

**IMPACT OF EMPLOYEES' DIVERSITY ON TEAM PERFORMANCE OF
SELECTED BANKS IN TRINCOMALEE DISTRICT**



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Index Number: MBA 173


Registration Number: EU/PGS/MBA/2020/09

A Skill Report

**submitted to the Faculty of Commerce and Management,
Eastern University as a partial fulfillment of the requirements of
the**

Master of Business Administration (MBA)



MBA 63

Thesis
Library - EUSL

**Postgraduate Unit
Faculty of Commerce and Management
Eastern University, Sri Lanka**

October, 2022

Abstract

Despite the adoption of the employee diversity legislation by public institutions, the impact of the diversity programs at the organization level still needs to be identified since these programs are executed deliberately by human resource managers, and may have varied adaptations and unintended consequences. This study therefore sought to establish the impact of employee diversity on team performance of banks in Trincomalee District. The study categorized employees' diversity under the categories of social diversity, skills diversity and values diversity. The study targeted the employees of selected banks in Trincomalee District using stratified random sampling method. The study adopted a descriptive survey design. Primary data was collected via structured questionnaires. The data was analyzed using both descriptive & statistical measures. Descriptive statistics included: frequencies, percentages, mean scores and standard deviations. Inferential statistics namely; regression, correlation analysis and hypothesis testing were employed to determine the impact of employees' diversity (social, skills and values) on team performance. Employee diversity was found to affect customer satisfaction, market share, employee satisfaction, service quality and employee performance with the most significant impact being on team performance. The study found skills category diversity to be the most significant factor that positively affected the team performance of the selected banks. Social category diversity was found to impact on team performance positively and was the second most influencing factor. This was followed by values diversity that also had positive impact but it was the third influencing factor on team performance. The impact of employees diversity on team performance of the selected banking sector in Trincomalee District was found to be moderated by the external environment, organization management, policies and leadership.

Key words: Employee Diversity, Team Performance, Social Diversity, Skills Diversity, Values Diversity

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