

Managing Diversity in Nigerian Organizations: Prospects and Challenges

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Abstract

Twenty-first century organizations are becoming increasingly diverse, such that organisations that wants to survive and remain competitive needs to recognize this growing trend, and provide equal opportunities for all her employees' unique attribute and characteristics. As most organizations adhere to this, out of compulsion, in order to satisfy the legal requirements, others adopt reactive and contingent measures. This study was embarked upon to unravel diversity in the Nigerian organisations, which is one of the sensitive but mostly neglected factor that can determine the success and sustenance of the organisation. The study examined federal character principle which is one of the policies of Nigerian government on diversity management, the prospects of diversity management and identified the challenges and consequences of diversity mismanagement within the organisation. Using secondary data, the study found that diversified workforce will improve talent acquisition and retention, creativity, employee development, customer service and satisfaction. The identified challenges are leadership failure, resistance to change, weak institutions, unenforced employment standards, and consequences of diversity mismanagement are poor mental health, intra organisation conflict, attack on team spirit, damaged reputation and public image, It recommended that management should focus on the advancement of individuality within the organization, by hiring talents from diverse background, create open communication, give avenue for feedback, set and enforce objective standards, engage in diversity training for employees and managers, leaders should adopt and be committed to the diversity culture by recognizing that every person has unique contribution, that can make for the fulfilment of the unified organisational goal.

Keywords: Diversity Management, Inclusion, Federal Character Principle, Human Resource, Employee Performance

Introduction

Human diversity has existed throughout the world from the beginning of time, as every individual exhibit one form of uniqueness or the other (Holck & Muhr, 2022) as ethnic and racial differences could be found within groups of people across the continents before recorded history (Arredondo, 1996). But in today's complex business environment,

organizations are becoming more diverse than they were in the earliest time due to globalization (Henry et al., 2020; Kaimenyi, 2020). This results in the movement towards a boundary-less and free trade market, where national and geographical barriers to exchange of goods and services are broken down (Seliverstova, 2021; Holck & Muhr, 2022). Giving room for human capital to move freely across borders, thereby, making management of diversity of essence, as organization can have unquantifiable reward from it (Yadav & Lenka, 2020; Ganji, Rahimnia et al., 2023), because the strengths of diverse employees can be successfully leveraged for organizational growth, competitiveness and sustainability (Atkinson et al., 2022). Since, globalization has led to many cross-border activities leading to a mobile workforce which has increased the intensity of diversity related issues in organizations (Holck & Muhr, 2022). The need to embrace diversity culture in the workplace, so that every employee will be adequately incorporated into the organisation, without any fear of discrimination or intimidation. Work diversity is the totality of both similarities and differences in attributes of people in the workplace. For leaders to manage diversity effectively in organizations, there is need to understand individual backgrounds and how their behavior and belief can influence their decision-making, within a diverse environment. An organization that is committed to diversify workforce is one that aims at harnessing unique qualities of individuals and viewing their differences as a potential for growth rather than opportunities for division. Thereby nurturing and developing the potentials of each individual. Nigeria is a country with the highest population in Africa continent, with population estimate of over 200 million peoples of diverse ethnicity, religious and culture in addition to differences in animal and plant life, mountains, rivers and climates (Obiorah & Nwakamma, 2022). Despite Nigeria's domestic policies on management of diversity, and subscription to some international organisation like the International Labour Organization (ILO) which stress the need for adequate management of diversity and fairness in employment relations, Beijing Platform for Action (Kabeer, 2005) and the 1979 Convention on the Elimination of all Forms of Discrimination against Women (Melander et al., 2004) which are attempts of United Nations (UN) machinery put in place to address gender equality among member states. Many scholars (Holck & Muhr, 2022; Kaimenyi, 2020; Hashim & Dani, 2022; Atkinson et al., 2022; Yadav & Lenka, 2020; Ganji, Rahimnia et al., 2023) have studied diversity, but few have examined it in the light of government policies and approaches adopted by public organisations in Nigeria. This paper examines one of the diversity policies put in place by Nigerian government, prospects, challenges and various measures that have been put in place to ensure diversity and inclusiveness within the organisation. This study on diversity is intended to critically examine federal character principle which is one of the policies of Nigerian government on diversity management, analyse the prospects and challenges of diversity management, and discuss extensively the consequences of mismanagement of diversity. This work will be of great benefits to government in enacting more diversity and inclusive legislations that will help to manage the uniqueness of all the workforce within the nation, it will be a useful tool for policy makers in making policies on diversity and inclusiveness within the Nigerian corporate space, students and other researchers will find it a helpful resource for further studies on workplace diversity.

Literature Review

Diversity Management in Organisations

Diversity has assumed a centre place in many nations of the world today, even United Nations and European Union are not left out, as they place premium on variety (Hashim & Dani, 2022).

The emergence of the term workforce diversity management dated back to 1980s to 1990s in USA, where it was used to refer to Equal Employment Opportunity and Affirmative Action (Seliverstova, 2021). Workplace diversity is the various notable differences and distinctions between individuals in an organization as diversity in organization, encompasses race, gender, educational level, ethnic groups, age, religion, sexual orientation, disability, economic status, citizenship status, mental capacity and physical appearance as well as other noticeable differences between people (Seliverstova, 2021; Hashim & Dani, 2022). According to Mareike et al., (2004), diversity is the noticeable differences such as identities among people existing in a social environment. This implies that diversity among workforce encompasses those visible and invisible characteristics that differentiate human beings such as ethnic heritage, race, sexual orientation, mental/physical abilities and characteristics, age and gender among members of an organisation. But in a general term, diversity within the organisation revolve around personality, demography, task, values and job status within the organisation.

Diversity management is the strategic process of dealing with a diverse workforce by curtailing stereotypes, prejudice and various kind of discrimination which results from individuals' perception and assumptions, in order to maximize the strength and opportunities, thereby minimize the weakness that stem from different opinions, behaviors and attitudes of people within an organization. In the opinion of Flood and Romm (1996), diversity management involves managing all forms of differences that confront human being in the dynamic business environment. As such organisation that wants to benefit from diversity, should see diversity management as process of harnessing the differences and similarities at workplace to an advantage (Nguyen et al., 2022).

Some factors influence organizations crave for diversity management. Internal factors; growth and expansion goals, organization mission/values, organizational climate, customer satisfaction, employee/management development, continuous improvement, progressive thinking, profitability, performance, complaints. External factors; economic downturn/upturn, demographic changes, emerging markets, investor/donor satisfaction, government regulation, lawsuit

Policies, practices and programmes adopted by organisations to effectively manage the uniqueness of all categories of human resources within the organisation in an attempt to enhance equality is referred to as diversity management (Dennissen et al., 2018). Nigeria is a party to many international laws and treaties on diversity and inclusion across the nations of the world. Millenium Development Goals, Persons with Disability Laws, to mention a few of such endeavour, but this did not yield results as expected due to the unique characteristics of the indigenous communities in Nigeria. To further the same course, the Nigerian government formulated indigenous policies too, so that the heterogenous characteristics of organizations within the nation can be captured and adequately managed. Among which is;

Federal Character Principle: This is one of the diversity management policies put in place by Nigerian government. This policy aimed at promoting unity in diversity by uniting the diverse ethnic groups so as to ensure equity, fairness and equal opportunity among the citizens of the nation. The principle ensures the heterogenous characteristics of the nation such as language, religion, ethnicity, geographical diversities are fairly represented in government institutions, agencies and parastatals, thereby preventing dominance of any particular group. which is

reflected in appointments, employment, promotions, education and allocation of all scarce resources within the nation.

Section 318 (1) of the Constitution of the Federal Republic of Nigeria 1999 defines federal character of Nigeria to mean the distinctive desire of the people of Nigeria to promote national unity, foster national loyalty and give every citizen of Nigeria a sense of belonging to the nation (as cited by Okeke & Obidimma, 2021). In order to ensure compliance to this policy, government by Act No 34 of 1996, set up Federal Character Commission (FCC), to ensure implementation, monitoring and enforcing the policy across federal government agencies. Despite the relevance of this policy to management of diversity in the nation, it still faces challenges with some organisations at implementation (Demarest et al., 2020).

Despite the relevance of this policy in addressing the various diversities predominant in Nigerian society, it is not without its shortcomings, as the policy only addressed the geographical origin of the people, and neglected other forms of diversity, such as gender, disability, social class, language, to mention a few. Furthermore, it sacrificed merit, just to ensure adequate geographical distribution and representation in the areas of socio-economic amenities, higher institution admission, employment and appointment by given out quotas to tally with numbers of those that are to be employed, in such a way that geographical spread will be achieved. This is a bane to merit, as those that are qualified from a particular geographical location may not be able to make the employment list, once the quota for their region is filled, and those from the underrepresented region are at an advantage. This breed nepotism, as collective interest may be sacrificed for sectoral concerns (Lemon & Oaikhen, 2024; Chinanuife et al., 2023; Demarest et al., 2020; Obiorah & Nwakamma, 2022).). Even though the government have a very good intention at eradicating the imbalance that pervades the economy, it is practically impossible due to conflict of interest and implementation lapses. This is assertion is corroborated by Demarest et al., (2020) in their work titled the Nigeria's Federal Character Commission (FCC): A critical appraisal.

Prospects of Diversity in Nigerian Organisations

Despite the complexity of diversity within the organisation, some of the prospects are discussed below;

- i. Organizations that have the culture of recruiting a diverse workforce have a larger pool of applicants to choose from, which can increase their chances of finding more qualified and talented candidates, that can contribute meaningfully to their team and improving the overall performance of the organisation (Okolie, 2020; Kiradoo, 2022; Obiorah & Nwakamma, 2022).
- ii. Increase global outlook: Having workforce who are multi-lingual and employees from varying ethnic backgrounds can be helpful to organizations who want to expand operations across local, regional and national boundaries to global markets. Human resource from diverse background and orientation will help organizations to have a better understanding of target demographics and what moves them. This is in accordance with the work of (Hashim & Dani, 2022).
- iii. Customer service and satisfaction will be enhanced by improving how employees interact with a diverse clientele and public as relating with users of organisations goods and services will require interaction in the best language that they are comfortable with. This is a source of strength for the diverse organisation.

- iv. Creativity and innovation will result when individuals with different ideas are put together to work on a project. This sets stage for creativity, as different ideas can be tested against one another, and new ones may be aroused. Diversity within work group can promote creativity and efficiency in problem solving, when compared to a group that is homogeneous in nature. Different background, orientation and experiences of employees within a team will bring about combination of varieties of perspectives, thereby evoking alternative dimensions and solutions when working on a project. When this is effectively harnessed, it can bring about improved productivity thereby delivering better results (Kiradoo, 2022; Seliverstova & Pierog, 2021).
- v. Employees grow in an atmosphere that afford them the opportunity to interact with diverse culture, opinion and ideas. The more exposed they are, to alternative views and opinions, the better their capacity to test and refine their perspectives and opinion. Since, employees come to workplace with the experience they have acquired overtime, this coupled with the experiences of other members of the work group during communication and interactions will enhance their contributions at work, thereby improving productivity at work and nation at large (Obiorah & Nwakamma, 2022). This will serve as competitive advantage as diversity of workforce of an organization can give it an edge over its competitors due to the varying knowledge and expertise of her workforce (Henry et al., 2020).

Challenges of Diversity Management in Nigerian Organisations

Despite the great benefits of diversity in Nigerian organisation, it is not without it challenges namely; Leadership failure, resistance to change, corruption, weak institutions that lack the capacity to monitor, unconscious bias ethnic marginalization, unenforced employment standards, ethnic discrimination, high unemployment rate, poverty, inflation, language barrier (Tamunomiebi & Oyibo, 2020; Henry et al., 2020).

The Consequences of Diversity Mismanagement in the Workplace

- i. **Mental health:** The mental wellbeing of an employee will determine to a large extent their engagement, commitment, satisfaction, motivation and contribution to the successful achievement of organisational goals. When employees are not mentally healthy, it may result in sickness, poor contribution at work, low job satisfaction, absenteeism and high labour turnover. This can be combated when organisation prioritize the mental health of the employees by paying adequate attention to their uniqueness, recognizing and appreciating them by putting them in a work group where they can adequately put their uniqueness to a productive use, thereby improving their mental health. This is corroborated by Obiorah and Nwakamma (2022), who sees the sense of belonging of employees as the factor behind their contribution in the workplace.
- ii. **Conflict within the organisation:** conflict is a disagreement or differences of opinion, perspective, orientation and background between or among individuals that can be potentially harmful to organisation. In the workplace it is often individual plan, perception, interest, objective or goals set against the plan, perspective, interest, objective or goals of a group or team. Diversity management seeks to resolve the dispute with positive outcomes that satisfy the group or all the individuals involved. Group cohesion responds to adequate diversity management (Henry et al., 2020) as conflict of interest and disagreement will lead to conflict within the work groups in the organisation. Clash of interest and approach bring about different views of issues by individuals in the

organization can pose a challenge as this will affect their decisions making. This can cause divisions among members of a team, but it can be resolved when individuals learn how to adjust, adapt, understand one another.

- iii. **Attack on Team Spirit and Contribution:** team entails assemblage of skills and expertise within a work group, which contributes to the richness of the decisions and quality of output of such group. Discrimination of any sort, will threaten the collective goal of the team and the overall objective of the organisation, as employee work attitude will be influenced by the kind of treatment meted to them by the structure of the work environment. They may display aggression as a way of coping with the marginalization experienced, which may lead them to withdraw their valuable contributions to team work and the task at stake. Diversity when well managed can promote team building skill, critical thinking, new ideas, alternative resolutions, enhanced interpersonal and group relationship which ultimately led to effective and efficient work performance and if otherwise poor service delivery will result (Obiorah & Nwakamma 2022).
- iv. **Damaged reputation or public image and legal sanction:** the image that an organisation has with the public will determine the patronage of the goods and services offered by such organisation. When an organisation is not sensitive to relating with diverse population that patronize them, they may lose their reputation and image which may have dire consequence for the sustainability of such a going concern.

Theoretical Review

Inclusion – Exclusion Framework

This theory was propounded by Stella Nkomo and Taylor Cox in the year 1996. The theory shows the procedure for inclusion and exclusion of individuals within various workplace. Inclusion shows the degree at which they feel integrated into the organisation by the level of accommodation received, which portray the value placed on them. Exclusion, shows the degree to which individuals feel disenfranchised and unjustly and unfairly treated. The inclusion and exclusion criteria may be based on cultural background and orientation, showing the level to which cultural groups are valued and embraced. Social inclusion, shows how the various association or interpersonal relationship contributions within the organisation are appreciated. The association may be in teams, committee membership or work groups. Organisation inclusion, the degree at which the diversities within the organisation are incorporated in the decision-making process. This has the tendency to affect their sense of belonging within the organisation. The implication of this theory is that, organisations need to be cautious in formulation and implementation of inclusion policies so that, it will not further exclude some employees in the process. As this is very sensitive, it should not be done haphazardly, in such a manner that it will be misinterpreted. Exclusionary practices can reduce motivation, job satisfaction, employee commitment and productivity. But inclusive practices will improve the aforementioned. Organisations need to inculcate diversity trainings, inclusive policies and periodic assessment to ensure compliance, to ensure that it is well entrenched into the organisation culture. This cannot be done without leadership commitment and support.

Inclusive Leadership Theory

This theory was propounded by Shore Randel, Chung, Dean, Ehrhart, and Singh (2011). According to Shore and Chung, 2011(as cited in Shore and Chung, 2021). The theory emphasized the need to satisfy the belongingness needs of employees. In order to satisfy their

social and self-esteem needs, leadership must be involved to facilitate this. The leader creates an atmosphere where individuals can belong to work groups where their uniqueness can be appreciated, thereby satisfying their belongingness and esteem need. The leaders employ different orientations to achieve this. When a leader adopts an inclusive orientation, the employees feel psychologically safe and empowered and can easily identify and contribute meaningfully to the work group. Shore and Chung, believed that individuals want to be accepted and appreciated for their contributions. They also have a need to belong to a group within the organisation. This is what inclusive leadership aim to achieve. Inclusive leaders create an enabling environment where employee uniqueness will be accepted, nurture, and incorporated into the organisations. This is in tandem with the Maslow belongingness and esteem need. The satisfaction of which bring out the best and improved work outcomes. The outcomes can be informed of improved innovation, employee wellbeing, employee satisfaction, commitment and lot more. Need for uniqueness and belongingness needs of employees can be reinforced by leadership. Which is a major stakeholder in lifting marginalization and exclusion within the organisation. The role of leadership in the management of diversity within the organisation is enormous and cannot be over-emphasized (Shore & Chung, 2023). This theory is very relevant to this study in the area of diversity policy implementation in the organisation, it takes visionary leader to implement such policy and monitor it adequately, to ensure that the intended objective is achieved. There may be need for training and retraining of personnel on diversity and its relevance to the achievement of organisational goals. For diversity to become a culture that will be entrenched in the organisation. The commitment of the leader is needed to get this done, as time and other organisational resources may be employed for the culture to be imbibed by every member of the organisation. This is in line with the work of Henry et al., (2020).

The various employment laws ensures that equal opportunity is giving to employees based on age, race, ethnicity, religion, gender and disability. Since organizations operate in a dynamic environment, with changes in employer-related laws and trends. It is the duty of management of an organisation, to ensure that the organization meets prescribed legal requirements for operations by ensuring organization's compliance and monitoring of fair standards. This can be achieved by staying abreast of laws relating to diversity, as it changes overtime.

Conclusion and Recommendations

Diversity is an issue that has the potential to be a strength and a threat to organisations alike. The way it is managed within the organisation will determine what will accrue to the organisation. Since, organisations are set up to achieve certain objective, the ability to achieve it is dependent on the management of the diversity that pervade the workplace. The uniqueness characteristics of human resource within the Nigerian organisation can be managed through; adequate monitoring of federal character principle implementation to ensure full compliance, creating a culture of diversity through hiring of talents from diverse backgrounds, which will require that all the stakeholders who make hiring decisions, to shun bias in interviewing and assessing applicants; create open communication atmosphere within the organisation in which employees can freely communicate without fear, give opportunity for feedback whether negative or positive; base standards on objective criteria, and training sessions should be organized for employees so as to understand how to deal with diversity

issues in the workplace and leaders should be practically involvement and committed to diversity culture.

Contribution to Knowledge

This study contributes to existing knowledge on diversity, by linking the federal character principle to diversity management in Nigerian organisations. Federal character principle is a good principle but poor implementation is a major threat to the dividends that should accrue to the nation. Also the study is a major eye opener to the relevance of leadership support in the organisation diversity drive as leaders can entrench diversity in the organisational culture.

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