

Study on the Impact of Employee Diversity and Inclusive Management on Organizational Performance

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Abstract

Diversified and inclusive management is an important topic in the practice of employee management, which plays an important role in promoting the resource sharing and collaboration within the organization, and promoting the innovation and transformation of enterprise development. In management practice, the company pays attention to enterprise values and international advanced management experience combined with China's national conditions and excellent culture, pay attention to cultivate local market economy senior management personnel, create a harmonious and dynamic enterprise culture, enhance "customer orientation, continuous innovation, talent development and pay attention to performance" is the company's four core competitiveness. Based on the theory of social exchange and psychological capital theory, this paper discusses the influence of employee diversification and inclusive management on organizational performance, and the research conclusion has certain reference value for improving the management level of enterprises, promoting organizational innovation and transformation development.

Keywords

Organizational Performance; Inclusiveness; Diversity; Talent Resources.

1. Introduction

Science and technology and talent grasp is the main fulcrum of enterprise core competitiveness, with the changing competitive environment and the development of employee diversity personality, the trend of increasing cost, how to dig the ability of employees within the organization, strengthen its work performance output has become the hot topic of enterprise management discussion. Diversity reflects the degree of differentiation that employees within a team, department, or organization perceive among themselves from others in various attributes, including gender, age, race, and education level. The concept of inclusiveness is first applied in education and teaching, aiming to show that teachers should hold an inclusive attitude towards diversified students. Inclusive use in economy and management refers to the personal leadership style of leaders, showing three characteristics: openness, accessibility and usefulness. Employee diversification and inclusive management is an important part of enterprise human resource management, which can not only effectively improve the work enthusiasm of employees, but also help employees to better integrate into corporate culture and promote organizational innovation. In this process, the theory of social exchange and psychological capital play an important role.

2. Theoretical Basis and Research Hypothesis

2.1. Theoretical Basis

2.1.1. Social Exchange Theory

In the middle of the 20th century, the United States first put forward a sociological theory called "social exchange", the theory of worldwide research caused a boom, the theory that people's social behavior is not just a simple behavior, but a kind of reward powered trading, and introduce it into the study of behavior. The theory holds that all human activities in society are exchanged by both parties with the same amount of resources, so as to complete the required transaction, both parties will feel that this is a fair and win-win situation, and emphasize the principle that both parties can get benefits, rather than only one party getting more benefits. When trading, there is not a fixed measure, but depends on everyone's psychological expectations and goals. For example, a person has a scarce resource in the society, but what the person wants to do cannot meet the needs of the person, while the other person has only ordinary resources, so in social communication, both sides can reach a mutually beneficial transaction relationship. It shows that the scarcity of resources will give the owner additional return, but also often related to the urgency of the resources. Among them, the social exchange theory of the leader-exchange relationship refers to the leaders in the process of inclusive leadership method, can accurately feel the needs of subordinates, in material and spiritual motivation, which can accurately provide employees with a working platform, make them in their jobs show good performance, so as to improve the output of work performance, make their own contribution to the organization.

2.1.2. Theory of Psychological Capital

With the development of economic globalization and knowledge economy, employee diversity and inclusive management have become important issues in organizational management. However, the previous studies mainly focused on the impact of diversity and inclusive management on employee psychological capital, and ignored its impact on organizational performance. Psychological capital is a positive personality trait, which can effectively improve individuals' ability to deal with challenges and realize self-value, and enhance individual work performance and life satisfaction.

2.1.3. Leadership Theory

Leadership trait theory focuses on exploring the commonness or potential of the leader; the leadership behavior theory focuses on exploring how to improve the leadership performance. The variable leadership theory aims to study how to maximize organizational performance through various methods; the leadership style theory focuses on how to stimulate employee efficiency under different leadership styles. Leadership theory is further developed with the development of management practice, focusing on individual leadership performance from special organizational situations.

2.2. Study Hypothesis

On the basis of the literature review, this paper puts forward the influence of employee diversity and inclusive management on the organization performance mechanism, namely the diversity of employees by improving employee psychological capital, so that employees to the organization more sense of identity and belonging, and enhance their trust in the organization, self-efficacy, optimism, toughness and the use of psychological capital factors such as hope, ultimately affect the organization performance. Therefore, the following three hypotheses are proposed: (1) the impact of employee diversification on organizational performance is positively correlated; (2) the impact of inclusive management on organizational performance is positively correlated; (3) in the mechanism of employee diversification and inclusive

management on the influence of organizational performance, employee psychological capital is an important intermediary variable.

2.3. Study Design

This study used qualitative research methods, with employee diversity and inclusive management as the pre-dependent variables, and organizational performance as the outcome variable, and conducted in-depth interviews with employees in Novartis organizations to in-depth the mechanism of the impact of employee diversity and inclusive management on organizational performance. To improve the quality of interviews, this study used a qualitative research method based on in-depth interview method and analyzed in depth the interview materials.

2.4. Empirical Analysis and Hypothesis Testing

This paper collected data in the form of questionnaires, 150 questionnaires were distributed, 120 were recovered, and 90 were valid questionnaires. In the following, this paper will talk into this influence mechanism theoretically, and test the hypothesis from the perspective of empirical analysis respectively, and put forward management suggestions on this basis. The description reliability of the data is tested using SPSS19.0 and AMOS 7.0. The measurement value of Cronbach's Alpha is greater than 0.7 values, indicating that the measurement result reliability of this scale is good and acceptable; the reliability results are shown in Table 1.

Table 1. Sample reliability analysis

variable	Cronbach's Alpha
Employee diversification	0.758
Inclusive management	0.859
Organizational performance	0.884

Table 2. Correlation analysis between the variables

variable	Employee psychological capital	Organizational performance
Employee diversification	0.778	0.845
Inclusive management	0.898	0.921
Employee psychological capital		0.982

As shown in Table 2, there were all positive relationships between employee diversity and inclusive management, employee psychological capital and organizational performance, and their correlation coefficients were greater than 0.7, indicating good consistency of the data. Specifically, employee psychological capital plays an intermediary role in the influence of employee diversity and inclusive management on organizational performance.

3. Conclusion

3.1. Results

From the perspective of employee psychological capital, this paper constructs a theoretical model of the impact of employee diversity and inclusive management on organizational performance based on the basis of literature review. By using the structural equation model test method, the organizational performance is verified by diversified employees and inclusive management. The results show that: (1) employee diversity positively affects organizational performance; (2) inclusive management positively affects organizational performance; (3)

employee psychological capital plays an intermediary role between employee diversity and inclusive management.

3.2. Policy Recommendations

With the changing work environment, the diversification of employees and management environment, the enterprise leader should be more inclusive, this can create a harmonious working environment, and can effectively improve employees' work performance, give full play to the company's talent, promote enterprise's management and management, so as to improve the decision-making level of the enterprise. In February 2023, Novartis carried out staff training. At the award party of CCTV-2 Best Enterprise on February 3, with the music of "Invisible Wings", the employees' faces were filled with joy after growth. The key to being included in the "talent review" is that talents evaluate their strengths and weaknesses with the support of the enterprise and human resources department, talk about their development direction with enterprise leaders, determine their potential evaluation, make personal development plans, and finally log into the talent management online system.

3.2.1. Create a Positive and Inclusive Corporate Culture and Improve the Management System

Corporate culture is the core value of a company, and it is unrealistic to rely solely on an inclusive leader to improve employee performance. And to attract, retain and motivate employees to work efficiently, only build long-term, inclusive enterprise culture, inclusive leadership is not overnight, it needs a matching enterprise culture and loose working environment, but also requires enterprises in each stage of development to inclusive organization culture throughout each level. According to relevant research, it will take at least 10 years to establish a good corporate culture. Therefore, only by advocating the integrated corporate culture can we ensure the sustainable and stable development of the enterprise. In March 2021, Novartis held a one-day group building activity: Magic speaker + Monopoly. Magic speaker is a new creative music group building game integrating creative drawing puzzle, unique musical instrument production, fun song competition, and crazy performance.

3.2.2. Strengthen the Integrated Leadership Style Training to Promote the Transformation of Enterprise Shape

Training is not limited to the personnel, senior leaders should also improve the inclusive management level of enterprises through leadership training and self-reflection learning at work. Inclusive leadership contains openness, accessibility, usefulness three dimensions, the meaning of the three dimensions are different, only the leader of inclusive leadership has a unified cognition, to make employees in the rotation during the period of leadership does not exist any bias and differences, so as to more improve their loyalty and work enthusiasm. In the training of integrated leadership, we should combine our own characteristics, and the focus is to cultivate leaders' communication skills, thinking skills and interpersonal skills through enterprise activities such as reporting reports and team building.

3.2.3. Strengthen the Professional Quality and Knowledge Update of the Staff of the Unit

Now the society is an era of knowledge culture, there are a lot of innovative culture knowledge, and according to the survey, knowledge update time less than a year, this requires employees after work, also don't pass the opportunity to learn at work, because the organization's external environment, internal situation, organizational goals will change and adjustment, textbook established environment in organization does not work in practice, this is to emphasize the leadership and staff to combine the actual situation of work to improve their knowledge.

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