge and innovation. It is also said that this high performance is due to an improved interaction and communication amongst these individuals. Dahm (2003) emphasised the fact that organisations that manage diversity well tend to have employees that are always motivated and always prepared to work. The results are therefore true as per the literature from the above authors.

The result of the Intercorrelations of objective 4 to objectives 1, 2 and 3 show a positive influence between communication and networking of employees and the influence of cultural diversity on how employees perform. The results further show that communication and networking of employees is positively influenced by cultural diversity management in an organisation, however this positive influence is very much insignificant. Cultural Diversity Management encourages employees' commitment to their tasks, it supports the individual characteristics of each member of the organisation and it utilizes their characteristics as a strategic lever (Thomas 2012). In the previous results, it was proven that team work requires good communication and interaction amongst employees. It was also proven that one of the ways of managing organisational cultural diversity is through teamwork. The two therefore support the fact that cultural diversity management will be greatly influenced by how employees communicate and network, as that strengthens their bond and understanding of one another.

Lastly the study shows that cultural diversity management in an organisation is positively influenced by the effect of cultural diversity on employee performance. According to a Handbook on Culture and Diversity in the Workplace (2013), organisations that are able to manage their diverse teams better tend to understand their business surrounding, their customers, their competition and are able to perform to the best of their ability. He further says that different cultures bring different work ethics and most probably will challenge the teams to perform better. Each team affiliate brings diverse ideas to the table and offers a unique problem solving viewpoint to successfully arrive at the greatest resolution at the shortest possible time. This may brush off on other affiliates and become a culture.

According to Thomas (2012), pooling the diverse skills and knowledge of culturally diverse employees together can greatly benefit the company by consolidating the alertness and efficiency of the team to acclimatise to the changing conditions.

5.2.2 Hypothesis

In answering the critical questions of this study, the following hypotheses were formulated:

Hypothesis 1 (Table 4.8: Kruskal -Wallis Test)

HA: There is a statistically significant difference in the perception of the study's objectives between males and females.

HO: There is no statistically significant difference in the perception of the study's objectives between males and females.

The results from the survey indicate that in this organisation, the perceptions on cultural diversity between males and females of all cultures are similar. This means that females share the same issues and views on cultural interaction, communication and networking with their male counterparts. The researcher did not find any literature that supports this particular outcome, however the literature found, amongst other issues, addresses gender diversity and stereotypes as a result of different cultures. A Handbook on Culture and Diversity in the Workplace (2013) talks about personal, social and organisational identities that link to and have a very big influence on how people turn out to be. These identities have the same influence on human beings, regardless of their gender. This study was specifically focusing on culture, which is something that happens to be uniform across genders. A possible reason to this outcome could be because this organisation has gone through a change over the years in terms of acknowledging and recognising gender diversity and equality. That has since resulted in females getting similar opportunities and treatment as males. The negative hypothesis was therefore proven to be true in this case.

Hypothesis 2 (Table 4.9: Kruskal-Wallis Test)

HA: There is a statistically significant difference in the study's objectives among the age groups.

HO: There is a no statistically significant difference in the study's objectives among the age group

The results show that in this organisation, age parity has an influence on communication and networking patterns of employees in the work place. This means that with different age groups or categories, how employees communicate and network in this organisation differ. This means that a generation that belongs to one particular age group will find it easier to communicate within that group, whereas they will find it hard to do the same to someone from a different age group, regardless of their cultures. This hypothesis is supported by Darshana Lakmal (2014), where he discusses Generation Diversity. He (Darshana Lakmal 2014) posits that where there is a significant age difference between employees in the workplace, authority and communication are amongst the critical issues that managers have to deal with other than work/life balance and loyalty issues. Zemke *et al.*, (2013) have defined generation groups and categorised them according to their core values. They point out that the old generation always want to be superior at all times, are more cultural and are not flexible. These are issues that greatly affect and influence how they communicate with a younger age group. The core values (generational differences and conflicts) are issues that require effective management skills, as they affect how employees communicate in an organisation (Culture and Diversity in the Workplace 2013). This part proves the positive hypothesis to be true.

These results further show that age parity neither has any influence on the effect of cultural diversity on employee management or on employee performance. Literature reveals that strategies used by management should be inclusive of all cultures and age groups. This is supported by Young *et al.*, (2013) & Darshana Lakmal (2014), where they discuss the differences in the generation gaps and their core values. Literature talks about factors such as high technology skill, response time, and innovation as being critical to ensuring that organisations are highly competitive and responsive to changing environments. These happen to be some of the core values and skills that a specific generation group provide and are the same skills that have a direct influence on one's personal performance. The negative hypothesis is true in this case.

Hypothesis 3 (Table 4.10: Kruskal-Wallis Test)

HA: There is a statistically significant difference in the perception of the study's objectives among the various race groups.

HO: There is no statistically significant difference in the perception of the study's objectives among the various race groups.

The results indicate that in this organisation, interaction of different cultures, culture diversity management, effect of cultural diversity on employee performance, communication and networking of employees are not influenced by race. This could be because of the fact that this organisation has a high percentage of the younger generation, individuals who are able to communicate and network without any cultural boundaries or because of the change that this organisation has gone through in terms of cultural awareness. This means that employees are able to work in multiracial groups and complement one another to perform to the best of their abilities. Literature disagrees with this finding according to the Culture and Diversity study done by Zamke *et al.*, (2013), which says that race classification still does exist in communities and organisations and will have a very great impact on how they view and work with one another. The literature states that where you have different races working together, issues of superiority, stereotypes and dislike will exist and will affect how an organisation functions. The negative hypothesis turned out to be true in this case.

Hypothesis 4 (Table 4.11: Kruskal-Wallis Test)

HA: There is a statistically significant difference in the perception of the study objectives amongst the years of experience groups.

HO: There is no statistically significant difference in the perception of the study objectives amongst the years of experience groups

This means that in this organisation, an employee's experience influences how employees of different cultures interact with each other. This statement is linked to the study done by Dahlroth (2012) which states that people that share the same work experience will tend to share common views and easily relate and interact in their work environment. The literature states that in most cases, experience links to age generation and is therefore explained by the age generation core values. Part of this outcome indicates that employee experience does influence how employees communicate and network but doesn't influence how an organisation manages its cultural diversity issues and how employees perform. This means that employees of different experiences in this organisation view and react to these cultural issues (represented by objectives) the same way, regardless of their culture. This is contrary to the literature in the Handbook on Culture and Diversity in the Workplace (2013), which states that new recruits in the workplace are very innovative, technologically advanced, don't fear authority and are willing to take risks and try new

things. That makes it difficult for them to work with the most experienced employees who mostly happen to be in the older age group, because they are direct opposites. This issue makes it difficult for these experienced groups to communicate, to be managed and to perform. Bringing employees from different groups is one of the benefits an organisation can receive. This shows that together with years of experience come different challenges and solutions that could benefit the organisation as a whole. The positive hypothesis agreed with Objective 1 and the negative hypothesis agrees with the rest of the objectives (Culture and Diversity in the Workplace 2013).

Hypothesis 5 (Table 4.12: Kruskal-Wallis Test)

HA: There is a statistically significant difference in the perception of the objectives amongst the religion groups.

HO: There is no statistically significant difference in the perception of the objectives amongst the religion groups.

The results indicate that in this organisation, religion has an influence on the interaction of different cultures, communication and networking patterns of employees, cultural diversity management and the effect of cultural diversity on performance. This means that religion plays a part in how different cultures interact with each other, how they network and communicate with each other and how the organisation manages cultural diversity issues. The literature says that religion is part of one's personal/social upbringing and identity and is also part of one's daily life. Ethics and values are also attached to religion and these play a role in how people interact and communicate. This is supported by the social organisation perspective that people who are similar in their likes and beliefs will spend more time together and will tend to understand each other better and be able to work effectively together (Culture and Diversity in the Workplace 2013). Key dimensions of culture also support this finding as they posit that most people that share a culture will tend to follow the same religion (Robbins *et al.*, 2009). Robbins *et al.*, (2009) also mention that in social associations like religion, perceptions and prejudgements about other groups creates a barrier that makes it difficult for those groups to mix and be able to work together with other groups. The positive hypothesis is true in this case.

5.3 Summary

The outcomes of this study revealed that when different cultures interact, their communication and how they interact improves. It emerged that if management is able to come out with better or improved diversity management programs, there will be an improvement on how different cultures interact with each other. Furthermore, the study revealed that an improvement in interaction and communication between cultures will result in improved employee performance. Good management of cultural diversity was seen to have resulted in improved employee performance in Engen Refinery. In the organisation, both male and female employees have the same views and perceptions about cultural diversity, regardless of their cultures. The study further confirmed that with different age groups, views and perceptions about cultural diversity differ, especially when it comes to how they communicate and interact with each other. The study further revealed that different races in the organisation have the same views and perceptions around cultural diversity. Different views and perceptions on cultural diversity emerged however between employees with varied years of work experience. Lastly the study revealed that in the organisation, religion has a huge influence on how employees of different cultures view and perceive cultural diversity in the workplace.

Based on the findings from this Chapter, Chapter 6 provides the conclusions and recommendations to the study.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This Chapter discusses all the conclusions arrived at from the findings in the previous chapter. These conclusions are based on the actual study conducted on Engen Refinery and the existing literature from other authors. In this final chapter, practical recommendations that the organisation can implement are discussed and areas for future studies are also highlighted.

6.2 Has the problem been solved?

Overall the research questions were answered. The following objectives underpinned this study:

- a. Understand how different cultures interact in a work environment
- b. Understand communication and networking patterns of culturally diverse employees in the workplace
- c. Understand how leadership manage cultural diversity in the workplace.
- d. Understand the effectiveness of cultural diversity and its relationship with employee performance.

The study intended to answer the following research questions:

- a. Is cultural diversity an issue that Engen and other South African companies need to focus on?
- b. Does effectively managing cultural diversity contribute to employee performance?
- c. What strategies, methods and tools can Engen and other South African organisations use to effectively manage cultural diversity?

The results revealed that there is interaction between cultures in Engen Refinery. The literature indicated that interaction can lead to better communication between people. Most employees felt that their communication skills are good and continually improving because of their interactions with individuals from other cultures. There were some minor indications that interaction and communication is an issue that needs examination. The results revealed that when employees communicate and interact better, it helps them understand other stakeholders better.

There were also minor indications that stereotypes and discrimination still exist amongst employees of different cultures which hampers the relationship between them. The results indicated that cultural diversity and related issues were managed well despite the absence of proper systems and programs to do so. However, there was an indication that programs and systems need to be created and formalised in the near future because the conditions under which this study was done may change. There was an indication from the employees that management does recognize most cultural commitments such as allowing employees to meet their religious commitments and attend religious celebrations. There was an indication that the cultural recognition by management, employee communication and interaction create an environment that has a direct influence on how they all perform their roles daily.

6.3 Implications of the Study

Presented below are the stake holders that will benefit from the findings of this study:

6.3.1 Engen Refinery

This study is the first of its kind to be conducted in Engen Refinery. Therefore, the findings from this study will assist the organisation in realising that issues around cultural diversity do exist. These findings are an indication that a broader study on diversity needs to be done and this particular study can be used as a starting point. Engen Refinery can use these findings to conduct programs like awareness campaigns, where these statistics can be used to reflect the status of employees. Lastly these findings can be used by the HR department when designing, planning and prioritising their HR employee programs for a specific period of time.

6.3.2 Institutions of Learning

This study contributes to existing research and previous studies on diversity. This study can be a reference that students can access.

6.4 Recommendations to Solve the Research Problem

From the results of this study, the following recommendations are made:

6.4.1 Team Building and Social Gatherings

Engen Refinery can plan to have these sessions at least once a year. These sessions should be held outside of their employees' work environment and far from their homes. These sessions are designed to encourage teamwork by simulating work situations where each employee needs the other to achieve a specific outcome. These situations force employees to engage, communicate, disagree and work together to achieve a common goal. These sessions have been proven to yield a better understanding between groups of people. Employees are encouraged to take the same spirit and understanding back to their work environment. These sessions yield better communication between members.

6.4.2 Culture Awareness Programs

Employees need to be taken through these programs at least once a year. Culture awareness programs are facilitated sessions where employees are educated about other cultures. In these sessions issues of cultural discrimination, prejudice and stereotypes are tackled and discouraged. Employees can also ask questions about the cultures of their co-workers and have an opportunity to share their experiences and views on cultural diversity. They are also given materials that they can take home to read and access information that they might have missed during the sessions. Also the same information can be share with employees through notice boards.

6.4.3 Policy on Cultural Diversity

This is a document that has to be compiled by management. This document is compiled taking into account all the cultures that exist in the organisation. This document starts from defining cultural diversity to addressing issues such as cultural discrimination. Employees will benefit from this by knowing that their cultures are being acknowledged, knowing what they are entitled to and what actions they can take if they face any cultural diversity issues. HR needs to make sure that every employee reads and signs the document and records are filed for future use.

6.4.4 Multicultural Team Structures

Engen Refinery needs to make sure that the right mix of cultures, ages and work experience are allocated to all projects that require team work. This will provide a platform for employees to engage, understand each other's strengths and weaknesses, learn new

skills, communicate and interact better. The outcome from this will be improved employee performance which will directly impact the performance of the whole organisation.

6.4.5 Cultural Exchange Sessions

These are sessions where employees sit and share experiences from their cultures and educate themselves about other cultures. This process will benefit the employees as they will develop a good understanding of cultures other than their own. They will get to know different cultural groups and will develop a personal ability to value cultural differences and prevent cultural misunderstanding. This will also change most of the misconceptions that cultures have about one another.

6.5 Recommendation for future research

This study focused solely on cultural diversity and examined a very small section of a large work force. This study has shown that diversity components are very much linked and some cannot be separated when they are being addressed. Cultural diversity is linked to ethnicity, gender, level of education among other forms of identity and it therefore would be advisable to not only focus on one but all components to completely address these issues. This therefore leaves room for a large scale study on diversity in all sections of the petroleum industry. This will yield a uniform policy that will cover all sections of the industry.

6.6 Summary

The Refinery like any other South African organisation has seen an increase in different cultures over the years. Different authors have stated that cultural stereotypes, discrimination and miscommunication are some of the many issues brought about by the various cultures that exist in the work place. According to them, these issues have a significant impact on how the organisations perform and how employees work with each other. This study therefore focused on understanding if cultural diversity is an issue that the refinery needs to give attention to. The study also looked at whether managing cultural diversity has an impact on how the organisation really performs and finally recommends strategies, methods and tools that can be used to address issues that emerged from this study. While the data collected did address the problem, within the context of Engen Refinery, it did not address the whole issue of diversity, hence a more comprehensive has been recommended.

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Appendix A: Informed Consent Letter

UNIVERSITY OF KWAZULU-NATAL
GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

Dear Respondent,

MBA Research Project

Researcher: Manqoba Gumede (0783726808)

Supervisor: Alec Bozas

Research Office: Ms P Ximba 031-2603587

I, Manqoba Gumede, an MBA student at the Graduate School of Business and Leadership, of the University of KwaZulu Natal would like to request your participation in a research project titled: The Impact of Cultural Diversity on Organizational Performance and Success at the Durban's Engen Refinery. The aim of this study is:

- To understand if cultural diversity is an issue that South African companies need to focus on?
- To understand if managing Cultural Diversity contributes to company success?
- To find out the best strategies, methods and tools that South African companies can use to manage cultural diversity?

The responses from this questionnaire are intended to contribute in making sure that Cultural Diversity is well understood and managed in a work environment so that the organisation can be successful in terms of its competitiveness and sustainability. This study also brings an academic contribution to the gap left by the most recent studies on cultural diversity in the workplace in South Africa.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequences. There will be no monetary gain from participating in this survey/focus group. Confidentiality and anonymity of

records identifying you as a participant will be maintained by the Graduate School of Business and Leadership, UKZN.

If you have any questions or concerns about completing the questionnaire or about participating in this study, you may contact me or my supervisor at the numbers listed above.

The survey should take about 15- 20 minutes to complete. I hope you will take the time to complete this survey.

Sincerely

Investigator's

signature _____

Date _____

Appendix B: Questionnaire

This questionnaire has 21 questions that each requires a tick on the option that best describes your situation

SECTION A									
1. What is your gender?	Male		Female						
2. What is your age group?	20-30		31-40		41-50		above 50		
3. What is your race?	Black		White		Coloured		Indian		Other
4. What is your level of experience (yrs.)?	1 to 5		6 to 10		11 to 15		16 to 20		above 20
5. What is your religion?	Christian		Hindu		Islamic		African		Other

SECTION B										
The Impact of Cultural Diversity on Organizational Performance and Success at Engen Refinery, Durban					Strongly	Agree	Neutral	Disagree	Strongly	
Interaction of different cultures in a work environment										
1. I am more effective and productive when working in a group of mixed cultures										
2. There is cultural tolerance amongst Engen employees										
3. My strengths and weaknesses are well complemented by other cultures										
4. Employee education about diverse cultures will positively help the conflict resolution process amongst employees										
Communication and networking of employees at workplace										
1. I'm able to better communicate the information about my job to other cultures as much as I do to employees of my culture										
2. I feel that understanding my colleague of different cultures will help understand other business stakeholders better										
3. Cultural stereotypes still exist and affect the functionality and relationships within employees.										

Management of cultural diversity at workplace					
1. My employer has put in place a policy/measures to manage cultural diversity					
2. My company promotes a management style that accepts and appreciates the unique differences in individuals.					
3. My company has a work environment with no barriers (e.g., communication, promotional opportunities, working relationships, etc.) created by cultural differences among individuals.					
4. My company provides opportunities to develop and grow at all levels without cultural barriers or discrimination.					
5. My culture is recognised by my employer, as a result I have a sense of belonging to the company					
6. My company has a work environment that is free from cultural discrimination.					
7. Engen values (as drivers to improved performance) take into account my cultural values.					
Effectiveness of cultural diversity on employee performance					
1. Cultural diversity is a challenge for me to do my job					
2. Cultural diversity management program/education would definitely enhance my performance in doing my job.					
3. Being in a culturally diverse environment triggers my innovative and creative thinking when doing my job					
4. Cultural diversity management has a direct influence on employee and skills retention					
5. A well-managed culturally diverse workforce contribute to the success and profitability of this business					
6. My employer has clearly articulated how cultural diversity links to the functionality of the business					
7. Understanding cultural diversity will help me realise my strengths and weaknesses when doing my job					

End of the Questionnaire. Thank you for taking the time to complete the questionnaire.

Appendix C: Gatekeepers Letter



To the University of KwaZulu Natal Graduate School of Business and Leadership

This letter serves to confirm that employee Manqoba Gumede has been granted a permission to conduct a survey as part of his thesis - **A Study of Cultural Diversity at Engen Refinery**. This survey will be done on Engen Refinery employees in a form of a questionnaire.

This permission is granted under the following conditions:

- Data collected will only be for educational purposes and will not be shared with anyone other than the University of KwaZulu-Natal's Graduate School of Business and Leadership and Engen Refinery
- Engen Refinery can request a copy of the report once completed.
- This survey will be done on the employee voluntary basis

Regards,

Designation

HR MANAGER

29 July 2014

Signature

Engen Petroleum Limited

Engen Refinery, A Division of Engen Petroleum Ltd., 465 Tara Road, Wentworth 4052, P.O. Box 956, Durban 4000, Republic of South Africa
Reg No. 1989/003754/06
Tel +27 (0)31 460 3911 Fax +27 (0)31 460 3000 Website: www.engen.co.za

Directors: Datuk AN Salleh* (Chief Executive Officer / Managing Director) MA Adams AM Bryce MH Daud* LA Dumse FJ Kotze
BJ Mahlo KS Moroka I Reddy T Sulaiman-Bray DW Wright J Zaib* VV Zondani FFN Gumede (Company Secretary) *(Malaysian)

04/14

A PETRONAS subsidiary company

Appendix D: Letter for the Statistician

November 2015

To whom it May Concern

I confirm that I assisted Mr M S Gumede with the statistical analysis for his MBA Dissertation. Should any further information be required, I can be contacted as follows:

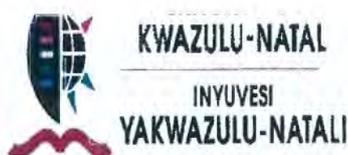
Email - naidoojm@telkomsa.net

Home- (031) 2082634

Cell - 082 7213 926

Mr J M Naidoo

Appendix E - Ethical Clearance Approval



10 September 2014

Mr Manqoba Gumede 212548423
Graduate School of Business and Leadership
Westville Campus

Protocol reference number: HSS/1126/014M
Project title: The Impact of Cultural Diversity on Organizational Performance and Success at Engen Refinery, Durban

Dear Mr Gumede

Expedited Approval

In response to your application dated 08 September 2014, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol have been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

Please note: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

Dr Shenuka Singh (Chair)

/px

cc Supervisor: Alec Bozas
cc Academic Leader Research: Dr E Munapo
cc School Administrator: Ms Zarina Bullyraj

Humanities & Social Sciences Research Ethics Committee

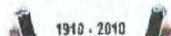
Dr Shenuka Singh (Chair)

Westville Campus, Govan Mbeki Building

Postal Address: Private Bag X54001, Durban 4000

Telephone: +27 (0) 31 260 3587/8350/4557 Facsimile: +27 (0) 31 260 4609 Email: kimbapi@ukzn.ac.za / snymam@ukzn.ac.za / mobung@ukzn.ac.za

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