

EXPLORING THE DYNAMICS OF GEOGRAPHICAL DIVERSITY: IMPACT ON EMPLOYEES PERFORMANCE AT AIOU

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Abstract

This study explores the effect of geographical diversity on employee performance at Allama Iqbal Open University (AIOU). It assesses the degree of geographical diversity within the university's workforce and its impact on performance outcomes, such as task performance, contextual performance, and counterproductive work behaviors. Grounded in social identity theory, the research investigates how employees' geographical backgrounds influence their social interactions and work dynamics. This quantitative survey research presents the findings from a questionnaire administered through Google Forms. Data were collected from 545 regular employees in BPS grades 1-15 at Allama Iqbal Open University. Inferential statistics were employed for data analysis. Geographical diversity serves as the independent variable, while employee performance acts as the dependent variable. The results indicate no significant differences in employee performance attributable to geographical diversity. However, based on the study's findings, researchers recommend fostering geographical diversity as a strategy to enhance productivity and collaboration. By recruiting employees from various regions of the country, organizations can leverage diverse perspectives and experiences, leading to a more dynamic and innovative workforce. Encouraging such diversity can also contribute to stronger teamwork and problem-solving, ultimately driving overall organizational success.

Key Words: geographical diversity, employee's performance, contextual performance, task performance, counterproductive work behaviors

Introduction

Diversity has become a fundamental component of contemporary workplaces and organizations. Within these environments, individuals exhibit considerable variation in education, skills, and professional perspectives (Tamang & Tamang, 2024). Diversity, in this context, encompasses acknowledging, recognizing, and respecting the views and differences of others, regardless of their culture, gender, age, social status, race, physical abilities, and other distinguishing factors (Bizri, 2018, Heavy & Simsek, 2017). It serves as a mechanism for identifying opportunities, addressing challenges, and exploring new pathways for growth (Shao et al., 2017). Moreover, diversity can be instrumental in enhancing knowledge, developing skills, improving understanding of behaviors and conflicts, and bridging gaps within organizations (Bizri, 2018, Gomez & Bernet, 2019). However, the demographic, cultural, and personal differences among employees can sometimes contribute to workplace tension and conflict (Tamang & Tamang, 2024). While diversity comprises many dimensions, this research focuses specifically on geographical

diversity. Geographical diversity is the convergence of distinct physical, human, and cultural elements within a shared geographical space, typically confined to a specific zone, region, or county (Harley et al., 2023). This form of diversity encapsulates a broad array of characteristics—biological, linguistic, sexual, cultural, gender, and more. When such diverse elements coexist within a single geographic area, they collectively form what is known as geographical diversity (Harley et al., 2023). Geographical diversity in the workplace entails the integration of employees from diverse geographic regions, which can profoundly impact organizational dynamics and employee performance. This study investigates the influence of geographical diversity on employee performance, drawing upon contemporary research and established theoretical frameworks.

Although geographical diversity offers significant opportunities for organizations to enhance performance through the cultivation of an inclusive culture and the incorporation of varied perspectives, it also presents inherent challenges (Turi et al., 2022). Leveraging this diversity can drive innovation and improve decision-making processes, but addressing communication barriers and cultural differences is critical to fully realizing its potential. As organizations navigate these complexities, a nuanced understanding of the relationship between geographical diversity and employee performance will be pivotal in fostering long-term success in today's increasingly globalized business landscape (Hennekam et al., 2019; Joubert, 2017; Turi et al., 2022). Organizations are increasingly acknowledging the pivotal role of human resources as critical assets within their operational frameworks. It is well-established in the literature that the strategic recruitment, selection, and management of employees, including the management of geographical diversity, contribute significantly to organizational growth, prosperity, and overall success (Gomathy, 2023; Swinton, 2014; Turi et al., 2022). To optimize performance outcomes, organizations are actively committed to cultivating a conducive and supportive environment for their workforce, with particular emphasis on managing workplace and regional diversity (Gomathy, 2023; Swinton, 2014).

Geographical diversity in the workplace fosters a multicultural environment, where individuals from varied cultural backgrounds collaborate within the same organization. This diversity facilitates cross-cultural learning, as employees benefit from exposure to multiple perspectives. Workers not only respect each other's cultural differences but also capitalize on their shared values, enhancing collaboration. A multicultural workforce promotes higher levels of participation and synergy, which in turn improves employee engagement and organizational performance (Gupta, 2013). Additionally, the presence of such cultural diversity expands the organization's talent pool, enriching its collective capabilities. A multitude of scholars has explored diversity through various theoretical lenses, positioning it as a core component of business strategy (Sambharya, 1995), a determinant of cultural norms, traditions, and lifestyles (Hofstede, 1980), a function of scientific knowledge (Kidd & Teramoto, 1995), an economic variable (Thomas, et al, 1991), a reflection of geographic and regional diversity (Bantel & Jackson, 1989), and a factor influencing business practices and ownership structures (Eisenhardt & Schoonhoven, 1990). In light of these diverse interpretations, organizations must respond proactively to the unique and evolving expectations of their employees, including those shaped by geographical diversity, to remain competitive and achieve their strategic objectives in today's dynamic business environment (Barnard, 1982). Magoshi and Chang (2009) argued

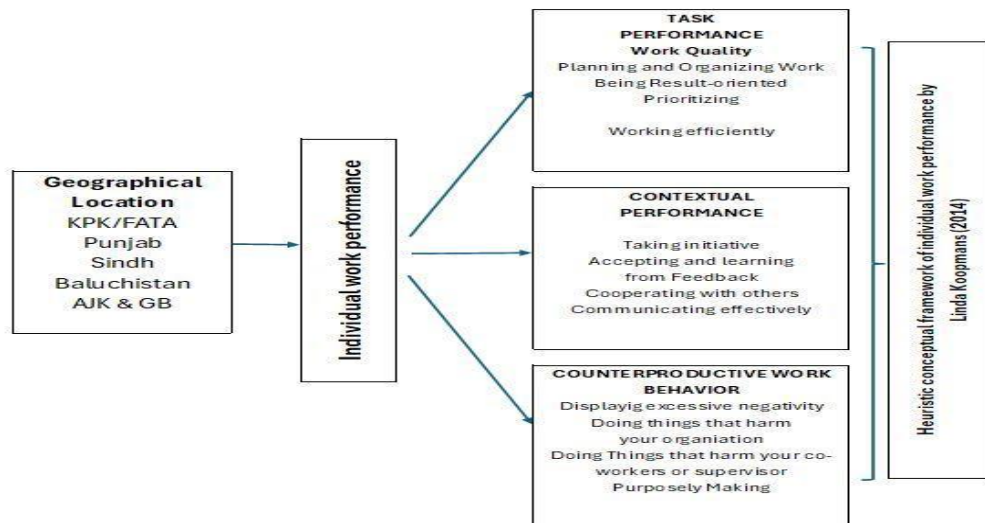
that workplace heterogeneity can have both positive and negative effects on individuals within an organization. They suggested that factors such as vision, talent, and innovation are often positively correlated with diversity, while coherence, teamwork, and group efforts may be negatively influenced by geographical diversity. Effective diversity management within personnel practices can benefit both employees and organizations. As workplace diversity rapidly evolves, organizations have adapted their strategies to integrate a heterogeneous workforce, enabling them to succeed in the global market (Syed & Tariq, 2017).

Workplace diversity may also give rise to conflicts among employees due to differences in opinions, ideas, behaviors, interests, attitudes, and perceptions of resource distribution. However, conflict is not inherently negative, nor does it always result in hostility. When managed effectively, conflict can be a catalyst for growth. Conversely, if organizational leaders fail to address conflicts among employees, these issues can escalate into more serious disputes. Such conflicts can manifest as emotional, psychological, or personal challenges, ultimately harming collaboration and employee performance. Additionally, unresolved conflicts can diminish creativity and productivity within the workforce (Ali et al., 2020; Alserhan et al., 2010). Researchers have offered differing perspectives on the impact of workplace diversity. While some emphasize the benefits of diverse viewpoints, others point to the negative effects on group cohesion. As a result, the overall impact of diversity within workgroups remains insufficiently understood (Milliken & Martins, 1996).

Meena (2015) highlights the increasing focus of organizations on the integration of a diverse workforce, which includes geographical diversity, as a strategic approach to address existing disparities and enhance competitive advantages within their operational frameworks. Greengard (2004) further emphasizes the escalating demands placed on human resource departments to cultivate environments that enable employees to thrive in the face of growing regional diversity. The phenomenon of workforce heterogeneity is fundamentally linked to the development and implementation of business strategies (Dora & Kieth, 1998). Recognizing the essential role of diversity in improving organizational effectiveness, companies are progressively investing substantial resources in the recruitment and retention of a varied talent pool. The benefits associated with workforce diversity, especially regarding regional variations, are extensively documented in academic literature, leading to enhanced innovation, improved decision-making, and greater adaptability to market changes. Moreover, multinational corporations have played a pivotal role in bridging the gap between skilled labor forces that are geographically dispersed. In this regard, regional diversity is increasingly acknowledged as vital components of diversity that influence the performance of employees working in different organizations.

Figure 01

Conceptual Framework



This conceptual framework explores how the geographical diversity of Allama Iqbal Open University's (AIOU) workforce influences employee performance. It addresses the extent of geographical diversity within AIOU, its relationship with employee performance, and the specific effects of employees' geographical locations on their work outcomes. Geographical diversity includes the distribution of employees across different regions all over the country while employee performance is assessed through task performance, contextual performance, and counterproductive work behaviors. Drawing on social identity theory, the framework examines how geographical locations impact employees' social interactions and work dynamics, with geographical diversity as the independent variable and employee performance as the dependent variable.

Established in May 1974, Allama Iqbal Open University (AIOU) was founded with the primary objective of expanding educational opportunities to a broad demographic, particularly individuals unable to leave their homes or employment. Over the past decades, the university has significantly exceeded its original mission, offering accessible education to working professionals and facilitating women's education by providing learning opportunities at their doorsteps. As a pioneering institution in distance learning, AIOU has played a crucial role in democratizing education for the masses. The university is now advancing its efforts in professional, scientific, and technical education, with a focus on reaching the most remote regions of Pakistan with the help of its regional offices across Pakistan. Furthermore, AIOU is at the forefront of leveraging modern information technology to enhance educational access and delivery across the country.

As the largest institution offering open and distance education, AIOU serves a wide range of students both nationally and internationally. With such an extensive reach, the university's main campus in Islamabad employs a highly diverse workforce, drawing employees from various regions across Pakistan. This geographical diversity presents unique challenges and opportunities in terms of employee performance and organizational effectiveness. Understanding how this diversity impacts workforce productivity is crucial for the university to optimize team dynamics, improve communication, and foster a more

inclusive and efficient working environment. Investigating these dynamics will provide valuable insights that can guide AIOU in implementing strategies to better manage and leverage its diverse talent pool, ultimately enhancing the overall performance of the institution.

Research Questions

This research will explore and analyze the characteristics of diversity, specifically geographical diversity as an independent variable, within the context of a modern educational environment, and its influence on employee performance. The study will address the following research questions:

1. How geographically diverse is the workforce of Allama Iqbal Open University (AIOU)?
2. What is the relationship between geographical diversity and employee performance within AIOU?
3. How does the geographical location of employees affect their performance at AIOU?

Methodology

Research Design

This study, grounded in the positivistic paradigm, employed a quantitative approach within a case study research framework to investigate the impact of geographical diversity on employee performance at Allama Iqbal Open University (AIOU), Islamabad. Following a descriptive research design, data were collected through an online survey questionnaire. Prior consent was obtained from all participants, and an invitation email was sent, detailing the research objectives, the role of the respondents, and including the survey link. This case study provides an in-depth exploration of the effect of geographical diversity on employee performance within the context of AIOU.

Population and Sampling

Given the defined population of 1,066 regular employees (BPS 1-15) from the main and regional campuses of Allama Iqbal Open University (AIOU), the study utilized a whole population sampling method. This approach was deemed appropriate due to the manageable size of the population, representing a well-defined subgroup within the larger employee body. All 1,066 employees were invited to participate in the study through an email and personally containing a Google Form link to the survey questionnaire. Out of the total population, 545 employees responded, yielding a participation rate of 51%. This response rate was considered sufficient for the generalization of the findings, consistent with the recommendations of Creswell and Clark (2011).

Results

Table 1

Geographical Location of Participants

Respondents' Profiles	Items	Frequency	Percent
Geographical Location	KPK/FATA	86	16
	Punjab	397	72
	Sindh	38	7.0

Baluchistan	2	.4
AJK & GB	22	4.0

Table 1 presents the details of the respondents' geographical distribution. A total of 545 employees responded to the questionnaire.

Table 2

ANOVA Results of Respondents' Geographical Location and Performance (n=537)

Geographical Location	n	Mean	SD	df	F	Sig.
KPK/FATA	86	3.3159	.36854			
Punjab	397	3.2976	.34425	4,540	.222	.926
Sindh	38	3.2982	.37645			
Baluchistan	2	3.2778	.54997			
AJK & GB	22	3.2374	.33866			

A one-way ANOVA was conducted to assess whether there were significant differences in respondents' performance based on their geographical location. The sample was divided into five regional groups: KPK/FATA, Punjab, Sindh, Baluchistan, and AJK/GB. The analysis revealed no statistically significant differences in performance across these regions at the $p < .05$ level. These findings suggest that geographical location did not have a significant effect on respondents' performance.

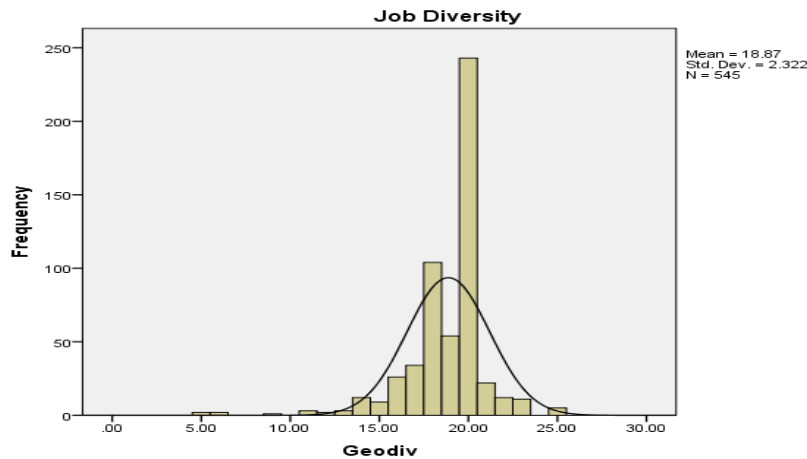


Table 3

Correlation Coefficient for Geographical Diversity and Employee Performance

	Geographical diversity	Employees Performance
Pearson Correlation	1	-.008
Sig. (2-tailed)		.849
N	545	545

Employees	Pearson Correlation	-.008	1
Performance	Sig. (2-tailed)	.849	
	N	545	545

Table 3 illustrates a negative, though non-significant, relationship between geographical diversity and employee performance, as indicated by a p-value of 0.849, which exceeds the standard significance threshold of 0.05. The correlation between the two variables—geographical diversity and employee performance—was weak, $r(537) = -0.008$. Although this result is not statistically significant, it suggests a slight decline in employee performance with an increase in geographical diversity.

Table 4

Regression Model Summary for effect of Geographical Diversity on Employee Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.008 ^a	.000	-.002	6.30077

Predictors: (Constant), Geographical diversity

The value of R Square i.e. the coefficient of determination is equal to zero (0.00), therefore, if the researcher only considers the geographical diversity in the model, it shows that some other factors of diversity play a significant role in employee performance.

Table 5

ANOVA Outcome of Geographical Diversity

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.432	1	1.432	.036	.849
	Residual	21556.905	543	39.700		
	Total	21558.338	544			

a. Dependent Variable: employees' performance b. Predictors: (Constant), Geographical location

Table 5 indicates that the regression model is not significant (.849) if the researcher only checks the employee performance based on their geographical diversity.

Table 06

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	59.782	2.213		27.019	.000
	Geo div	-.022	.116	-.008	-.190	.849

Dependent Variable: employees' performance

Table 6 reported that the geographical diversity of staff in AIOU has a negative effect on their performances, having a p-value of 0.849 higher than the 0.05 level of significance. Hence, the p-value is non-significant, if researcher takes the only geographical diversity as the independent variable while employee performance is declared as the dependent variable. Nevertheless, geographical diversity has a minor negative effect on the employees' performance as indicated by the negative value (-.022) of the estimate but due to the non-significance of the predictor value we may ignore this effect.

Discussion and Recommendations

Geographical diversity plays a crucial role in enhancing organizational effectiveness, profitability, and employee performance. his study found that geographical location alone does not significantly impact employee performance, suggesting that diversity in the workforce, in general, does not negatively affect organizational outcomes. However, gender, age, and education diversity has a significant impact on organizational performance (Turi et al., 2024). Instead, embracing geographical diversity can be a key factor in achieving organizational goals and success. A geographically diverse workforce brings unique talents and experiences, offering fresh perspectives and innovative ideas that can be adapted to evolving market conditions and customer needs. It is essential for organizations to recognize the value of geographical diversity in fostering creativity, adaptability, and growth. Introducing flexible work policies, such as hybrid and remote work, can greatly benefit non-local employees by addressing their personal and family needs, reducing the need for frequent travel, and minimizing long absences. Providing additional support systems, such as housing and family-oriented policies, alongside extended leave options, can also help alleviate the challenges faced by these employees and enhance their focus at work. For local employees, fostering a balance between workplace engagement and social obligations through programs that emphasize productivity and time management can reduce distractions and improve performance. Additionally, offering well-being programs, including counseling and wellness initiatives, can help mitigate occupational stress for both local and non-local employees, promoting better work-life balance and mental health. Finally, clear guidelines on leave policies, particularly for non-local staff, can ensure smooth administrative processes and reduce disruptions to office operations.

This study contributes by offering valuable insights for organizational management on the impact of diversity on performance, particularly in relation to service quality and efficiency. The findings can guide human resource departments in achieving an optimal balance to promote diversity within the workforce. Beyond serving as a framework for recruitment strategies, the study's outcomes can also assist managers in forming or selecting diverse teams across various organizational settings, ultimately enhancing team dynamics and performance.

Geographical diversity offers both significant opportunities and challenges for organizations seeking to improve employee performance. By cultivating an inclusive organizational culture and harnessing the diverse perspectives that come from geographical

variation, organizations can stimulate innovation and enhance their decision-making processes (Khan, 2020). However, to fully realize these benefits, it is crucial to address potential communication barriers and cultural differences within the workforce. As businesses continue to navigate the complexities of globalization, a deeper understanding of the relationship between geographical diversity and employee performance will be essential for fostering long-term success in an increasingly interconnected world.

The generalizability of these findings should be approached with caution, as each society has its own unique culture, norms, and social values. Previous research has shown that organizational culture can significantly influence outcomes related to diversity management, meaning that results may vary depending on the specific cultural context in which an organization operates.

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