

THE IMPACT OF CULTURAL DIVERSITY ON ORGANIZATIONAL PERFORMANCE: (A FIELD STUDY ON HOSPITALS IN YEMEN)

ISKANDER H. A. SATTAR (2,*)

BASMA OMER HASHEM MOHAMMED (1)

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¹ Business Administration Section, School of Business, Lebanese International University – Aden

² Business Administration Department, Faculty of Administrative and Human Sciences, University of Science and Technology – Aden, Yemen.

* Corresponding author. E-mail: i.abdulsattar@aden.ust.edu

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Abstract:

Diversity is one of the biggest challenges for many organizations. However, the majority of people believe that cultural diversity is fundamental to performance. This study examined the relationship between cultural diversity and organizational performance in hospitals in Yemen, focusing particularly on hospitals in Aden. This research is motivated by increasing globalization and demographic changes that have resulted in a more diverse workforce, creating both opportunities and challenges for organizational effectiveness. The study aims to fill a significant gap in the existing literature by empirically examining how various dimensions of cultural diversity—including gender, age, nationality, ethnicity, and education—affect organizational performance in hospitals. Through a comprehensive literature review and a detailed analysis of the data collected from the selected hospitals due to their diversity criteria, the target population was employees of the selected hospitals with a sample size of 240 out of 600 employees. The questionnaire was the research data collection method for this study. A quantitative approach was used. Data analysis was carried out using the Software Package for Social Science (SPSS). The results of this study provide valuable insights for hospital management. It indicated that gender diversity, nationality diversity, and education diversity have an impact on organizational performance, while age diversity and ethnicity diversity have no effect on organizational performance.

Keywords: *cultural diversity, organizational performance, gender diversity, age diversity, nationality diversity, education diversity, ethnicity diversity, hospitals*

أثر التنوع الثقافي على الأداء التنظيمي: دراسة على المستشفيات في اليمن

إسكندر حسن عبد الستار^(١)

بسمة عمر هاشم محمد⁽²⁾

الملخص:

يُعد التنوع أحد أكبر التحديات التي تواجه العديد من المنظمات. ومع ذلك، يعتقد غالبية الناس أن التنوع الثقافي أساسي للأداء. تناولت هذه الدراسة العلاقة بين التنوع الثقافي والأداء التنظيمي في المستشفيات في اليمن، مع التركيز بشكل خاص على مستشفيات عدن. لقد استلهم هذا البحث من تزايد العولمة والتغيرات الديموغرافية التي أدت إلى قوة عاملة أكثر تنوعاً، مما خلق فرصاً وتحديات أمام الفعالية التنظيمية. تهدف الدراسة إلى سد فجوة كبيرة في الأدبيات الحالية من خلال الفحص التجريبي لكيفية تأثير الأبعاد المختلفة للتنوع الثقافي - بما في ذلك الجنس، العمر، الجنسية، العرق، والتعليم - على الأداء التنظيمي في المستشفيات. من خلال مراجعة شاملة للأدبيات وتحليل مفصل للبيانات التي تم جمعها من المستشفيات المختارة وفقاً لمعايير التنوع الخاصة بها، كانت الفئة المستهدفة هي موظفو المستشفيات المختارة بحجم عينة بلغ ٢٤٠ من أصل ٦٠٠ موظف. كان الاستبيان هو طريقة جمع بيانات البحث لهذه الدراسة. تم استخدام نهج كمي، وقد أجري تحليل البيانات باستخدام برنامج الحزمة الإحصائية للعلوم الاجتماعي (SPSS). تقدم نتائج هذه الدراسة رؤى قيمة لإدارة المستشفيات، حيث أشارت إلى أن تنوع الجنس، تنوع الجنسية، وتنوع التعليم لها تأثير على الأداء التنظيمي، بينما تنوع العمر وتنوع العرق ليس لهما تأثير على الأداء التنظيمي.

الكلمات المفتاحية: التنوع الثقافي، الأداء التنظيمي، تنوع الجنس، تنوع العمر، تنوع الجنسية، تنوع التعليم، تنوع العرق، المستشفيات

^١ قسم إدارة الأعمال، كلية العلوم الإدارية، الجامعة اللبنانية الدولية، عدن، اليمن

^٢ قسم إدارة الأعمال، كلية العلوم الإدارية، جامعة العلوم والتكنولوجيا، عدن، اليمن

* عنوان المراسلة: i.abdulsattar@aden.ust.edu

Introduction

The healthcare industry is one of the world's fastest-growing and most economically significant sectors, providing rehabilitative, palliative, preventive, and curative services through hospitals, medical practices, and other health activities. However, it currently faces a major global challenge—a shortage of healthcare professionals, which negatively affects overall healthcare delivery. To address this, human resource departments must develop effective strategies to attract and retain healthcare workers. Moreover, workforce diversity plays a crucial role in improving organizational performance. As societies undergo demographic changes, cultural diversity within organizations is increasing. Embracing this diversity allows companies to share experiences, generate new ideas, and enhance innovation and growth.

Problem Statement

Globalization has increased the number of ethnic and racial minorities in the workforce, resulting in a complex workforce and cultural barriers such as speaking different languages and holding different cultural beliefs. This can negatively impact OP. Some healthcare organizations lack appropriate strategies for dealing with employees of different nationalities and cultural backgrounds, resulting in a lack of performance improvement.

Unmanaged diversity in the workplace might become an obstacle for achieving organizational goals. Therefore, diversity can be perceived as a "double-edged sword." It has been observed that workplaces with a diverse workforce may experience conflict-like situations because of cultural differences (Chowdhury, 2021). Even in Yemeni hospitals that are really practicing cultural diversity and also have different cultural backgrounds, they face challenges in order to provide high-quality health services, such as improved patient care, greater innovation, and a stronger organizational reputation. Most of the previous studies explored the impact of gender and education on employees and OP in different industries, while there is limited empirical research that investigated and discussed the impact of nationality, ethnicity, and age on hospitals; therefore, this study aims to fill this gap by examining the impact of cultural diversity on OP in Aden hospitals in Yemen.

Research Objectives

This research aims at investigating the following objectives:

1. To investigate the impact of gender diversity on OP.
2. To examine the impact of age diversity on OP.
3. To explain the impact of nationality diversity on OP.
4. To identify the impact of ethnic diversity on OP.
5. To assess the impact of education diversity on OP.

Research Questions

There are some questions obtained from the problem statement that this study is to respond to, analyze, and find solutions to:

Q1: Does gender diversity have a significant impact on OP?

Q2: Does age diversity have a significant impact on OP?

Q3: Does nationality diversity have a significant impact on OP?

Q4: Does ethnic diversity have a significant impact on OP?

Q5: Does education diversity have a significant impact on OP?

Significance of the Study

The significance of the study is based on increased cultural diversity within the environment of hospitals that is resulting in the creation of teams and project groups that have members from diverse cultural backgrounds. Effective management plays a vital role in ensuring that the task is carried out in the same manner as planned and also in ensuring that the project deliverables are met in an efficient and effective manner. Therefore, the research outcomes would help to analyze and investigate the impact of cultural diversity on OP and will add value to the knowledge and address how to deal with it in the hospital and how to create a positive environment.

In the practical aspect, this research will help the other healthcare sectors avoid the barriers and challenges the research would specifically carry out. Also, hospital management can optimize the workforce and OP and enhance patient care in culturally diverse healthcare settings.

Scope of the Study

The study will be conducted in Aden, including 3 hospitals (Cuban Modern Hospital, Prince Mohammed bin Salman Hospital, and Aden German International Hospital) that have been selected where the criteria of employee diversity are followed.

Definitions of Terms

Cultural Diversity: It refers to the recognition, respect, appreciation, and acknowledgment accorded to people of different cultures within an organization that encourage and celebrate the differences and create a harmonious and productive workplace involving distinctions in gender, age, ethnicity, language, class, religion, profession, nationality, geographical locations, or lifestyle of the workforce (Dover, Kaiser, & Major, 2019; Grigoryan & Schwartz, 2020).

Organizational Performance: It refers to the evaluation and assessment of an organization's effectiveness in achieving its goals, objectives, and desired outcomes. It encompasses various dimensions of performance, reflecting the success and productivity of the organization. (Robbins et al., 2020). In addition, OP is the level of performance with which employees achieve the company's mission in the workplace. Employees' careers are determined by the degree to which a particular

goal or task is achieved, which defines the limits of performance (Mulu & Zewdie, 2021).

LITERATURE REVIEW

Introduction

This part provides a comprehensive review of the existing literature relevant to the research topic, which comprises the meaning and importance. It also includes empirical literature and a conceptual framework. It contains five major sections.

Organizational Performance

According to Sangiorgi and Siboni (2017), OP is the ability to access and manage various organizational resources to achieve its goals and objectives. There is a consensus among researchers that a performance measurement system is crucial for organizations, as it provides information about the quality of their operations within organizations, helps develop strategic plans, and evaluates the achievement of organizational objectives.

Cultural Diversity

Cultural diversity is the existence of different individuals from different cultures or societies, whose differences arise from language, religion, gender, age, and ethnicity. (Stahl & Maznevski, 2021; Raithel et al., 2021). According to Al-Raisi et al. (2019), cultural diversity is a term that defines different aspects of cultural or ethnic groups that exist within society. Cultural diversity focuses more on ethnicity, customs, religion, origin, languages, and nationality.

Gender Diversity

Gender often plays a significant role in affecting employees' performance, performance ratings, and related human resource decisions (Sturman, 2003). According to Nelson and Burke (2002), the effect of gender on outcomes is particularly important in the work environment. When supervisors and managers evaluate performance, male and female employees' evaluations may be influenced by gender stereotypes, resulting in more negative evaluations of women's job-related activities (Maurer & Taylor, 1994; Nieva & Gutek, 1989).

Age Diversity

Age is a somewhat unique aspect in that it is not as permanent as gender (Van der Zee, 2008). Several studies have examined the effects of age on perceptions of cultural diversity. Older employees are more likely to have a high-power distance, as they tend to react when they feel their manager cannot lead (Wessels, 2008). According to Wessels, older workers have higher levels of loyalty to the organization, work harder, and work better as a team (Wessels, 2008), which means that older workers are more prone to collectivism.

Nationality Diversity

Rosenauer et al. (2016) stated that diversity is primarily about differences in the characteristics of a workforce group in which employees can differ from or be similar to one another. Stahl et al. (2010) found that nationality is likely to serve as a characteristic of an employee in an organization. Van Knippenberg and Schippers (2013) showed that easily observable superficial characteristics such as names, physical appearance, and speech accents, or profound differences in cultural norms, increase the influence of different nationalities on the workforce.

Ethnic Diversity

Sayers (2012) defined ethnicity as a shared culture, tradition, rituals, routine practices, costumes, beliefs, and values. According to Makokolo (2005), ethnicity is a tribe with a common origin and destiny. Ostergaard, Timmermans, and Kristinsson (2011) concluded that ethnicity could serve as a proxy for cultural background. Furthermore, Pitts, Hicklin, Hawes, & Melton (2010) stated that institutions are becoming more ethnically diverse, so it is important to analyze how ethnic groups interact at work.

Educational Diversity

Once the employee completes advanced education, more opportunities for positions in other organizations become available to him, potentially leading to part-time work or turnover, both of which can negatively impact the employee's performance over time. According to Craftsman and Fredrickson (2001), international experience and diverse educational backgrounds are clearly identified with the organization's ability to secure prominent global positions among leading administrative groups.

Research Framework

The purpose of the research framework development is to examine the relationships between cultural diversity and OP at hospitals in Aden. The theoretical framework proposed in this study comprises the independent variables (gender, age, nationality, ethnicity, and education); OP is considered to be the dependent variable in the theoretical framework, as illustrated in Figure 2.1.

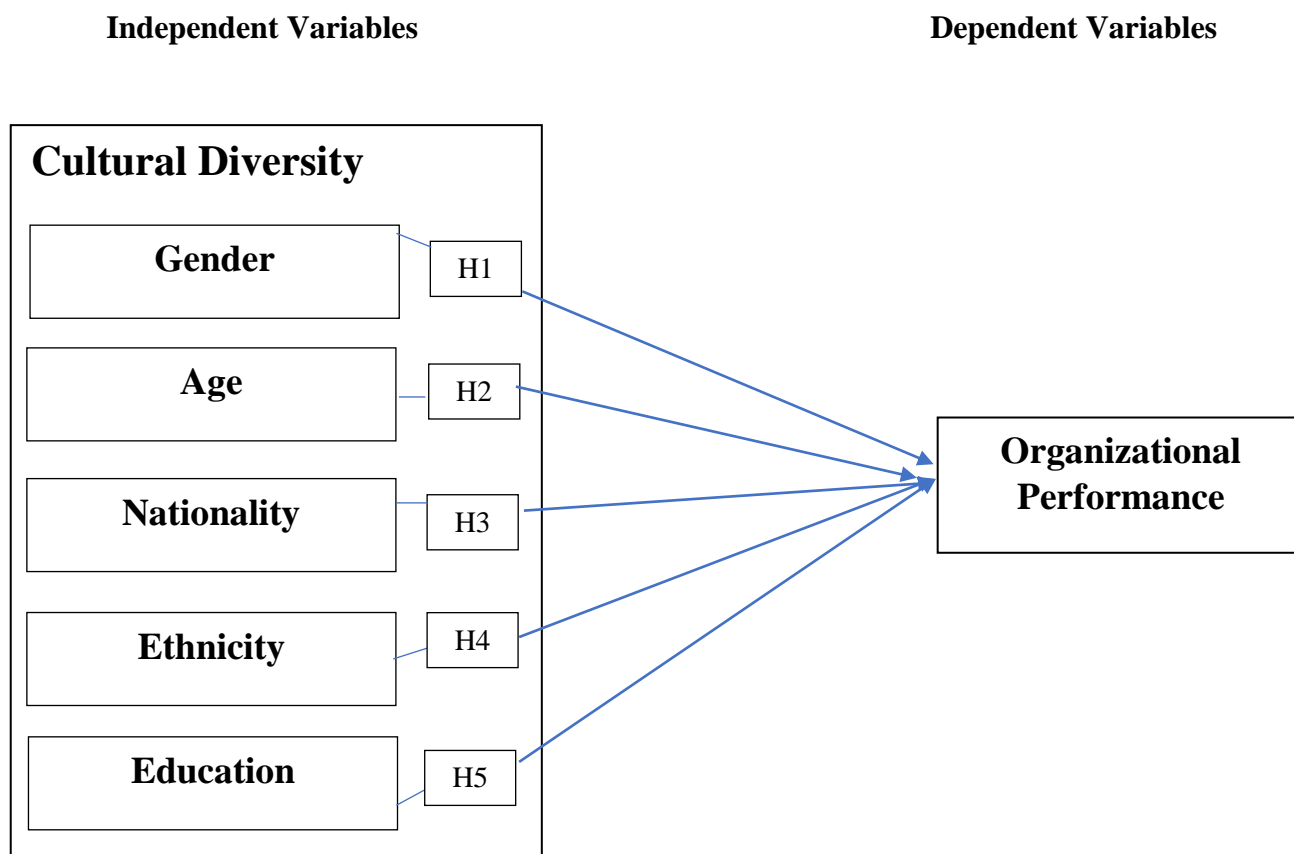


Figure 1. Conceptual framework

Hypotheses

A number of hypotheses have been constructed to address the stated research issues, based on the existing literature review and theoretical development covered in earlier parts. The following are the hypotheses:

- H1: Gender diversity is significantly associated with OP.
- H2: Age diversity is significantly associated with OP.
- H3: Nationality Diversity is significantly associated with OP.
- H4: Ethnicity diversity is significantly associated with OP.
- H5: Education diversity is significantly associated with OP.

RESEARCH METHODOLOGY

Research Design

A research design is the set of processes that are used in collecting and analyzing measures of the variables stipulated in the problem research (Manglik, 2020). This study used a quantitative approach because the symptoms were converted into numbers analyzed using statistics. According to Creswell and Creswell (2018), quantitative research requires researchers to explain how variables affect other variables. In addition, quantitative research has a purpose to test hypotheses.

Hypothesis testing is carried out to explain the variance in the dependent variable or to predict research results. (Sekaran & Bougie, 2016).

Population and Sampling

A population is a complete set of individuals or objects sharing a common characteristic. (Creswell & Creswell, 2018). The process of selecting a subset of a total population as employees to study is known as sampling (Leedy & Ormrod, 2019).

Population

The targeted population for this study is the hospitals' staff members working in different hospitals located in Aden Governorate. The hospitals were selected based on their diversity of staff and their commitment to promoting cultural diversity among them. The staff members included hospital managers and staff from different departments, such as physicians, nurses, technicians, and administrative personnel, who are all part of the study's target audience, with a total of approximately 600 employees.

Sample Size

The sample technique used in this study was convenient sampling. The questionnaire was distributed to all employees, including all departments in the hospitals; the researcher was collecting the responses until the targeted number of subjects' responses were received. The sample size is 234 for a population of 600 elements based on the Krejcie and Morgan table. Yet, the number of completed and received questionnaires is 240.

Instrumentation

The questionnaire is the research data gathering method for this study. A standardized survey questionnaire was constructed for data collection, which was carefully tailored to meet the study aims. Closed-ended questions were used in this questionnaire, which gives ready answers thought out in advance by the researcher. The questionnaire uses a 5-level Likert scale with ready-made responses as "Strongly Disagree," "Disagree," "Neutral," "Agree," and "Strongly Agree."

The respondents were mainly given five levels of all thirty-four statements regarding the relation between OP and cultural diversity to get their answer.

Data Collection

The research used copies of the questionnaire that were personally administered and distributed to the respondents in order to collect the primary data. The study's secondary data was gathered from earlier investigations into cultural diversity and how it affects OP in books, articles, and papers. Questionnaires were used as primary data collection instruments. The questionnaires investigated the

impact of cultural diversity on OP using a structured questionnaire. A five-point Likert scale was employed while structuring and answering the questionnaires. Closed-ended questions were employed, and the questionnaires were dropped and picked up later from the respondents. The collected data was done after obtaining permission documentation from the selected hospitals to legitimize the entire data collection process.

Data Analysis

In this study, the primary technique of data collection is questionnaires to elicit information from the respondents. Then, to facilitate straightforward analysis, the data gathered from the questionnaire was coded and entered into the SPSS (Statistical Package for Social Sciences) software, summarized, and presented using other statistical methods, such as descriptive statistics like frequencies, percentages, means, and standard deviations. A comprehensive set of statistical tests was employed to analyze the data and evaluate the hypotheses effectively. First, a reliability test was conducted using Cronbach's Alpha to assess the reliability of the study scale. This test ensures that the items within the scale consistently measure the same underlying construct. Following this, validity assessment was performed through Pearson correlation coefficients, which helped determine the strength and direction of relationships between variables, thereby validating the measurement of the constructs involved in the study.

Descriptive statistics were also utilized to summarize the demographic characteristics of the participants, providing frequencies and percentages. Furthermore, descriptive statistics were employed to characterize the main features of the collected data, including means, standard deviations (SD), and relative importance indices (RII) for various constructs, such as organizational performance and the dimensions of cultural diversity (gender, age, nationality, ethnicity, and education). This descriptive analysis offered insights into the general trends and distributions within the dataset. Correlation analysis was conducted to calculate Pearson correlation coefficients, which assessed the strength and direction of the relationships between the different dimensions of cultural diversity and organizational performance. This analysis was crucial for identifying significant correlations among the variables, providing a deeper understanding of how cultural diversity influences organizational performance.

To evaluate the impact of various predictors (cultural diversity dimensions) on the dependent variable (organizational performance), multiple and simple regression analyses were employed. This regression analysis provided coefficients (B), t-values, and p-values, allowing the researcher to determine the significance of each predictor's effect on organizational performance.

Data Screening

In this study, out of 240 questionnaires distributed to employees of the selected hospitals in Aden, Yemen, 240 questionnaires were successfully completed and entered into SPSS for analysis.

Sample Profile

A survey questionnaire was distributed to 240 employees. The total number of surveys received for the current research was 240, and they were valid. Therefore, the overall response rate of 100% was obtained. The characteristics of the respondents are explained in the next sub-sections by using frequency analysis.

Gender Frequency

Table 1. Gender Frequency

	N	%
Female	96	40.0%
Male	144	60.0%

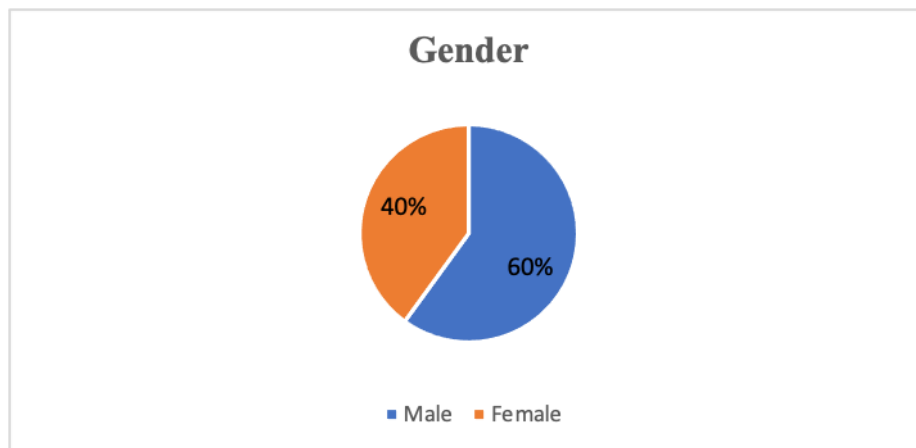


Figure 2. Gender frequency

The sample consists of 240 participants, with 60% male (144) and 40% female (96), indicating a higher representation of males.

Age Frequency

Table 2. Age Frequency

	N	%
≤ 20 years	7	2.9%
21-30 years	93	38.8%
31-40 years	70	29.2%
41-50 years	28	11.7%
>50 years	42	17.5%

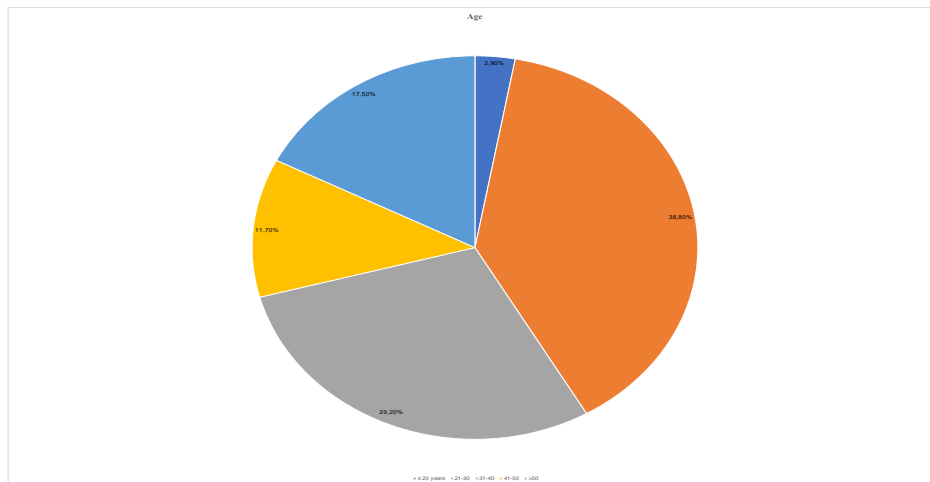


Figure 3. Age frequency

In terms of age, the majority of respondents (38.8%) fall within the 21-30 years age group, followed by 29.2% in the 31-40 years range. A smaller proportion of participants are less than or equal to 20 years old (2.9%), while 11.7% are aged between 41 and 50 years, and 17.5% are over 50 years old.

Education Level Frequency

Table 3. Education Level Frequency

	N	%
Secondary	18	7.5%
Diploma	37	15.4%
Bachelor	126	52.5%
Master	35	14.6%
PhD	24	10.0%

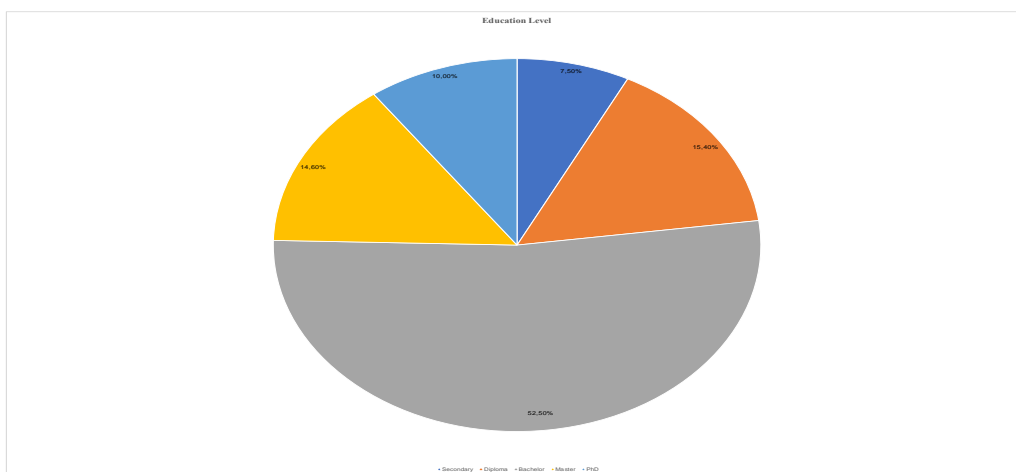


Figure 4. Education level frequency

Regarding education level, most of the participants (52.5%) hold a bachelor's degree, 15.4% of them have a diploma degree, and 14.6% of them possess a master's degree. Additionally, 10% of respondents have completed a PhD, while 7.5% of them have only a secondary education.

Position Frequency

Table 4. Position Frequency

	N	%
Employee	208	86.7%
Middle management	23	9.6%
Top management	9	3.8%

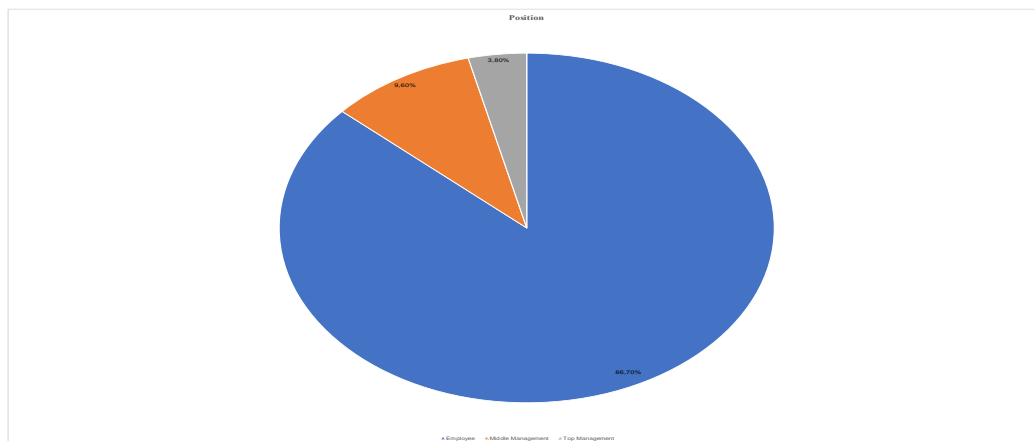


Figure 5. Position frequency

When it comes to position, a large majority of the participants (86.7%) are employees, while 9.6% hold middle management roles and only 3.8% are in top management.

Experience Frequency

Table 5. Experience Frequency

	N	%
<2	31	12.9%
2-5	57	23.8%
6-10	57	23.8%
>10	95	39.6%

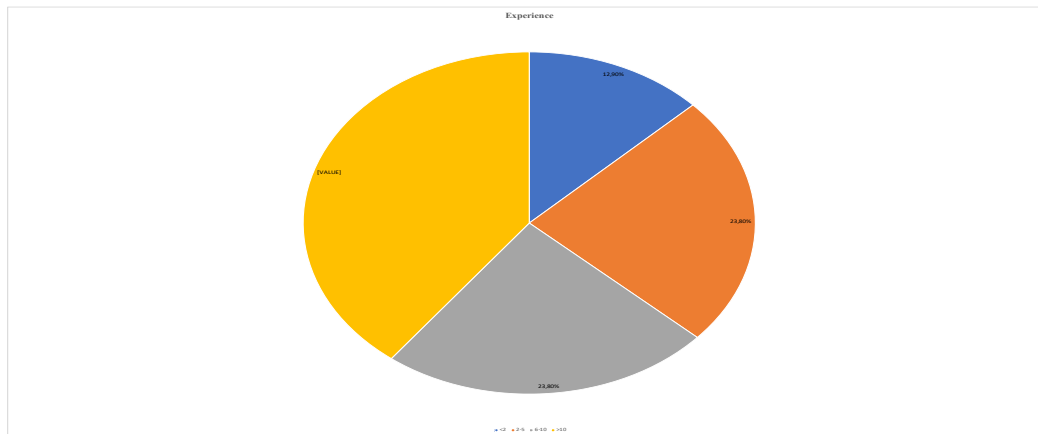


Figure 6. Experience frequency

In terms of work experience, the largest group (39.6%) has over 10 years of experience. Equal proportions (23.8%) have 2-5 years or 6-10 years of experience, and 12.9% have less than 2 years of experience.

Descriptive Statistics

Table 6. Descriptive Analysis

Mean score range	Label
1.00 – 1.80	Very Low
1.81 – 2.60	Low
2.61 – 3.40	Moderate
3.41 – 4.20	High
4.21 – 5.00	Very High

Descriptive Statistics of Organizational Performance

Table 7. Descriptive Statistics of OP

No	Item	Mean	SD	RII	Label
1	OP1	3.150	1.093	63.0%	Moderate
2	OP2	3.130	1.018	62.6%	Moderate
3	OP3	2.820	1.203	56.4%	Moderate
4	OP4	3.590	1.098	71.8%	High
5	OP5	3.660	1.067	73.2%	High
6	OP6	3.430	1.140	68.6%	High
7	OP7	3.500	1.161	70.0%	High
8	OP8	3.550	1.167	71.0%	High
	Organizational Performance	3.353	0.670	67.1%	Moderate

As shown in Table 7, item OP5 ranked the highest level of perception (mean = 3.660, SD = 1.067), while item OP3 ranked the lowest level of perception (mean = 2.820, SD = 1.203). The overall mean score of the "Organizational Performance" is 3.353 with a standard deviation (SD) of 0.670, indicating a moderate level of

organizational performance perception with a relative importance index (RII) of 67.1%.

Cultural Diversity overall dimensions

Table 8. Descriptive Statistics overall dimensions

	Mean	SD	RII	Label
Gender diversity	3.450	0.707	69.0%	High
Age diversity	3.613	0.568	72.3%	High
Nationality diversity	3.705	0.527	74.1%	High
Ethnicity diversity	3.314	0.468	66.3%	Moderate
Education Diversity	2.790	0.524	55.8%	Moderate
Cultural Diversity	3.372	0.357	67.4%	Moderate

As shown in Table 8, the overall dimensions of cultural diversity reveal varied levels of perception across different categories. Gender diversity scored a mean of 3.450 (SD = 0.707) with a relative importance index (RII) of 69.0%, indicating a high perception. Similarly, age diversity received a mean of 3.613 (SD = 0.568) and an RII of 72.3%, also reflecting high perception. Nationality diversity scored the highest among the categories with a mean of 3.705 (SD = 0.527) and an RII of 74.1%, categorizing it as high. Ethnicity diversity had a mean of 3.314 (SD = 0.468) with an RII of 66.3%, representing a moderate perception. Education diversity ranked lowest with a mean of 2.790 (SD = 0.524) and an RII of 55.8%, also classified as moderate. Overall, the mean score for cultural diversity is 3.372 (SD = 0.357), which is categorized as moderate, with an RII of 67.4%.

Descriptive Statistics of Gender Diversity

Table 9. Descriptive Statistics of Gender Diversity

No	Item	Mean	SD	RII	Label
1	G1	3.370	1.244	67.4%	Moderate
2	G2	3.420	1.118	68.4%	High
3	G3	3.380	1.183	67.6%	Moderate
4	G4	2.880	1.187	57.6%	Moderate
5	G5	4.200	0.851	84.0%	Very High
	Gender diversity	3.450	0.707	69.0%	High

As revealed in Table 9, item G5 ranked the highest level of perception regarding gender diversity (mean = 4.200, SD = 0.851), indicating a very high perception, while item G4 ranked the lowest (mean = 2.880, SD = 1.187), reflecting a moderate perception. The overall mean score for the "Gender Diversity" dimension is 3.450 with a standard deviation (SD) of 0.707, suggesting a high level of perception with a relative importance index (RII) of 69.0%.

Descriptive Statistics of Age Diversity

Table 10. Descriptive Statistics of Age Diversity

No	Item	Mean	SD	RII	Label
1	A1	3.310	1.057	66.2%	Moderate
2	A2	3.880	0.958	77.6%	High
3	A3	3.730	1.033	74.6%	High
4	A4	3.150	1.215	63.0%	Moderate
5	A5	4.000	0.826	80.0%	High
	Age diversity	3.613	0.568	72.3%	High

As presented in Table 10, item A5 ranked the highest level of perception regarding age diversity (Mean = 4.000, SD = 0.826), indicating a high perception, while item A1 ranked the lowest (Mean = 3.310, SD = 1.057), reflecting a moderate perception. The overall mean score for the "Age Diversity" dimension is 3.613 with a standard deviation (SD) of 0.568, suggesting a high level of perception with a relative importance index (RII) of 72.3%.

Descriptive Statistics of Nationality Diversity

Table 11. Descriptive Statistics of Nationality Diversity

No	Item	Mean	SD	RII	Label
1	N1	3.510	1.002	70.2%	High
2	N2	4.390	0.538	87.8%	Very High
3	N3	3.540	0.923	70.8%	High
4	N4	3.470	1.067	69.4%	High
5	N5	3.610	1.045	72.2%	High
	Nationality diversity	3.705	0.527	74.1%	High

As displayed in Table 11, item N2 ranked the highest level of perception regarding nationality diversity (mean = 4.390, SD = 0.538), indicating a very high perception, while item N1 ranked the lowest (mean = 3.510, SD = 1.002), reflecting a high perception. The overall mean score for the "Nationality Diversity" dimension is 3.705 with a standard deviation (SD) of 0.527, suggesting a high level of perception with a relative importance index (RII) of 74.1%.

Descriptive Statistics of Ethnicity Diversity

Table 12. Descriptive Statistics of Ethnicity Diversity

No	Item	Mean	SD	RII	Label
1	Et1	3.920	0.886	78.4%	High
2	Et2	3.670	0.953	73.4%	High
3	Et3	3.600	0.945	72.0%	High
4	Et4	2.560	1.085	51.2%	Low
5	Et5	2.440	0.953	48.8%	Low
6	Et6	3.690	0.949	73.8%	High
	Ethnicity diversity	3.314	0.468	66.3%	Moderate

As shown in Table 12, item Et1 ranked the highest level of perception regarding ethnicity diversity (Mean = 3.920, SD = 0.886), indicating a high perception, while item Et5 ranked the lowest (Mean = 2.440, SD = 0.953), reflecting a low perception. The overall mean score for the "Ethnicity Diversity" dimension is 3.314 with a standard deviation (SD) of 0.468, suggesting a moderate level of perception with a relative importance index (RII) of 66.3%.

Descriptive Statistics of Education Diversity

Table 13. Descriptive Statistics of Education Diversity

No	Item	Mean	SD	RII	Label
1	Ed1	3.530	0.954	70.6%	High
2	Ed2	2.730	0.927	54.6%	Moderate
3	Ed3	2.540	1.058	50.8%	Low
4	Ed4	2.450	0.945	49.0%	Low
5	Ed5	2.700	0.898	54.0%	Moderate
	Education Diversity	2.790	0.524	55.8%	Moderate

As displayed in Table 13, item Ed1 ranked the highest level of perception regarding education diversity (Mean = 3.530, SD = 0.954), indicating a high perception, while item Ed4 ranked the lowest (Mean = 2.450, SD = 0.945), reflecting a low perception. The overall mean score for the "Education Diversity" dimension is 2.790, with a standard deviation (SD) of 0.524, suggesting a moderate level of perception and a relative importance index (RII) of 55.8%.

Hypothesis Testing

Testing the main hypothesis of the study:

Table 14. Main Hypothesis Model Summaryb

Model	R	R Square	Adjusted Square	R Std. Error
1	.497a	.247	.243	.58245

a. Predictors: (Constant), Cultural Diversity
b. Dependent Variable: Organizational performance

The regression analysis results reveal a moderate relationship between cultural diversity (predictor) and organizational performance (dependent variable). The model summary shows an R value of .497, indicating a moderate positive correlation between the two variables. The R-squared value of .247 implies that 24.7% of the variance in organizational performance is explained by cultural diversity.

Table 15. ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.434	1	26.434	77.920	<.001b
	Residual	80.742	238	.339		
	Total	107.176	239			

a. Dependent Variable: Organizational Performance
b. Predictors: (Constant), Cultural Diversity

The ANOVA table confirms the model's statistical significance, with an F-value of 77.920 and a p-value of <.001, indicating that the regression model is a good fit and the relationship between the variables is highly significant.

Table 16. Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Cultural Diversity	.931	.105	.497	8.827	<.001

a. Dependent Variable: Organizational performance

The findings of the study showed that there is a statistically significant impact of cultural diversity on organizational performance (B = .931, t = 8.827, p < .001). Therefore, this hypothesis is supported. This finding is explained through the lens of Social Identity Theory and the Resource-Based View (RBV).

Sub-hypotheses Testing

The results from the regression analysis provide insights into the effects of different diversity dimensions (gender, age, nationality, ethnicity, and education) on organizational performance.

Model Summary:

Table 17. Sub-hypothesis Model Summaryb

Model	R	R Square	Adjusted Square	R Std. Error
1	.579a	.335	.321	.55171
a. Predictors: (Constant), Education Diversity, Nationality diversity, Gender diversity, Ethnicity diversity, Age diversity				
b. Dependent Variable: Organizational performance				

The model shows an R value of .579, indicating a moderate positive correlation between the diversity factors and organizational performance. The R-squared value of .335 means that 33.5% of the variance in organizational performance is explained by the combined diversity factors. The adjusted R-squared value of .321 accounts for the number of predictors and sample size, and the standard deviation of the estimate is .55171, indicating the average deviation of the actual scores from predicted scores.

Table 18. ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.950	5	7.190	23.621	<.001b
	Residual	71.227	234	.304		
	Total	107.176	239			
a. Dependent Variable: Organizational performance						
b. Predictors: (Constant), Education diversity, Nationality diversity, Gender diversity, Ethnicity diversity, Age diversity						

The ANOVA table shows an F-value of 23.621 and a p-value of <.001, indicating that the overall model is statistically significant, and the predictors together significantly explain the variance in organizational performance.

Table 19. Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Gender diversity	.482	.058	.509	8.248	<.001
Age diversity	-.072-	.075	-.061-	-.963-	.336
Nationality diversity	.169	.078	.133	2.171	.031
Ethnicity diversity	.063	.086	.044	.735	.463
Education Diversity	.146	.072	.114	2.028	.044

a. Dependent Variable: Organizational performance

The findings of the study showed that there is a statistically significant impact of gender diversity on organizational performance (B = .482, t = 8.248, p < .001); therefore, this hypothesis is supported. However, age diversity does not have a statistically significant impact on organizational performance (B = -.072, t = -.963, p = .336), so this hypothesis is not supported. There is a statistically significant impact of nationality diversity on organizational performance (B = .169, t = 2.171, p = .031); therefore, this hypothesis is supported. The impact of ethnic diversity on organizational performance is not statistically significant (B = .063, t = .735, p = .463); hence, this hypothesis is not supported. Finally, there is a statistically significant impact of education diversity on organizational performance (B = .146, t = 2.028, p = .044), and thus, this hypothesis is supported.

DISCUSSION AND CONCLUSION

Discussion

The main purpose of this study is to explore the relationship between cultural diversity and OP. In order to achieve that, research hypotheses were developed for the purpose of answering the five main research questions.

Q1: Does gender diversity have a significant impact on OP?

In order to answer Question 1, research hypothesis one was developed, which assumes that:

H1: Gender diversity is significantly associated with OP.

According to the results of the regression analysis, gender has a significant impact on OP (B = .482, t = 8.248, p < .001). Therefore, the first hypothesis is supported. Goldman et al. (2006), Eagly and Carli (2007), and Smith, Verner, and Vyas (2006) argued that there is a positive relationship between gender diversity and OP. This agrees with the findings of this study, which asserted that the higher the level of gender diversity, the better the OP.

Q2: Does age diversity have a significant impact on OP?

In order to answer Question 2, research hypothesis two was developed, which assumes that:

H2: Age diversity is significantly associated with OP.

According to the results of the regression analysis, age diversity does not have a statistically significant impact on organizational performance ($B = -.072$, $t = -.963$, $p = .336$), so this hypothesis is not supported. Gupta (2013) and Childs Jr. (2005) argued that there is no significant relationship between age diversity and OP. This aligns with the findings of this study, which find that OP is not affected by any change in age diversity levels.

Q3: Does nationality diversity have a significant impact on OP?

In order to answer Question 3, research hypothesis three was developed, which assumes that:

H3: Nationality Diversity is significantly associated with OP.

According to the results of the regression analysis, there is a statistically significant impact of nationality diversity on organizational performance ($B = .169$, $t = 2.171$, $p = .031$); therefore, this hypothesis is supported. Erhardt et al. (2003), Carter et al. (2003), and Richard (2000) argued that there is a positive relationship between nationality diversity and OP. This aligns with the findings of this study, which asserted that the higher the level of nationality diversity, the better the OP.

Q4: Does ethnic diversity have a significant impact on OP?

In order to answer Question 4, research hypothesis four was developed, which assumes that:

H4: Ethnicity diversity is significantly associated with OP.

According to the results of the regression analysis, the impact of ethnic diversity on organizational performance is not statistically significant ($B = .063$, $t = .735$, $p = .463$). Hence, this hypothesis is not supported. Jung (2010) argued that there is no significant relationship between ethnic diversity and OP. This agrees with the findings of this study, which find that OP is not affected by any change in ethnicity diversity levels.

Q5: Does education diversity have a significant impact on OP?

In order to answer Question 5, research hypothesis five was developed, which assumes that:

H5: Education diversity is significantly associated with OP.

Finally, there is a statistically significant impact of education diversity on organizational performance ($B = .146$, $t = 2.028$, $p = .044$), and thus, this hypothesis is supported. Childs Jr. (2005) and Eugene et al. (2011) argued that there is a positive relationship between education diversity and OP. This agrees with the findings of this study, which asserted that the higher the level of education diversity, the better the OP.

Recommendations

Based on the findings, the study provides a set of recommendations for hospital leaders and other diversity practitioners aimed at leveraging cultural diversity to improve organizational performance. Building on the insights from the analysis, while cultural diversity presents unique challenges, it also offers significant opportunities for innovation, creativity, and improved decision-making. The recommendations presented here are intended to help organizations cultivate an inclusive culture that values diverse perspectives and experiences.

A. For Hospitals

Organizations can improve employee performance and productivity by creating fair, inclusive, and comfortable workplaces. This requires diversity programs that encourage respect and equality, along with continuous unbiased training to help employees understand different cultures. Recruitment should intentionally reach diverse groups, and HR must ensure hiring decisions are based only on merit, free from any form of discrimination.

B. For Employees

Working with people from different cultures can be challenging, so employees need to stay open-minded and understand others' perspectives, attitudes, and cultural norms. Effective communication and knowledge sharing help reduce conflicts. When employees respect each other's cultural values, differences are minimized, mutual understanding grows, and the chances of conflict within teams decrease.

Limitations

The study faced several limitations. First, delays occurred because hospitals needed additional time before allowing questionnaire distribution and data collection. Respondent bias was another challenge, as some participants were unwilling to complete the time-consuming questionnaire. Limited financial resources also restricted access to important research papers, forcing the researcher to spend extra time searching for alternative sources and slowing the overall progress of the project.

Future Research

This research examines how cultural diversity affects organizational performance at hospitals in Aden. It focuses on the gender, age, nationality, ethnicity, and education of the workforce and whether it will affect their performance in an organization using quantitative measures. Future research could replicate this study using modified variables across different organizations and industries. Researchers are encouraged to broaden the scope to include additional dimensions of cultural diversity—such as experience, skills, disabilities, and communication—to

gain clearer insights into diversity management in Yemen. Studies should also use both quantitative and qualitative methods, include open-ended questions, and expand sample sizes for more accurate results. Overall, future research should aim for a deeper understanding of how cultural diversity affects organizational performance.

Conclusion

This study aims to explore the impact of cultural diversity (gender, age, nationality, ethnicity, and education) and OP at the Cuban Modern Hospital, Aden German International Hospital, and Prince Mohammed bin Salman Hospital in Aden, Yemen, which were selected due to the criteria of diversity in the above-mentioned hospitals.

The sample size was 240 employees who received the questionnaire out of a population of 600, where the response rate was 100%. The reliability results range of the questionnaire is about .740. The researcher used a time horizon one-shot cross-sectional study design, collecting data at a single point in time to answer the study questions.

A hand-distributed questionnaire was used to collect data, which was analyzed using SPSS. The results show that gender diversity, nationality diversity, and education diversity each have a positive relationship with organizational performance (OP); increasing any of these forms of diversity leads to higher OP. In contrast, age diversity and ethnicity diversity show no relationship with OP, indicating that changes in these variables do not affect performance.

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