

# Cultural Diversity Management Strategies and Organizational Performance of Multinational Companies in Nigeria

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**Abstract:** *This study investigated the relationship between cultural diversity management strategies and organizational performance of multinational firms in Rivers State. The study is designed as a cross sectional survey and draws data using the structured questionnaire from 208 workers from a population of 464 staff within the multinational firms. The study, using the Spearman's rank order correlation coefficient tested the relationship between the dimensions of cultural diversity management – investiture, assimilation and divestiture; and the measure of organizational performance – creativity. All results revealed significant relationships; hence a rejection of all previously stated hypotheses. In conclusion it was stated that the practice of investiture, assimilation and divestiture enhances the relationship between workers within the organization and also affords them sound supportive grounds upon which they become more aware and are able to improve the overall performance of multinational companies in Rivers State. Thereafter it was recommended that organizations should develop structures that support and facilitate practices such as investiture, assimilation and divestiture within their workplace in a way that facilitates and drives the learning and value alignment of groups within the organization.*

**Key words:** *Assimilation, Creativity, Cultural diversity management strategies, Divestiture, Investiture, Organizational Performance, Multinational companies, Rivers State*

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## 1.0 Introduction

Expanding globalization requires more communication among individuals from differing societies and foundations than any time in recent memory. People never again live and work in an isolated commercial center, they are presently part of an overall economy with rivalry originating from about each mainland. Therefore, associations need decent variety to turn out to be increasingly innovative and open to change. In this way, expanding and exploiting work place assorted variety has become a significant issue for the management today. Ewanlen, Ogendengbe and Rebman (2012), set that the method for getting things done in one culture may not generally be the equivalent in another nation. Thus, what is acceptable in one culture might be awful in another. Ewanlen *et al.*, (2012), further affirms that cultural contrasts do influence administrative conduct and practices, for example, arranging, sorting out, staffing and controlling. In

accordance with this view Dasanyaka and mahakalanda (2008) note that there is more noteworthy need to adjust to outer and inner changes of hierarchical culture since it has become basic today as the world is moving towards information based economy. Cultural diversity has been characterized as "the portrayal, in one arrangement of individuals with unmistakably extraordinary gathering affiliations of cultural criticalness". It has been concentrated in both lab and field setting. Research center examinations grounded in the incentive in diversity viewpoint (Earley & Mosakowski, 2000). It could be seen from the sneak peaks conversation that cultural diversity (CD) is an inexorably significant marvels that has expanded consideration and significance in the 21st century. There are significant realities and patterns that move this in the start of this century. One of the basic effects of relocation and globalization is the "emotional increment in the chance and need to collaborate with individuals" who are diverse in culture (Thomas & Inkson, 2009). It's quick turning into an unavoidable truth where intercultural connections happen paying little heed to a person's enthusiasm for colleague of someone else from a socially extraordinary foundation. In these cases the circumstance requests everyday associations grinding away, social or in instructive establishments (Allwood *et al.*, 2007).

In this way the reasoning has changed on cultural diversity from being a "mixture" to "multiculturalism", tolerating it as a fundamental piece of a general public (Parvis, 2003). These surmises the way that associations will progressively require globally practiced work power and it's a given that their capacity to deal with the cultural diversity assumes a significant job in their accomplishment later on (Stewart, 2007; Parvis, 2003). The cultural diversity is regularly seen as "a cultural reality", as in a nation "it comprise of residents/occupants with various social foundations" (Roth & Hertzberg, 2010). Such observation acknowledges the way that the nation has occupants from multicultural foundation, instead of it being treasured of it multi-social nearness and thinking about it as an essential assets.

According to Hamde (2008) posits that cultural diversity is experienced and managed at individual, social and at professional level increasingly in this country. This has likewise expanded the consideration and conversations on diversity when all is said and done (Fagerlind & Ekelov, 2001), particularly inside the hierarchical settings that unfurls and is additionally seen as a vital asset (Hamde, 2008,). Further an association is a field where "social development of diversity reveals the communication between the different components and instruments of working life which rises above customary outskirts between work showcase, workplace and work association" (De misfortune Reyes, 2001).

Different specialists likewise call attention to that more examinations inside the field of diversity, from a hierarchical point of view, are required today (De los Reyes, 2000) unmanaged diversity in the work spot may turn into a hindrance for accomplishing authoritative objectives. Consequently diversity can be seen as a "twofold edge sword".

Multinationals are generally regarded as the driving force of economic growth, job creation, and poverty reduction in developing countries (Aremu & Adeyemi, 2011). They have been the methods through which quickened monetary development and fast industrialization have been accomplished (Arinaitwe, 2002; Kiggundu, 2002; Sauser, 2005; Harris & Gibson, 2006). Therefore, the organizational performance of such enterprises offers substantial implications for the wellbeing of developing economies like Nigeria, and can be considered as being of foremost significance since it achieves an incredible appropriation of salary and riches, financial advancement, work and a large group of other positive, monetary elevating factors (Aremu, 2004).

Organizational execution is a definitive ward variable of enthusiasm for specialists

worried about pretty much any region of management. This expansive construct is basic in permitting specialists and managers to assess firms after some time and contrast them with rivals. This is the most important criterion in evaluating organizations, their actions, and environments. It comprises of genuine yield or consequences of an association as estimated against its planned outputs: goals and objectives. Organizational performance measures permit organizations to concentrate consideration on zones that need improvement by evaluating how well work is finished (Sauser, 2005; Kiggundu, 2002).

Every organization aims to sustain its existence and meet the needs of highly competitive markets by continuously improving its performance (Arinaitwe, 2002; Aremu, 2004). Chen and Dodd (2001) described organizational performance as the means of the transformation of inputs into outputs for achieving certain outcomes. Ely and Thomas (2001) described performance as the execution or accomplishment of work, tasks or goals to a certain level of desired satisfaction. There are several ways to understand organizational performance but a more consistent approach looks at it as the ability of an organization to act and carry out its operations in a manner that is cost considerate and with outcomes that are satisfactory to stakeholders. This is estimated as far as the following parameters; the efficiency of the organizations systems and processes, the level of productivity and the extent to which services or products are innovative or creative; as such satiating existing satisfaction gaps within markets.

Farrer (2006) accepts that, associations planning to grow their market and increase their presentation need to focus on identifying with a multi-social workforce. Jehn and Bezrukova (2004) express that the pattern of having distinctive work capacities and offices in an association that have various societies, includes a solid component of cultural diversity to the present workgroups in numerous associations. For an association to succeed and have a serious edge over the rest in the business, it needs to incredibly grasp diversity to be able to realize its benefits (Farrer, 2006). Having the option to effectively deal with cultural diversity issues just as create and actualize diversity plans gives an association a few advantages (Stahl, Maznevsk, Voigt & Jonsen, 2010).

In recent times, much exertion has been given to organizational performance by researchers and academics (Ittner & Larcker, 2001; Burton *et al.*, 2004), but exertion has been given to of such research has been to investigate factors that affect organizational performance in relation to the balance sheet of the organization involved (profit and loss). Moreover, these scholarly researches in their entirety have largely drawn on MNCs within the very defined and stable economic, political and internal structures of Western environment (Lui & Beamish, 2001; Peel & Bridge, 2002). A gap therefore, exists in relation to underdeveloped countries in general and Africa, in particular. This research empirically seeks to investigate the effect of cultural diversity management strategies on the organizational performance of multinational companies, particularly those operating inside the specific situation of Rivers State.

### **1.1 Statement of the Problem**

While much content has addressed the challenges of multinational corporations (MNCs) very little consideration has been paid to the internal dynamics of MNCs themselves so as to completely comprehend their impediments to creativity. The internal dynamics are being looked at as the surrogate for performance, success and failure (Linda & Robert, 2002). Internal dynamics further relate to what happens within the multinational companies (MNCs) themselves, the cognitive processes, the interpersonal relationship, interfaces within the organization, all these are captured by the cultural factors which define and shape the behaviour and level of interrelations within the organization.

This is as Ozoigbo and Chukuezi (2011) noted one of the major problems facing multinational firms and their performance within highly diverse contexts such as Nigeria, can be traced to their poor coordination and harmonization of the various facets, perspectives and orientations which define them as a whole. This has led to high levels of distrust and poor correspondence between groups – thus impacting on the overall functionality of the organization and leading to inefficient systems and low expressions of creativity within the organization with some failing as a result or losing their positions within their markets. This has further impacted on the level of organization's capacity for sustainability given the evident disparities in values and cultural beliefs within the organization (Ozoigbo & Chukuezi, 2011).

Ang *et al.*, (2007) acknowledges that diversity can have both positive and negative impacts on organizations, but the idea of the effect depends on the type of diversity forms that exists rather than the fact of diversity itself. This is as Ahiauzu (2000) states that, a large portion of the writing on cultural diversity effects on organizational execution and behaviour is of poor quality consisting of anecdotes and prescriptions based on western experience and imagination. The unresolved issues yet to be identified in literature supports the view that there are still some cultural diversity management strategies and organizational performance in the territory of information processing techniques that is not yet captured in literature. Perhaps, there is still not enough information on the cognitive processes used in social and organizational context which is why multinational companies may not have taken so much details of it. Unfortunately, this is faced with demand and pressure imposed by external structure in one hand and on the other hand external environment like the host communities which might be attracted in the aspect of social responsibility. Based on the foregoing, this study offers a departure as it investigates the relationship between cultural diversity management strategies and organizational performance of multinational companies (MNCs) in Rivers State.

### **Aim and Objectives of the Study**

The aim of the study is to investigate the relationship between cultural diversity management strategies and organizational performance of multinational firms in Rivers State. Specifically, the study shall seek to:

- Ascertain the relationship between investiture and creativity of multinational firms in Rivers State.
- Investigate the relationship between assimilation and creativity of multinational firms in Rivers State.
- Evaluate the relationship between divestiture and creativity of multinational firms in Rivers State

### **Research Hypothesis**

**H<sub>01</sub>:** There is no significant relationship between investiture and creativity of multinational firms in Rivers State.

**H<sub>02</sub>:** There is no significant relationship between assimilation and creativity of multinational firms in Rivers State.

**H<sub>03</sub>:** Divestiture does not relate with creativity of multinational firms in Rivers State.

## **2.0 Concept of Cultural Diversity Management Strategies**

The writing on work diversity has developed exponentially in the most recent decade in most industrialized countries. An industry of experts offers symptomatic and training apparatuses to address the challenges in the public and private associations. Practice has exposed the early contention that diversity was a 'managerial fad'. Work place diversity is a focal issue of human resource management in modern organizations. Outside and inner weights have delivered the force for diversity to turn into a focal issue for supervisors and all things considered, the pressure will continue.

Furthermore, expanded globalization has fortified the significance of neighborhood personalities and numerous character bunches are requesting a job in administration (McMichael, 2000). The diversification of the once homogeneous work force and the changing arrangement of the workforce will keep on requiring changes in human resource practices and organizational societies to truly welcome new corners or minority cultures. The implication of this trend according to Ospina (2002) is that diversity has to be managed for effective outcome. The common goal of managing workforce diversity is to create an organizational climate and a human resource management system where employee diversity becomes 'normal' condition of organizational life. Thomas (1999) described this objective as far as a thorough administrative methodology planned for making a hierarchical domain that works normally without uncommon exertion, thought, or program for all representatives, paying little heed to how unique they may be.

Knouse and Danspy (1999); Kolpin and Singell (2000) in their works gave diversity management a strategic and behavioural approach therefore requires that policies and programs for managing diversity should be well designed by top management and ensure strict compliance. The concession given to strict compliance in their argument emphasized organizational belief in all the programs created to manage diversity and perhaps their belief on the positive outcomes of diversity management. It has also shown that managing diversity requires a pragmatic and retention approach to create worker work fulfillment and retention.

## **2.1 Concept of Investiture**

In another dimension Cable and Judge (2003); Chatman (2003); Berry and Sam (2004) contributed to the socialization approach through their investiture strategy. It derives from the primary beliefs of the divestiture strategy and the practice according to them qualifies it for what they referred as institutionalized socialization. Investiture strategy forces individuals to fit to the organization and this makes it difficult for those who had wished their culture is retained. It is characterized by a structured program providing a mentor relationship by placing experience member with new employee. The implication of the investiture strategy to managing cultural diversity is the acute rigidity that manifest through its practice. If the strategy was designed to tap of the benefits of diversity, the practices certainly dwindles the outcome since new employees thinking is done for them by their mentors who are equally constrained by existing work place culture. The strategy tends to emphasis a culture that breeds homogeneity and perhaps this accounts for why them others refer to it as institutionalized socialization. All the same, Olmeclo (2004) believes that it strengthens organizational culture.

## **2.2 Concept of Assimilation**

Assimilation happens when representatives at the acquired organization eagerly grasp the social estimations of the procuring association (Wisdomjobs.com, 2018). Corporate cultural conflicts are less inclined to happen with this procedure on the grounds that the procured organization

frequently has a frail, useless culture, while the obtaining organization's way of life is solid and lined up with the outside condition (Wisdomjobs.com, 2018). Kokemuller (2019) viewed assimilation strategy in business as the ability of a workplace to quickly bring a new employee up to speed with regard to the organizational culture and how workers associate with one another and business clients. Assimilation approach (Adler, 2000; Kirchmeyer & McLellan, 2000; Tatli, 2005; Kirton & Green, 2006). Thomas & Ely (2006) differentiate existing ways to deal with diversity as per the fundamental way of thinking of the administrators in question. A few endeavours depend on a diversity reasoning that expects to accomplish relative portrayal. Right now anticipate that all representatives should acclimatize to the prevailing cultures. Dass and Parker (2008) called this discrimination and fairness paradigm. Deviances from the standard are seen at any rate as nuisance. This strategy for managing diversity as proposed by the authors has attracted wide range critics both in content and intent. The emphasis placed on cultural homogeneity as its precondition for usage negates the belief of multiculturalism and its associated gains which is the core for ensuring management of diversity. Tatli (2005) however noted that people feel valued and empowered where they are allowed to exhibit some of their shared beliefs and not allow them to be subsumed by the majors.

### **2.3 Concept of Divestiture**

Divestiture according to McMillan and Pelled (2005) promotes an atmosphere of equal power among members while at same time avoiding cultural dominance in which disproportionate power is vested in individuals from one culture over those from other cultures. The objective is to create an atmosphere in which all members within the organization can feel free and comfortable to participate and contribute their opinion and ideas.

### **2.4 Concept of Organizational Performance**

The result of research on high or low performing organization characteristics have been largely documented in management literature. It also assert the level of rigorous input towards understanding the functioning dynamics of firms so as to achieve the goal of profitability, market share, reputation, increased competitive advantage what's more, amplification of investors riches among others. Similarly, organizational performance has in its theoretical and practical attention attracted several definitions and measures. All these variation no doubt, which also implies lack of scholastic consensus is often ascribed to the idea of the multidisciplinary perspectives that management sciences is characterized. Strahel, (2008) theorized that organizational performance refers to the effectiveness of organizations in fulfilling its purpose. He further noted that returns on financial benefits to shareholders as its purpose can be said to be a performing firm likewise those with run-financial benefit who meet service goals are equally acknowledged as performing. Kostenham (2006) defined organization performance in the light of meeting productivity goals. Productivity in this definition refers to meeting customers demand and perhaps at a satisfactory degree of value and quantity. For instance, Chevron a multinational company has always trained several indigenes in its host communities. By training these youths that can be employed will result to higher productivity level.

Ricardo (2001) clarifies that there is a contrast among performance and efficiency. Productivity being a proportion delineating the volume of work finished in a given measure of time. Performance being a more extensive marker that could incorporate efficiency just as quality, consistency and different variables. As of late, numerous associations have endeavoured to oversee hierarchical performance utilizing the parity scorecard procedure where performance is followed and estimated in various measurements, for example, money related execution, client

care, social responsibility, and employee stewardship. Khan and Khan (2011) asserts that organizational performance depends on various factors including the contributions of human resource capital. This is because human resource in an organization assumes a significant job in the growth and organizational performance.

## **2.5 Concept of Creativity**

Hurley and Hult (1998) define creativity as the notion of openness to new thoughts as a part of a company's culture, a proportion of the association's direction toward development. Inventiveness manages the way of life and thinking about the firm. Given that creativity has an immediate relationship to development, it is normal that firms pursuing innovation as a strategy would pursue creativity as part of their culture, striving to make it a core competency. Creativity, according to Hurley and Hult (1998), is obtained through “cultures that emphasize learning, development, and participative decision making.” It is an established fact that creativity is not a sufficient condition to yield innovation, it typically serves as a catalyst for innovations to occur because it creates a firm’s internal environment that fosters the exploration of customer information or new operational forms (e.g., the advancement of new relationship structures with inventory network accomplices) in manners that satisfy current neglected as well as foreseen future needs. While conceptually creativity bodes well, finding a typology that adequately catches creativity is a test. Numerous ongoing investigations have focused on how firms enhance, and have found a positive association between advancement and organizational performance (Klomp & Van Leeuwen 2001; Vincent, Hanson & Jowel, 2004). Despite efforts to explore creativity, its structure and dimensions at the firm level, let alone across a supply chain, are still being advanced. Likewise, various scales for estimating an association's creativity are offered over the writing. Thus, there is no normally acknowledged typology and estimation of creativity.

## **2.6 Theoretical framework**

### **2.6.1 Resource Dependency Theory**

Resource dependency theory (RDT) is a theory developed by Hansen and Wernerfelt (2001) which focuses on how the outside assets of associations influence the conduct of the association. The obtainment of outer assets is a significant principle of both the vital and strategic administration of any organization. All things considered, a theory of the outcomes of this significance was not formalized until the 1970s, with the production of the outside control of associations: an asset reliance point of view. Resource dependence theory has suggestions with respect to the ideal divisional structure of organizations; enrollment of board individuals and representatives, creation systems, contract structure, outside hierarchical connections, and numerous different parts of authoritative methodology affects the performance of the organization.

Additionally, Azofra and Martinez (1999); Flu (2002) reinforced the resource dependency thinking that greater cultural distance may force MNCs to look for local support with the aim of facilitating product adaptation. Sharing risks and avoiding mistakes and also acquiring management skills on a local level and even to delegate culturally sensitive tasks, stressed resource dependency theory. All these will help the enterprise to be well entrenched within its operational environment and exploiting an upper hand for high performance. The essence of resource dependency theory in organizational performance is to increase its performance level by depending on the human capital resources and equipping others with the requisite skill to function well in the organization (Dein, 2001), while the present study is

concerned with cultural diversity management strategies and organizational performance of multinational corporations in Nigeria.

## **2.7 Empirical review**

Ukachukwu and Iheriohanma (2013) carried out a study entitled: cultural diversity management strategies and organizational performance in the food and beverage industries in Lagos State, Nigeria. Their specific objective was to find out employee productivity in work organizations in Lagos State. The population of the study was four hundred (400) employees from top three companies in the food and beverages industries in Lagos adopted a descriptive survey with a structured questionnaire and Multiple regression and correlation analysis as its statistical tools. The findings of the study show a significant relationship between cultural diversity management and organizational performance with a statistical output of p value (0.846) as against the ( $p < .005$ ). This result shows that effective cultural diversity management strategies can enhance performance in the organization (Vorhauser-Smith, 2012). The study concludes that cultural diversity speaks to both a test and an open door for business and corporate element. In addition a growing number of progressive organizations are realizing the needs for valuing diversity in the organization, so as to ensure strategic utilization of human resources for the accomplishment of strategic goals. The study recommended that Managers need to communicate more to employees, to give the workers the room to confide in them with their challenges. Managers should also be prepared to change some part of their company techniques when the diversity management techniques adopted are not working effectively but before doing so, the vision for the change must be communicated effectively to the employees. Moreover, managers should adopt some change management principles to guide them on the decision making of the change.

Dike (2013) conducted a research on the impact of Divestiture on organizational performance among employees of Stretch Group, Finland. The objective was to establish the relationship that exist among the employees A population size of 1035 employees was adopted with a sample size of 126 which were randomly selected. The descriptive research design was adopted and the ANOVA statistical tool was used for data analysis. The result shows a significant relationship between divestiture and organizational performance with ANOVA output of p (0.885) as against p (0.05) level of significant. The investigation found that divestiture is a factor to use in improving diversity management issues in the organization, because it helps to eliminate discrimination issues in the organization. The study concludes that divestitures should be made a viable strategy in the organization if the employers want to effectively manage diversity and increase performance. The study recommends that persistent campaign of incremental changes that discover and destroy the deeply embedded roots of discrimination should be utilized in the organization. The study above is related to this study because it is worried about the foundation of the relationship that exist among the employees while this study is concerned with cultural diversity management strategies and organizational performance of Multinational Companies.

## **3.0 Methodology**

### **3.1 Research Design**

This study adopted a cross-sectional survey design and data generated through self-administered structured copies of questionnaire described personally to the target organizations of interest. This design is chosen because of the nature and characteristics of the study, which primarily engaged social phenomena concerned with human interactions and organizational activities. This included the determination of knowledge and the views of various social units and actors

within the specified context as regards the manifestation of the variables: cultural diversity and efficiency.

### **3.2 Population of the Study**

The accessible population for this study comprised a total of 464 top level personnel where (top level managers = 14, middle level managers = 63 and supervisory staff =387 drawn from the regional offices of the 6 multinational oil and gas firms in Rivers State formed the population of the study. Presented in table 1 is the distribution of the population and the list of the 6 multinational companies.

**Table 1 Population for the study/Sample Population**

<b>Multinational Companies</b>	<b>Top level Managers</b>	<b>Middle level Managers</b>	<b>Supervisors</b>	<b>Total</b>
SPDC	2	12	56	70
Agip	3	15	88	106
Chevron	3	11	61	75
Mobil	2	8	22	32
Elf	2	8	79	89
Saipem Drilling	2	9	81	92
<b>Total</b>	14	63	387	464

*Source: Researchers Field Survey, 2019.*

This study therefore utilized the Taro Yamane 1970 sampling formula in its decision on an appropriate size for representing the entire population. An error precision value of 0.05 was adopted in calculating the sample size given the adoption of a confidence interval of 95% (Baridam, 2001; Bryman & Bell, 2003). The Taro Yamane's Formula is shown as:

$$n = \frac{N}{1+N(e)^2}$$

Where:

n = the sample size to be determined

N = the population of the study

e= level of significance

1= constant

Therefore,

$$n = \frac{464}{1+464(0.05)^2} = 215$$

n = 215

Based on the total sample size of 215 of the managers of multinational firms, sample size was adopted using Bowley’s 1960 population proportional allocation formula given as:

$$nh = \frac{nNh}{N}$$

nh = number of units allocated to each firm

n = total sample size

Nh = number of staff in each company

N = population size

**Table 2: Proportionate Distribution of the Sample across the Firms**

Multinationa I Companies	Top level Managers	Middle level Managers	Supervisors	Total	proportion calculation	proportion allocated
SPDC	2	12	56	70	$nh = \frac{70 (215)}{464} = 32$	32
Agip	3	15	88	106	$nh = \frac{106 (215)}{464} = 49$	49
Chevron	3	11	61	75	$nh = \frac{75 (215)}{464} = 35$	35
Mobil	2	8	22	32	$nh = \frac{32 (215)}{464} = 15$	15
Elf	2	8	79	89	$nh = \frac{89 (215)}{464} = 41$	41
Saipem Drilling	2	9	81	92	$nh = \frac{92 (215)}{464} = 43$	43
<b>Total</b>	14	63	387	464		215

*Source: Nigerian Stock Exchange 2019*

### 3.3 Method of Data Analysis

The hypotheses were tested using inferential tools such as the Spearman’s rank order correlation coefficient. This choice of data analysis tools in the test for hypotheses are utilized based on their noted flexibility for both linear and non-linear distributions (Neuman, 2006)

### 4.0 Result and Discussions

A total of 215 questionnaire copies were administered in line with the calculated sample size of the study, however, only 208 copies were retrieved from the companies. This was as a result of the unavailability of some of the participants during the fixed day for retrieval and the inability of some to complete their copies as a result of busy work schedules. Copies retrieved were thereafter cross-checked for errors and blank sections. The results revealed that all retrieved

copies had no error issues and were therefore coded subsequently into the SPSS software for further analysis.

The results for the bivariate analysis of the relationship between the dimensions of cultural diversity management strategies and organizational performance is presented in this section. The tests (two-tailed) were carried out at a 95% confidence interval using the Spearman's rank order correlation coefficient. The hypotheses examined the effects and influence of three dimensions of cultural diversity management strategies (investiture, assimilation, divestiture) on the measure of organizational performance (creativity). The  $P < 0.05$  < P critical region is adopted as the decision rule in the acceptance (where  $P > 0.05$ ) or rejection ( $P < 0.05$ ) of the null hypotheses.

**Table 3: Investiture and creativity**

		Investiture	Creativity
Spearman's rho	Correlation Coefficient	1.000	.442**
	Investiture		
	Sig. (2-tailed)	.	.000
	N	208	208
	Correlation Coefficient	.442**	1.000
	Creativity		
Sig. (2-tailed)	.000	.	
N	208	208	

Source: Survey data, 2019

The result for the relationship between investiture and creativity reveals that investiture is significantly associated with creativity (where  $\rho = .442$  and  $P = 0.000$ ), The results indicate that at a significance level of  $P < 0.05$  and thus based on the decision rule for acceptance (where  $P > 0.05$ ) or rejection ( $P < 0.05$ ) of the null hypotheses; the evidence of the analysis indicates that investiture is significantly associated with creativity.

**Table 4: Assimilation and creativity**

		Assimilate	Creativity
Spearman's rho	Correlation Coefficient	1.000	.562**
	Assimilate		
	Sig. (2-tailed)	.	.000
	N	208	208
	Correlation Coefficient	.562**	1.000
	Creativity		
Sig. (2-tailed)	.000	.	
N	208	208	

Source: Survey data, 2019

The result for the relationship between assimilation and creativity reveals that assimilation is significantly associated with creativity (where  $\rho = -.562$  and  $P = 0.000$ ). The results indicate that at a significance level of  $P < 0.05$  and thus based on the decision rule for acceptance (where  $P > 0.05$ ) or rejection ( $P < 0.05$ ) of the null hypotheses; the evidence of the analysis indicates that assimilation is significantly associated with creativity.

**Table 5: Divestiture and creativity**

		Divestiture	Creativity
Spearman's rho	Correlation Coefficient	1.000	.669**
	Divestiture Sig. (2-tailed)	.	.000
	N	208	208
	Correlation Coefficient	.669**	1.000
	Creativity Sig. (2-tailed)	.000	.
	N	208	208

Source: Survey data, 2019

The result for the relationship between divestiture and creativity reveals that divestiture is significantly associated with creativity (where  $\rho = -.669$  and  $P = 0.000$ ). The results indicate that at a significance level of  $P < 0.05$  and thus based on the decision rule for acceptance (where  $P > 0.05$ ) or rejection ( $P < 0.05$ ) of the null hypotheses; the evidence of the analysis indicates that divestiture is significantly associated with creativity.

### **Discussion of the Findings`**

#### **Investiture contributes significantly towards the creativity of multinational firms in Rivers State**

Investiture is revealed to impact on creativity of multinational firms in Rivers State. The findings reveal that instead of involving merely the cognitive, symbolic and professional adaptation to the new working environment, the process of investiture also assumes processes of social adjustment and acceptance by others. In spite of the way that social abilities in the structure of assessing the workers' activity execution are appraised dependent on gauges while not represented in the general organizational presentation, they are vital for a decent hierarchical atmosphere (Chatman, 2003; Cable & Judge, 2003). Also, by contributing to the improvement of social and interpersonal communication and interaction, investiture also improves the levels of synergy and enable better business results to be accomplished. Social abilities, regardless of the way that they are significant components of human capital, are still underestimated as a type of immaterial

assets impacting esteem creation over the long haul. The shortage right now led to execution related issues with respect to human relations at the work environment.

**Assimilation has a significant impact on creativity of multinational firms in Rivers State**

Evidence shows that assimilation significantly impacts on creativity of the multinational firms in Rivers State. Scholars have identified several outcomes that measure the assimilation of organizational members. In particular, assimilation is positively correlated to job satisfaction (John, 2000), organizational identification (May, 2001), and organizational commitment (Chatman, 2003), and negatively correlated with propensity to leave (Okunoye, 2001). As it were, representatives who are effectively acclimatized have positive emotions about their activity and their manager, firmly think about the qualities and interests of their association when deciding, and are probably not going to cut ties with their boss. Evidence proposes that fruitful osmosis powerfully affects a few of the above results. Nivi (2000) found that organizational absorption affects work fulfillment and all things considered contributes towards organizational performance than socioeconomics, for example, sex, age, training level, conjugal status, industry, position, and month to month pay. In addition, perceptions of assimilation positively predict job satisfaction, commitment to the organization, and satisfaction with the workplace (Thomas & Ely, 2000). Assimilation is also noted to enhance job satisfaction which reflects the extent to which workers like or abhorrence their jobs. Job dissatisfaction may lead to low profitability (Cox & Nickelson, 1999) and propensity to leave (Tatli, 2005) – costly outcomes for employer organizations. Job satisfaction as an assimilation variable has been characterized in very wide terms. For Nivi (2000), work fulfillment comprises of representative fulfillment with co-workers, pay, advancement, bosses, and the errands of the position. Kokemuller (2019) study corresponded these features of fulfillment with segments of absorption, for example, training, comprehension of the organization, co-worker support, and future prospects within their employer companies.

**Divestiture significantly impacts on creativity of multinational firms in Rivers State**

Divestiture is revealed in the analysis to significantly impact on creativity of multinational firms in Rivers State. This is as communication between supervisors and new incumbents during the acculturation process is vital, because organizational members must decipher how best to interact with one another (Chatman, 2003). Becoming familiarized with both newcomer and supervisor communication styles is important in order to foster a welcoming, dynamic and supportive environment (Louis, 2000). Pelled (2001) posited that subordinates who perceive support through their managers' communication style experience communication satisfaction. Interpersonal interaction through face-to-face communication, for example, is a vital means to facilitate accurate task interpretation, foster perceptions of availability and readiness to draw in with one another (Chatman, 2003). Thus, an employee may experience satisfaction with supervisory and peer communication through task clarification and fostering of interpersonal relationships, all of which take place during structured cultural diversity management.

**5.0 Conclusion**

The finding from our analysis reveals a significant correlation between cultural diversity management strategies and creativity. The analysis also showed that practices related to cultural diversity strategies (investiture, divestiture and assimilation) were substantial and well appreciated by participants in the respective organization. Therefore, in view of these perceptions

and the results of the hypotheses which revealed significant associations between both variables; the following assertions and conclusions are hereby proffered:

- i. That the practice of investiture enhances their relationship with workers within the organization and also affords them sound supportive grounds upon which they become more aware and are able to improve the creativity of multinational companies in Rivers State.
- ii. Assimilation has a substantial impact on the features of workplace relationships and the level of correspondence between groups within the organization; thereby contributing towards the creativity of multinational firms in Rivers State.
- iii. Divestiture contributes towards the recognition and involvement of various groups within the organization; hence, it has a substantial influence on the creativity of multinational firms in Rivers State

### **5.1 Practical Implications**

Based on the summary and conclusion above, the following recommendations are proffered:

- i. Organizations should develop structures that support and facilitate investiture within their workplace in a manner that facilitates and drives the learning and value alignment of groups within the organization
- ii. Assimilation policies should aim at driving the harmonization of individual goals and orientations with those of the organization through clearly defined processes and practices that are flexible, reflexive and well structured.
- iii. Divestiture should be emphasized using policies and programs designed to drive its appreciation within the organization in a manner that is healthy and which is supportive of group cohesion and collaboration within the workplace

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