

# Cultural Diversity and Its Impact on Employees' Satisfaction and Commitment

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**Abstract**— This article explores the impact of cultural diversity on employees' satisfaction and commitment in organizations. Cultural diversity refers to the presence of individuals from different cultural backgrounds, ethnicities, religions, and experiences within a workplace. The article highlights the positive and negative effects of cultural diversity, including enhanced innovation and creativity, increased learning and personal growth, improved problem-solving and decision-making, employee engagement and retention, communication barriers, conflict and tension, lack of inclusion and belonging, as well as enhanced resistance to change. By embracing cultural diversity, organizations can create an inclusive environment that values diverse perspectives and experiences. This fosters job satisfaction, motivates employees to contribute their best efforts, and reduces turnover rates. Ultimately, cultural diversity contributes to the overall success and competitiveness of organizations in a globalized world. To mitigate these negative impacts, organizations should prioritize creating an inclusive work culture, promoting cultural competency training, and implementing policies that foster equal opportunities and fair treatment for all employees.

**Keywords**— Cultural diversity, employee satisfaction, employee commitment, communication barrier, fair treatment.

## I. INTRODUCTION

In today's globalized world, organizations increasingly realize the importance of cultural diversity in the workplace. Cultural diversity refers to the presence of individuals from different cultural backgrounds, ethnicities, religions, and experiences within an organization. This diversity brings unique perspectives, ideas, and talents, which can significantly impact employees' satisfaction and commitment. In this article, the researchers will explore the various ways in which cultural diversity influences employee satisfaction and commitment and the potential benefits it offers to organizations.

**Enhanced Innovation and Creativity:** Cultural diversity fosters a rich environment of innovation and creativity within an organization. When employees from diverse backgrounds collaborate, they bring various perspectives and approaches to problem-solving. These diverse viewpoints can lead to more comprehensive and innovative solutions, as individuals draw upon their distinct cultural experiences to offer unique insights. This inclusive environment stimulates creativity, encourages out-of-the-box thinking, and ultimately leads to greater job satisfaction for employees who feel valued for their contributions.

**Increased Learning and Personal Growth:** Interacting with colleagues from diverse cultures exposes employees to new ideas, beliefs, and values. This exposure enhances their knowledge and understanding of different cultures, promotes empathy, and broadens their worldview. Such cross-cultural learning opportunities enable employees to develop their interpersonal skills, communication abilities, and adaptability. As employees grow personally and professionally through these experiences, they are more likely to feel satisfied with their jobs and remain committed to the organization's goals.

**Improved Problem-Solving and Decision-Making:** Cultural diversity in the workplace promotes better problem-solving and decision-making processes. When a diverse group of individuals engages in discussions and decision-making, different perspectives are considered, leading to more thorough analyses of the challenges at hand. By incorporating a variety of cultural viewpoints, organizations can avoid groupthink and make well-rounded decisions that consider multiple angles and potential outcomes. This inclusive decision-making process not only improves the quality of decisions but also creates a sense of belonging among employees who feel their opinions are valued.

**Enhanced Employee Engagement and Retention:** Employees who work in an inclusive environment where cultural diversity is celebrated are more likely to feel engaged and committed to their organization. When employees feel their unique backgrounds and perspectives are appreciated, they experience a sense of belonging and are more motivated to contribute their best efforts. This increased engagement leads to higher levels of job satisfaction and commitment, which, in turn, reduces turnover rates. Culturally diverse workplaces that prioritize inclusivity and provide equal opportunities for growth and advancement are more likely to attract and retain top talent.

While cultural diversity in the workplace generally has many positive impacts, it is important to acknowledge that there can also be challenges and negative impacts associated with it. Here are some potential negative impacts of cultural diversity on employees' satisfaction:

**Communication barriers:** Differences in language, communication styles, and cultural norms can create communication barriers among employees from diverse backgrounds. Misunderstandings and misinterpretations may occur, leading to frustration and reduced job satisfaction.

Effective communication across cultures requires extra effort, understanding, and adaptation.

**Conflict and tension:** When individuals from diverse backgrounds work together, there is a potential for clashes due to different values, beliefs, and ways of doing things. Cultural misunderstandings, prejudices and stereotypes can cause conflict and tension in the workplace. Such conflicts can negatively affect employee satisfaction and the overall work environment.

**Lack of inclusion and belonging:** Cultural diversity does not automatically guarantee inclusion and a sense of belonging for all employees. In some cases, employees from minority or underrepresented groups may feel isolated or marginalized within the organization. If diversity is not actively promoted and supported by inclusive policies, practices, and leadership, it can lead to lower job satisfaction and employee engagement.

**Resistance to change:** Introducing cultural diversity initiatives and practices may be met with resistance from some employees who are accustomed to a more homogeneous work environment. Fear of change, biases, and stereotypes can hinder the acceptance and integration of diversity, leading to decreased job satisfaction among certain individuals.

To mitigate these negative impacts, organizations should prioritize creating an inclusive work culture, promoting cultural competency training, and implementing policies that foster equal opportunities and fair treatment for all employees.

## II. LITERATURE REVIEW

This literature review aims to provide an overview of existing research on the topic of cultural diversity and its impact on employees' satisfaction and commitment within organizations. By examining a range of scholarly articles and studies, this review seeks to identify key findings, theoretical perspectives, and trends in the field, contributing to a comprehensive understanding of the subject matter.

**The Impact of Cultural Diversity on Job Satisfaction:** Research indicates a positive relationship between cultural diversity and employees' job satisfaction. A study by Harrison et al. (2017) found that cultural diversity contributes to job satisfaction by promoting creativity, innovation, and a broader range of perspectives. The exposure to diverse ideas and experiences within a culturally diverse workforce fosters a sense of learning, growth, and appreciation, leading to higher levels of job satisfaction among employees. Similarly, research by Cox and Blake (2018) highlighted the role of an inclusive work environment in enhancing job satisfaction, emphasizing that organizations that value cultural diversity create a positive and supportive atmosphere conducive to employee well-being.

**Influence on Employee Commitment:** The influence of cultural diversity on employee commitment has been widely explored. Studies suggest that cultural diversity positively impacts employee commitment by fostering a sense of inclusion, acceptance, and shared identity. A study by Jehn and Bezrukova (2020) found that employees in culturally diverse teams reported higher levels of commitment, emphasizing the importance of creating an environment that values diversity and facilitates positive interpersonal relationships. Additionally, research by Kalev et al. (2019) revealed that organizations with

inclusive practices and diverse leadership teams are more likely to attract and retain committed employees who align with the organization's values and goals.

**Factors Affecting Satisfaction and Commitment:** Several factors have been identified as moderators in the relationship between cultural diversity and employees' satisfaction and commitment. Research by Ozturk and Tatoglu (2018) highlighted the significance of cultural intelligence, which refers to an individual's ability to understand and adapt to different cultures. They found that employees with higher levels of cultural intelligence experienced greater job satisfaction and commitment in culturally diverse work environments. Additionally, organizational support, effective communication, and inclusive leadership have been identified as key factors that influence the impact of cultural diversity on employee satisfaction and commitment (Mor Barak et al., 2016; Janssens and Zanoni, 2019).

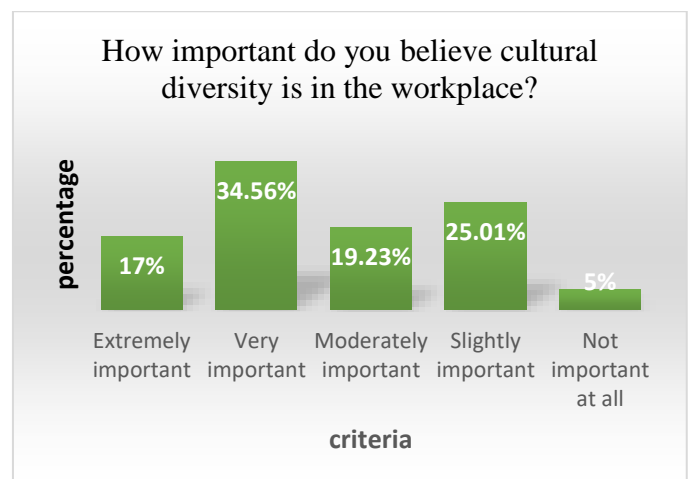
## III. METHODOLOGY:

The methodology for this study involves conducting a cross-sectional survey among employees to assess the impact of cultural diversity on their satisfaction at the workplace. A structured questionnaire will be designed with five questions, focusing on the perceived importance of cultural diversity, observed impact on satisfaction, benefits of diversity, encountered challenges, and organizational support. Participants will be selected randomly from various departments. Data will be collected anonymously through an online platform. Statistical analysis, including descriptive and inferential techniques, will be applied to interpret the findings. The study aims to provide insights into the relationship between cultural diversity and employee satisfaction, contributing to organizational diversity and inclusion strategies.

## IV. RESULT AND OBSERVATION

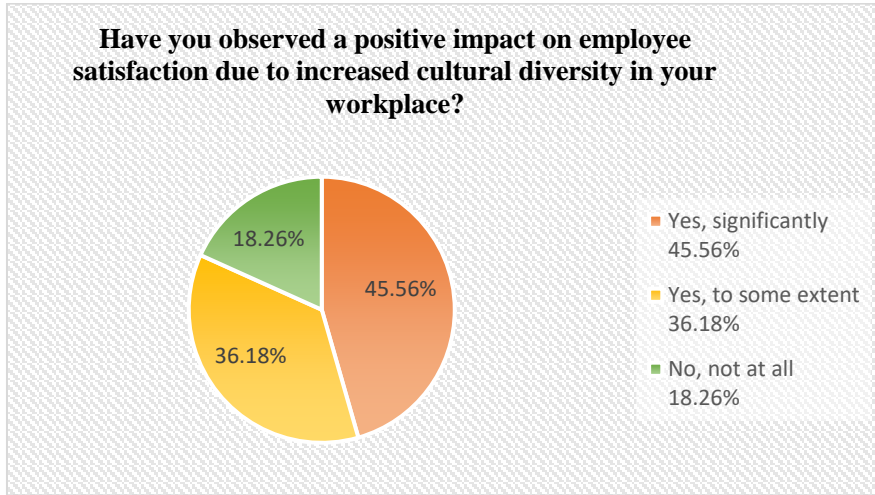
**How important do you believe cultural diversity is in the workplace?**

Extremely important	17%	17%
Very important	34.56%	34.56%
Moderately important	19.23%	19.23%
Slightly important	25.01%	25.01%
Not important at all	5%	5%



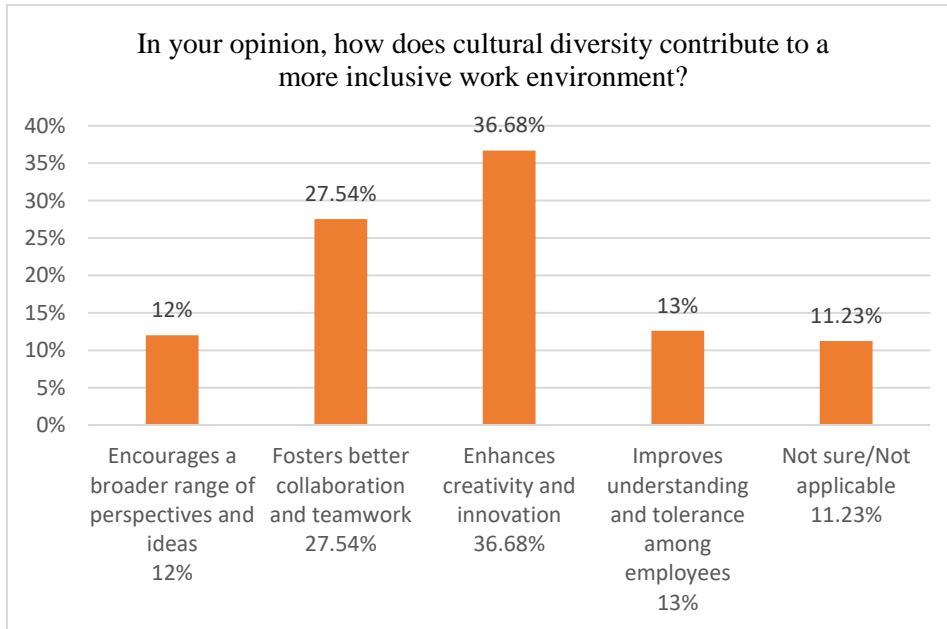
**Have you observed a positive impact on employee satisfaction due to increased cultural diversity in your workplace?**

Yes, significantly	45.56%
Yes, to some extent	36.18%
No, not at all	18.26%



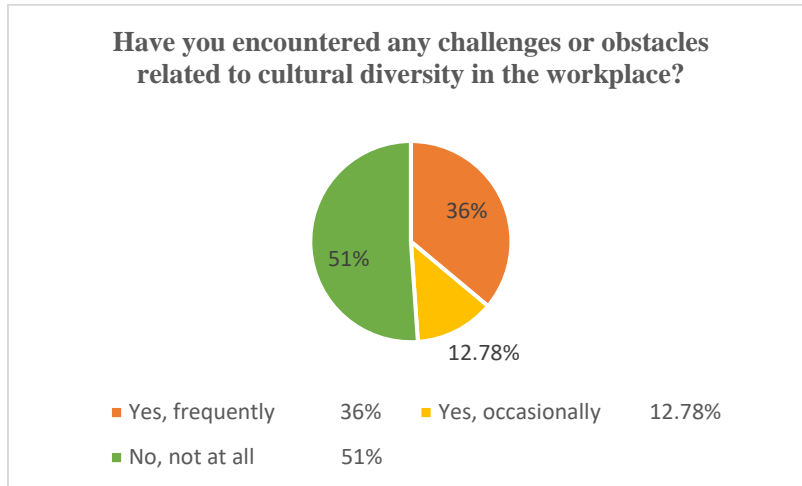
**In your opinion, how does cultural diversity contribute to a more inclusive work environment?**

Encourages a broader range of perspectives and ideas	12%
Fosters better collaboration and teamwork	27.54%
Enhances creativity and innovation	36.68%
Improves understanding and tolerance among employees	13%
Not sure/Not applicable	11.23%



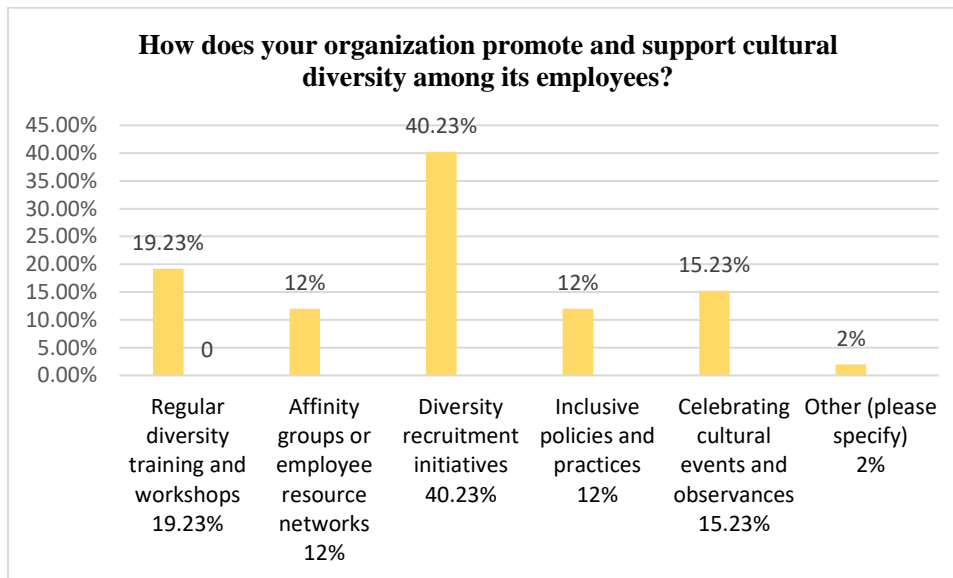
**Have you encountered any challenges or obstacles related to cultural diversity in the workplace?**

Yes, frequently	36%
Yes, occasionally	12.78%
No, not at all	51%



**How does your organization promote and support cultural diversity among its employees?**

Regular diversity training and workshops	19.23%
Affinity groups or employee resource networks	12%
Diversity recruitment initiatives	40.23%
Inclusive policies and practices	12%
Celebrating cultural events and observances	15.23%
Other (please specify)	2%



**V. DISCUSSION AND RECOMMENDATION:**

Overall, the survey shows that most employees recognise the importance of cultural diversity in the workplace. However, there is still room for improvement in promoting a deeper understanding of the benefits that diversity can bring to the organization. Organizations may consider implementing diversity training, fostering an inclusive culture, and highlighting the positive impacts of diversity to further increase awareness and appreciation among their employees.

Overall, the survey shows that a significant majority of respondents have observed a positive impact on employee satisfaction due to increased cultural diversity in the workplace. However, there is still a notable percentage of employees who have not seen this positive influence. This highlights the

importance of continuous efforts to foster an inclusive environment, address any challenges, and effectively communicate the benefits of cultural diversity to all employees. Organizations may consider conducting further research to identify specific areas for improvement and tailor diversity and inclusion strategies accordingly.

Overall, the survey reveals that most respondents believe that cultural diversity plays a crucial role in creating a more inclusive work environment. They recognize its potential to enhance creativity, collaboration, and understanding among employees. To further promote an inclusive culture, organizations can leverage these perceived benefits and actively encourage diverse perspectives and ideas, provide cross-cultural training, and create opportunities for employees to engage in multicultural experiences.

Overall, the survey indicates that the organization employs various strategies to promote and support cultural diversity among its employees. These efforts include diversity recruitment, educational workshops, employee resource networks, inclusive policies, and celebrating cultural events. By adopting multiple approaches, the organization demonstrates its commitment to creating an inclusive workplace that values and appreciates diversity.

Overall, the data indicates that the organization has adopted a comprehensive strategy to encourage cultural diversity and nurture an inclusive environment within the workplace. By combining diversity training, affinity groups, recruitment initiatives, inclusive policies, and cultural celebrations, the organization aims to create an environment where employees from diverse backgrounds feel welcomed, valued, and empowered to contribute their unique perspectives and talents.

## VI. CONCLUSION

To sum up, the presence of cultural diversity in the workplace impacts employees' satisfaction in both favourable and challenging ways. On the positive side, it can enhance creativity, innovation, and learning opportunities. It promotes the development of strong communication and collaboration skills and brings a broader range of skills and talents to the organization. These factors contribute to a sense of fulfilment and job satisfaction among employees.

At the same time, possible negative effects must also be considered. Communication barriers, conflicts, and tensions may arise due to differences in language, communication styles, and cultural norms. Lack of inclusion and belonging can leave some employees feeling marginalized. Resistance to change and biases can hinder the acceptance of diversity, leading to decreased job satisfaction for certain individuals.

To maximize the benefits of cultural diversity and minimize the negative impacts, organizations should actively promote inclusion, implement inclusive policies and practices, and provide cultural competency training. By fostering an inclusive work culture and creating a supportive environment, organizations can harness the positive aspects of diversity while addressing and mitigating the challenges, ultimately enhancing employees' satisfaction and overall organizational success.

## ACKNOWLEDGEMENT

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## Declaration

Overall, the information suggests that the organization has embraced a thorough plan to promote cultural diversity and cultivate an inclusive atmosphere in the workplace. We affirm that this research study was carried out by the ethical principles and guidelines governing research integrity and academic conduct.

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