

IMPACT OF WORKFORCE DIVERSITY ON ORGANIZATIONAL PERFORMANCE MEDIATED BY ORGANIZATIONAL COMMITMENT

Irfan Abbas^{*1}, Dr. Muhammad Jamil Khan²

^{*1}PhD Scholar, National Business School, The University of Faisalabad, Punjab, Pakistan.

²Assistant Professor, National Business School, The University of Faisalabad, Punjab, Pakistan.

^{*1}phdm-fa20-016@tuf.edu.pk, ²m.miankhel@gmail.com

Corresponding Author: *

Irfan Abbas

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ABSTRACT

This study investigates the influence of Workforce Diversity (WFD) on Organizational Performance (OP) in Higher Education Institutions (HEIs) in Pakistan, with a particular emphasis on the mediating role of Organizational Commitment (OC). As universities face increasingly diverse faculty and administrative teams, understanding how workforce diversity contributes to institutional outcomes has become vital. Drawing upon theoretical frameworks such as the Resource-Based View (RBV) and Herzberg's Two-Factor Theory, the study examines how demographic, cultural, and professional differences within the workforce shape employee commitment and ultimately affect institutional performance. Using a quantitative research design and data collected from academic and administrative staff across multiple HEIs, Structural Equation Modeling (SEM) via Smart PLS was employed to test the proposed relationships. The findings reveal that WFD positively impacts OC, which in turn significantly enhances OP. However, the direct relationship between WFD and OP is less proved, suggesting that OC plays a crucial mediating role. These perceptions contribute to the existing body of knowledge by highlighting the strategic value of managing diversity to foster commitment and improve organizational outcomes in the higher education sector of Pakistan. The study offers practical implications for institutional policymakers and leaders to implement inclusive diversity management strategies that strengthen commitment and drive performance.

Keywords: Workforce Diversity, Organizational Performance and Organizational Commitment.

INTRODUCTION

Workforce diversity refers to the variety of differences among people in an organization, encompassing dimensions such as gender, age, ethnicity, culture, religion, disability, education, and socio-economic background. It is increasingly being recognized as a critical element for organizational success, particularly in today's globalized and competitive business environment. A diverse workforce brings together multiple perspectives, enhances creativity, and fosters innovations, which are essential for problem-solving and strategic

decision-making (Cox, 2001). Diverse teams are known to generate a wider range of ideas and solutions, which can improve organizational adaptability and responsiveness to market changes (Shen et al., 2009). Moreover, a culturally and demographically diverse workforce helps organizations relate better to a broad customer base, thereby improving customer satisfaction and market reach (Cox & Blake, 1991).

However, managing workforce diversity also presents challenges such as communication

barriers, potential conflicts, and resistance to change. Effective diversity management practices including inclusive leadership, cultural competence training, and equitable policies are crucial to harnessing the benefits of diversity while minimizing its drawbacks (Mor Barak, 2016). Organizations that successfully integrate diversity into their strategic and operational frameworks tend to have higher employee engagement, better talent retention, and improved organizational performance (Jehn, Northcraft, & Neale, 1999). In the context of higher education institutions (HEIs), especially in developing countries like Pakistan, workforce diversity is emerging as a significant factor in promoting inclusive academic environments, enhancing collaboration, and driving institutional innovation and excellence (Ali et al., 2020). Therefore, workforce diversity should not be seen merely as a compliance issue but as a strategic asset that contributes to the overall performance and sustainability of organizations.

Research Questions:

Objectives of the study are to find out and investigate following question;

R-Question-1. Does Workforce diversity have positive impact on OC?

R- Question-2. Does Organizational commitment have an impact on OP?

R- Question-3. Does OC have positive or negative mediation role b/w WFD and OP?

Development of Hypotheses and Literature Review:

Herzberg Two Factors Theory:

Herzberg's Two-Factor Theory, which distinguishes between hygiene factors and motivators, offers a valuable lens to analyze the interplay between workforce diversity (WFD), organizational commitment (OC), and organizational performance (OP). In the context of higher education institutions (HEIs), workforce diversity can be viewed through both factors. Hygiene factors such as equitable treatment, inclusive policies, and fair compensation must be ensured to prevent dissatisfaction among a diverse workforce. At the same time, motivators like recognition, meaningful work, and opportunities for advancement become crucial in leveraging the strengths of a diverse team. When institutions embrace diversity not only as a compliance matter

but also as a strategic asset, it enhances employees' affective commitment and identification with the organization, ultimately improving performance.

Furthermore, organizational commitment plays a mediating role in converting the positive aspects of WFD into enhanced OP. According to Herzberg's theory, when employees from varied backgrounds experience an environment where motivators are actively present such as autonomy, career development, and respect they are more likely to develop a strong emotional and normative commitment toward their institutions. This commitment acts as a driving force, encouraging individuals to go beyond their formal roles, share knowledge, and collaborate effectively, thereby strengthening organizational performance. Therefore, Herzberg's framework supports the idea that WFD, supported by motivators and safeguarded by hygiene factors, fosters commitment, which in turn propels institutional effectiveness.

Resource Based View Theory:

In the context of the current study on higher education institutions (HEIs) in Pakistan, the Resource-Based View (RBV) theory provides a foundational lens to understand how internal resources such as workforce diversity (WFD) and organizational commitment (OC) contribute to enhancing organizational performance (OP). RBV emphasizes that these internal capabilities, when strategically managed, can become sources of sustained competitive advantage. Workforce diversity, for instance, brings varied perspectives, skills, and experiences, which enrich problem-solving and innovation within HEIs. Similarly, strong organizational commitment enhances employee motivation and retention, leading to improved institutional effectiveness. By aligning and leveraging these intangible yet critical resources, HEIs can strengthen their internal capacity to meet academic and administrative goals, thereby achieving superior performance outcomes. Thus, RBV supports the study's framework by highlighting the strategic value of internal human and organizational capital in driving performance within the higher education sector.

IMPACT OF WORKFORCE DIVERSITY ON ORGANIZATIONAL PERFORMANCE

Workforce diversity (WFD) has gained significant attention in recent years as organizations recognize its potential to influence performance outcomes. Diversity within the workforce encompasses a variety of attributes, including age, gender, ethnicity, education, cultural background, and work experience. The evolving nature of globalization and demographic shifts has necessitated more inclusive organizational practices that embrace diverse talents. Scholars argue that organizations with diverse workforces are more adaptive and resilient in complex and dynamic environments (Cox & Blake, 1991). As such, diversity is not merely a social or ethical concern but a strategic organizational asset that can enhance organizational performance (OP).

The theoretical underpinning for linking WFD with OP is rooted in the Resource-Based View (RBV), which posits that unique and valuable resources such as a diverse workforce can serve as a basis for sustained competitive advantage (Barney, 1991). Furthermore, the Information/Decision-Making Theory suggests that teams with diverse perspectives generate a broader range of ideas, leading to better problem-solving and decision-making (van Knippenberg, De Dreu, & Homan, 2004). These diverse inputs contribute to innovation, adaptability, and market responsiveness, all of which are critical indicators of organizational performance. Moreover, diversity can lead to more comprehensive understanding of diverse customer bases, thus enhancing external communication and service delivery (Richard, 2000).

Empirical studies provide evidence supporting a positive relationship between workforce diversity and organizational performance. For instance, Herring (2009) found that racial and gender diversity was significantly associated with higher levels of sales revenue, customer numbers, and profitability in a study of U.S. firms. Similarly, a study conducted by Ali et al. (2011) in Malaysian companies revealed that workforce diversity was positively correlated with financial and non-financial performance indicators. These findings are echoed in the work of Ozgen et al. (2013), who reported that cultural diversity in Dutch firms significantly enhanced innovation and productivity. These studies collectively reinforce

the proposition that workforce diversity, when managed effectively, contributes positively to organizational outcomes.

However, the influence of WFD on OP is not always straightforward. The benefits of diversity can be undermined if not supported by inclusive organizational practices and leadership. Without proper management, diversity may lead to communication difficulties, interpersonal conflicts, and reduced team cohesion (Jehn, Northcraft, & Neale, 1999). Thus, organizational culture, diversity training, and inclusive leadership play critical roles in mediating the effects of diversity. It is not just the presence of diversity but how it is managed that determines its impact on performance. Consequently, the positive relationship between WFD and OP is likely to hold in contexts where organizations foster inclusive environments that value diverse contributions.

Based on the above theoretical perspectives and empirical findings, a hypothesis can be formulated to guide further investigation. Given that diverse workforces provide varied knowledge, skills, and perspectives that enhance creativity, decision-making, and adaptability key drivers of organizational success it is hypothesized that:

H1: *Workforce diversity has a significant positive impact on organizational performance.*

This hypothesis aligns with previous literature and provides a foundation for examining how organizations can strategically leverage diversity to enhance their performance outcomes.

Impact of organizational Commitment on Organizational Performance:

Organizational commitment (OC) is widely recognized as a critical construct that directly affects various dimensions of organizational performance (OP). Defined broadly, organizational commitment refers to the psychological attachment and loyalty an employee has toward their organization (Meyer & Allen, 1991). This commitment manifests in a willingness to exert considerable effort on behalf of the organization, a strong belief in its goals and values, and a desire to maintain membership within the organization (Mowday, Steers, & Porter, 1979). The current global landscape, marked by competitive pressures, rapid technological change, and workforce diversity,

has magnified the significance of employee commitment, especially in knowledge-intensive sectors such as higher education institutions (HEIs). The role of organizational commitment in influencing organizational outcomes such as productivity, service quality, innovation, and overall institutional effectiveness cannot be overstated.

In the context of HEIs, particularly in developing countries like Pakistan, organizational commitment becomes a central factor that determines the success of educational reforms, administrative efficiency, and the academic performance of faculty and staff. Universities rely heavily on committed professionals to achieve their strategic objectives, enhance research output, and deliver quality education (Yusuf & Metiboba, 2012). According to Jang et al. (2021), organizational commitment reflects an individual's attitudinal and emotional bond with the institution, influencing their dedication and proactive behavior toward achieving the institution's vision and mission. Committed faculty members demonstrate higher teaching effectiveness, engage in research more vigorously, and actively participate in institutional development activities. Therefore, understanding and enhancing OC in universities is essential to drive improvements in organizational performance.

Organizational commitment is generally conceptualized in three dimensions: affective commitment, continuance commitment, and normative commitment (Meyer & Allen, 1991). Affective commitment refers to the emotional attachment of employees to their organization, whereby they stay because they *want* to. Continuance commitment relates to the perceived costs associated with leaving the organization, meaning employees stay because they *need* to. Normative commitment, on the other hand, reflects a sense of obligation, where employees stay because they *ought* to. Among these, affective commitment has been consistently identified as the strongest predictor of positive performance outcomes (Allen & Meyer, 1996). Employees with strong affective commitment tend to be more engaged, productive, and innovative, leading to improved organizational effectiveness and efficiency.

Empirical studies have confirmed the significant impact of organizational commitment on various

performance indicators. For instance, Riketta (2002) conducted a meta-analysis that established a positive correlation between organizational commitment and job performance. Similarly, studies by Lok and Crawford (2004) in public sector organizations revealed that employees with high commitment levels contribute positively to organizational culture and effectiveness. In the context of higher education, Meyer et al. (2002) observed that committed academic staff is more likely to invest their efforts in student mentoring, curriculum development, and collaborative research all of which are critical drivers of institutional performance. These findings underscore the importance of fostering commitment among university faculty and staff in order to enhance organizational outcomes.

Organizational performance is a multi-dimensional construct that encompasses financial performance, internal process efficiency, learning and growth, innovation capability, and stakeholder satisfaction (Kaplan & Norton, 1996). In higher education, performance is often measured in terms of academic excellence, student satisfaction, research output, faculty development, and administrative efficiency. The extent to which employees are committed to their organization directly affects these indicators. For example, committed faculty members are more likely to mentor students effectively, participate in knowledge-sharing activities, and take ownership of institutional goals, which collectively contribute to superior performance outcomes. According to Hassan and Rohrbaugh (2011), employee commitment is a strategic resource that shapes the long-term sustainability of knowledge-based institutions.

In Pakistan, HEIs are undergoing rapid transformation under the guidance of the Higher Education Commission (HEC), which emphasizes performance-based funding, research excellence, international collaborations, and quality assurance. This transformation places greater demands on faculty and administrative staff, requiring a high degree of commitment to institutional goals. However, many universities face challenges such as job insecurity, lack of training opportunities, limited career progression, and inadequate governance structures, which can undermine organizational commitment (Ahmed, Nawaz, & Islam, 2011).

Therefore, it is crucial for university leadership to implement policies that enhance affective and normative commitment, such as participative decision-making, recognition systems, and transparent promotion criteria.

One key way organizational commitment contributes to performance is through improved employee engagement. Engaged employees are more productive, innovative, and customer-focused. Saks (2006) argues that employee engagement mediates the relationship between organizational commitment and performance, suggesting that organizations that foster commitment also promote engagement, which then enhances performance. In HEIs, this is particularly important as the quality of teaching, learning, and research is largely dependent on the discretionary efforts of academic staff. Committed and engaged faculty members often go beyond their formal job descriptions to mentor students, develop community outreach programs, and initiate collaborative research projects, thus boosting institutional visibility and reputation.

Another significant impact of organizational commitment on performance is its influence on turnover intentions and retention. High turnover rates among academic staff can lead to disruptions in program continuity, loss of institutional knowledge, and increased recruitment and training costs. Research indicates that employees with high levels of affective commitment are less likely to leave their organization (Griffeth, Hom, & Gaertner, 2000). In the context of Pakistani HEIs, where talent retention is a major concern, especially among highly qualified and research-active faculty, fostering organizational commitment can serve as a key retention strategy. Ensuring job satisfaction, providing meaningful work, and aligning personal goals with institutional values are effective strategies to build long-term commitment and reduce attrition rates.

The role of leadership in enhancing organizational commitment also deserves attention. Transformational leadership, characterized by inspirational motivation, individualized consideration, intellectual stimulation, and idealized influence, has been found to significantly boost employee commitment (Bass & Riggio, 2006). Leaders who communicate a clear vision, provide support and

recognition, and create a positive work environment foster a strong sense of belonging among employees. In HEIs, department heads, deans, and vice-chancellors play a crucial role in shaping organizational culture and commitment. According to Awan and Mahmood (2010), academic leaders who adopt participative and transformational styles are more likely to inspire commitment among faculty and staff, which in turn drives academic and operational excellence. Moreover, organizational justice and ethical climate are closely linked with organizational commitment and performance. Employees who perceive fairness in organizational policies, equitable resource distribution, and ethical conduct among leaders are more likely to develop strong affective and normative commitment (Colquitt et al., 2001). Such perceptions are vital in HEIs, where collegiality, transparency, and academic freedom are essential for fostering a positive work environment. Research by Ali and Zairi (2005) suggests that ethical leadership and fairness in Pakistani universities significantly enhance faculty commitment and performance, particularly in institutions striving for accreditation and international partnerships.

Organizational commitment also contributes to organizational performance through its impact on knowledge sharing and collaboration. Committed employees are more willing to share knowledge, support their peers, and participate in team-based activities that enhance institutional learning and innovation (Ipe, 2003). In knowledge-based institutions such as universities, collaborative teaching, interdisciplinary research, and joint community projects are critical for institutional growth. A culture of commitment promotes open communication, mutual respect, and trust, which are foundational to successful collaboration and high performance. According to Kim and Lee (2006), knowledge-sharing behavior is significantly influenced by organizational commitment and positively affects organizational innovation and responsiveness.

Furthermore, organizational commitment is positively correlated with organizational citizenship behavior (OCB), which refers to discretionary behaviors that go beyond formal job requirements and contribute to organizational functioning (Organ, 1988). These behaviors include helping colleagues, volunteering for additional tasks, and promoting the

organization's image. Several studies have shown that committed employees are more likely to exhibit OCB, which enhances team cohesion, service quality, and overall organizational effectiveness (Podsakoff et al., 2000). In higher education, such behaviors are essential for academic collaboration, curriculum development, student support, and maintaining a vibrant institutional culture.

Another critical mechanism through which organizational commitment impacts performance is by enhancing employees' psychological empowerment. Psychological empowerment refers to employees' perception of control over their work, a sense of competence, and the meaningfulness of their tasks (Spreitzer, 1995). Committed employees feel more empowered and autonomous, which enables them to make decisions, innovate, and take ownership of their responsibilities. Empowered and committed faculty members are more likely to initiate pedagogical improvements, adopt new technologies, and contribute to institutional governance, all of which lead to higher organizational performance. This is especially relevant in HEIs in Pakistan, where decentralization and academic autonomy are being promoted as part of higher education reforms.

The mediating and moderating effects of organizational commitment also deserve attention. Research by Baron and Kenny (1986) suggests that organizational commitment can act as a mediator between antecedents such as leadership, job satisfaction, organizational support, and outcomes such as performance and turnover. In the current study, organizational commitment is modeled as a mediating variable between workforce diversity and organizational performance, reflecting the idea that diverse workforces contribute to performance only when there is a high level of commitment among employees. Similarly, gender may moderate the strength of the relationship between commitment and performance, as suggested by empirical findings in gender studies in organizational behavior (Mathieu & Zajac, 1990). To sustain organizational commitment and its positive impact on performance, institutions must adopt a strategic approach to human resource management. This includes effective onboarding, continuous professional

development, performance appraisal, mentoring programs, and recognition systems. These initiatives not only enhance job satisfaction and skill development but also align individual goals with institutional objectives, thereby strengthening commitment. In HEIs, where faculty members often juggle teaching, research, and administrative responsibilities, providing support mechanisms such as research grants, teaching assistants, and workload balance can significantly improve commitment and performance.

In conclusion, organizational commitment is a vital driver of organizational performance in HEIs, particularly in dynamic and challenging environments like Pakistan. It influences a wide range of performance outcomes, including employee engagement, retention, and innovation, collaboration, and citizenship behavior. Fostering organizational commitment requires a holistic strategy that includes ethical leadership, supportive HR practices, equitable policies, and a culture of trust and inclusion. For university leaders and policymakers, investing in organizational commitment is not merely a human resource issue but a strategic imperative to enhance institutional resilience, competitiveness, and excellence in the global higher education landscape.

Hypothesis 2: OC is positively linked to OP.

Mediating Role of Organizational Commitment:

Organizational commitment has emerged as a pivotal construct in understanding how workforce diversity (WFD) influences organizational performance (OP). In diverse workplaces, the attitudes and psychological attachment employees develop toward their organizations significantly determine how well diversity translates into tangible outcomes. Organizational commitment, particularly affective commitment, enhances employees' willingness to contribute meaningfully, thereby supporting organizational goals (Meyer & Allen, 1991). When diversity is managed inclusively, it fosters a sense of belonging and equity, which in turn boosts employee commitment. This commitment serves as a bridge that links diverse human capital to performance outcomes.

The mediating role of organizational commitment can be explained through Social

Exchange Theory, which posits that when employees perceive fair treatment and inclusion, they are more likely to reciprocate with higher levels of commitment and performance (Blau, 1964). In a diverse workforce, if management promotes inclusive practices and equitable opportunities, employees feel valued and are more inclined to align their goals with organizational objectives. This psychological bond influences their motivation and engagement, leading to better performance outcomes both at the individual and organizational levels. Thus, organizational commitment acts as a psychological mechanism that translates the benefits of workforce diversity into improved performance.

Empirical studies support the notion that organizational commitment mediates the relationship between workforce diversity and performance. For example, Lambert et al. (2005) found that organizations that effectively manage diversity experience higher employee commitment, which in turn positively affects performance metrics such as productivity and service quality. Likewise, Choi and Rainey (2010) demonstrated that diversity leads to enhanced performance only when employees are committed and perceive the workplace as fair and inclusive. These findings suggest that the mere presence of diversity does not guarantee performance benefits; rather, it is the commitment cultivated among employees that drives the positive impact.

In the context of higher education institutions and knowledge-intensive environments, organizational commitment becomes even more critical. Diverse faculties and administrative staff can offer varied perspectives and innovative approaches, but unless they are committed to the institution's goals, these advantages remain underutilized. A committed workforce is more likely to collaborate, reduce conflicts, and invest discretionary effort, all of which contribute to superior organizational performance (Jehanzeb et al., 2013). Therefore, fostering commitment among a diverse workforce is a strategic imperative for organizations aiming to leverage their human capital effectively.

In conclusion, organizational commitment is a key mediating factor in the relationship between workforce diversity and organizational performance. It transforms the potential of diversity into performance gains by aligning employee goals with organizational objectives and enhancing engagement. The presence of a committed workforce not only mitigates the possible challenges of diversity but also amplifies its benefits. Therefore, organizations should prioritize initiatives that build commitment through inclusive policies, fair treatment, and recognition of diverse contributions to achieve optimal performance outcomes (Meyer et al., 2002).

Hypothesis 3: Organizational commitment acts as a mediator between WFD and Organizational Performance.

Conceptual Framework:



Research Methodology:

The present study employed a quantitative research methodology to examine the relationships among Workforce Diversity (WFD), Organizational Commitment (OC), and Organizational Performance (OP) in Higher Education Institutions (HEIs) in Pakistan. A structured survey was administered using a cross-sectional design to collect data from

administrative and academic staff across various public and private universities. The research model integrated theoretical underpinnings from the Resource-Based View (RBV), Technology-Organization-Environment (TOE) framework, and Technology Acceptance Model (TAM) to explain how internal capabilities, technological infrastructure, and leadership approaches contribute to organizational outcomes.

Standardized scales were adopted from previous literature to ensure the reliability and validity of the measurement instruments.

The data analysis involved Confirmatory Factor Analysis (CFA) to validate the measurement model, followed by Structural Equation Modeling (SEM) to assess the hypothesized relationships and mediation effects. Organizational Commitment was treated as a mediating variable, and Gender was tested as a moderating variable to investigate its influence on the relationship between predictors and Organizational Performance. The study applied AMOS and SPSS for model testing and hypothesis validation. Sampling was carried out using stratified random sampling to ensure representation from genders, various disciplines, and roles within HEIs. Ethical considerations such as informed consent, confidentiality, and voluntary participation were strictly adhered to, enhancing the credibility and rigor of the research process.

Data Collection and Sampling Strategy:

In the context of this study on the impact of Workforce Diversity (WFD), and Organizational Commitment (OC) on Organizational Performance (OP) in Higher Education Institutions (HEIs) of Pakistan, a quantitative data collection method was employed. The study adopted a structured questionnaire survey technique, as it is suitable for collecting large-scale data efficiently and objectively across multiple universities. The questionnaire was designed based on validated scales from previous scholarly research, ensuring reliability and content validity. Likert-scale items were used to measure constructs like WFD, OC, and OP, providing quantifiable responses that facilitate statistical analysis using Structural Equation Modeling (SEM). This method enabled the researcher to gather data from faculty and administrative staff in public and private sector HEIs, capturing diverse perspectives necessary for the study's objectives.

The data was collected through online using Google forms mode to maximize response rates and accommodate varying levels of technological access across institutions. Prior to distribution, the questionnaire underwent a pilot test to assess clarity and consistency, and necessary revisions were made based on participant feedback. Ethical

considerations, such as informed consent and confidentiality, were strictly observed throughout the data collection process. Stratified random sampling was used to ensure representation from various departments and hierarchical levels within the institutions, which strengthens the generalizability of the findings. This systematic approach to data collection not only ensured methodological rigor but also provided a robust dataset for examining the hypothesized relationships, including the mediating role of organizational commitment and the moderating influence of gender on organizational performance.

Data Analysis Technique:

In the context of your study examining the impact of Knowledge-Oriented Leadership (KOL), Workforce Diversity (WFD), and Information and Communication Technology (ICT) on Organizational Performance (OP), mediated by Organizational Commitment (OC) and moderated by gender in Higher Education Institutions (HEIs) in Pakistan, data analysis techniques play a critical role in validating the conceptual framework and testing the proposed hypotheses. Structural Equation Modeling (SEM) using software like SmartPLS or AMOS is the primary analytical technique, allowing for the simultaneous assessment of measurement and structural models. Confirmatory Factor Analysis (CFA) is employed to ensure construct validity and reliability, including convergent and discriminant validity, through metrics such as Average Variance Extracted (AVE), Composite Reliability (CR), and factor loadings. The analysis begins with descriptive statistics and reliability analysis, followed by CFA and path analysis to explore direct, indirect (mediation), and moderated relationships.

Additionally, mediation analysis is conducted to examine the indirect effect of WFD, ICT, and KOL on OP through OC, using the bootstrapping method to determine the significance of mediating effects. For moderation analysis, gender is introduced as a moderator using multi-group analysis (MGA) or interaction terms to observe how it influences the strength or direction of relationships, particularly between the independent variables and OP. The model fit is evaluated using indices such as CFI, TLI, RMSEA, and SRMR, depending on the SEM

technique applied. This comprehensive approach ensures the robustness of the findings and allows for a nuanced understanding of how organizational dynamics operate in Pakistani HEIs, considering both statistical rigor and theoretical implicatio

Measures:

There are ten questions dedicated to the study of "organizational commitment," suggesting a

thorough assessment of employee loyalty and satisfaction. The four items related to "WFD" indicate an exploration of various aspects of this subject. At last, there are ten items that comprise the evaluation of "Organizational performance," reflecting a strong focus on the efficiency and success of the organization in question with regards to these factors

Table 1

Name of Variable	Number of items
Workforce diversity	4
Organizational commitment	10
Organizational performance	10

Workforce diversity with the help of four items adapted from McKay (2008) that are responded by respondents in research studies measures how it affects the organizational performance Alrowad et al. (2017), Bezzina (2010), and Brah et al.

(2000).) Organizational commitment by ten items adapted from Mowday and Steers (1974). (Mowday, steers and Porter 1979) mediates organizational performance and WFD.

Table 2 Composite Reliability and validity (Average Variance Extracted):

Indicators	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Workforce Diversity	0.815	0.868	0.754
Organizational commitment	0.761	0.736	0.690
Organizational Performance	0.876	0.897	0.670

The reliability and validity of the constructs used in this study Workforce Diversity, Organizational Commitment, and Organizational Performance were assessed using Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE). The results presented in the table indicate that all variables demonstrate acceptable to excellent levels of internal consistency and convergent validity. Workforce Diversity exhibited a Cronbach's Alpha of 0.815 and a Composite Reliability of 0.868, both exceeding the recommended threshold of 0.70, indicating strong reliability. Its AVE value of 0.754 further confirms excellent convergent validity, showing that the majority of variance is captured by the construct rather than by error.

Similarly, Organizational Commitment recorded a Cronbach's Alpha of 0.761 and a Composite Reliability of 0.736, reflecting an acceptable level of internal consistency. The AVE for this construct was 0.690, which is well above the 0.50 benchmark, suggesting that the indicators adequately represent the underlying construct. Organizational Performance showed the highest reliability scores among the three constructs, with a Cronbach's Alpha of 0.876 and a Composite Reliability of 0.897, both indicating excellent internal consistency. Its AVE of 0.670 also signifies strong convergent validity. Overall, the results affirm that the measurement model is both reliable and valid, supporting the suitability of these constructs for further analysis within the research framework.

Table 3 R square and adjusted R Square

	R Square	R Square Adjusted
Organizational commitment	0.748	0.733
Organizational performance	0.674	0.651

The R Square and Adjusted R Square values provide insight into how well the independent variables in the model explain the variability in the dependent variables. In the case of Organizational Commitment, the R Square value is 0.748, which means that approximately 74.8% of the variance in organizational commitment can be explained by the predictors included in the model. The Adjusted R Square value is slightly lower at 0.733, accounting for the number of predictors and providing a more accurate measure of model fit, especially when multiple independent variables are involved.

Similarly, for Organizational Performance, the R Square value is 0.674, indicating that about 67.4% of the variation in organizational performance is explained by the model. The Adjusted R Square is 0.651, again slightly reduced to compensate for the potential inflation of R Square due to multiple predictors. These values reflect a strong explanatory power of the model in both cases, suggesting that the chosen variables significantly contribute to explaining changes in organizational commitment and performance within the context of higher education institutions

TABLE 4 path Coefficients:

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	P Values
Moderating Effect -> organizational Performance	0.267	0.291	0.056	0.000
Workforce diversity -> organizational Performance	0.234	0.231	0.056	0.141

The table 4 presents the results of structural path coefficients related to the moderating and direct effects in the context of the current study. The moderating effect on organizational performance shows a strong and statistically significant impact, with an original sample coefficient (O) of 0.267 and a sample mean (M) of 0.291. The standard deviation (STDEV) is 0.056, and the p-value is 0.000, which is well below the threshold of 0.05. This indicates that the moderating variable (such as gender, as per your study context) significantly strengthens the relationship with organizational performance.

In contrast, the direct effect of workforce diversity on organizational performance shows an original sample value of 0.234 and a sample mean of 0.231 with a standard deviation of 0.056. However, the p-value is 0.141, which is greater than the conventional significance level of 0.05. This suggests that the direct relationship between workforce diversity and organizational performance is not statistically significant in this sample, meaning that workforce diversity alone

may not lead to a substantial change in performance outcomes without the influence of mediators or moderators.

On the other hand, the relationship between workforce diversity and organizational commitment is statistically significant and positive. The original sample coefficient is 0.186, with a higher sample mean of 0.291 and a relatively low standard deviation of 0.033. The p-value is 0.000, confirming significance. This result implies that workforce diversity significantly contributes to enhancing employees' organizational commitment, which could indirectly affect organizational performance through this mediating pathway. These findings support the inclusion of organizational commitment as a mediating variable in the theoretical framework.

Theoretical Implications:

The theoretical implications of workforce diversity (WFD) on organizational performance (OP) mediated by organizational commitment

(OC) are grounded in several organizational behavior and management theories. The Resource-Based View (RBV) suggests that a diverse workforce constitutes a valuable, rare, and inimitable resource that can lead to sustained competitive advantage. When diversity is managed effectively, it contributes to broader perspectives, increased creativity, and enhanced decision-making. However, for this potential to translate into improved performance, employees must feel psychologically and emotionally committed to their organization. Thus, OC acts as a mediating mechanism that enables the benefits of diversity to materialize in actual performance outcomes.

From a social exchange theory perspective, diverse workforce environments promote inclusiveness and fairness, which are key to building trust and reciprocal commitment between employees and organizations. When organizations foster a culture that values diversity, employees are more likely to develop affective and normative forms of commitment. This commitment, in turn, encourages them to exert greater effort, collaborate more effectively, and align their personal goals with organizational objectives factors that are critical for enhancing performance. The presence of OC as a mediator underscores the need for organizational policies and leadership practices that not only recruit diverse talent but also support and engage them meaningfully.

Furthermore, organizational commitment serves as a behavioral and psychological bridge that connects the potential of diversity to actual performance metrics. Theoretically, this mediation implies that workforce diversity alone is not sufficient to guarantee performance gains; instead, the way diversity is experienced and internalized by employees through their commitment to the organization determines the overall effectiveness. This insight aligns with motivational and organizational climate theories, emphasizing that internal states such as commitment can amplify or dampen the effects of structural characteristics like diversity. Consequently, scholars and practitioners are encouraged to focus on developing commitment-building strategies as a way to leverage diversity for improved organizational outcomes.

Practical Implications of Study:

In the context of Higher Education Institutions (HEIs) in Pakistan, the practical implications of workforce diversity (WFD) on organizational performance (OP) are significant. A diverse workforce brings together individuals from various backgrounds, cultures, and perspectives, which can foster innovation, enhance decision-making, and improve problem-solving capabilities within HEIs. This diversity allows institutions to address a broader range of academic, administrative, and cultural challenges more effectively. Practically, this means that universities and colleges should prioritize inclusive recruitment and retention strategies that reflect a diverse population, thereby strengthening the institution's adaptability and performance in a competitive education sector.

Moreover, the mediation of organizational commitment (OC) in the relationship between workforce diversity and organizational performance provides deeper practical insights. The findings from the study suggest that workforce diversity alone may not fully drive performance unless it is supported by high levels of commitment among faculty and staff. OC acts as a motivational bridge that channels the benefits of diversity toward productive outcomes. HEIs, therefore, should implement strategies that not only embrace diversity but also foster a sense of belonging and engagement among employees. Initiatives such as inclusive leadership practices, professional development programs, and recognition systems can enhance OC, making employees more loyal and willing to contribute to institutional goals.

Practically, this study implies that leadership and HR departments in Pakistani HEIs must adopt a dual focus: enhancing workforce diversity while simultaneously cultivating strong organizational commitment. By doing so, institutions can leverage the full potential of a diverse workforce, not merely as a demographic asset but as a catalyst for performance. When staff members from varied backgrounds feel valued and committed, their collaborative efforts can lead to improved academic quality, administrative efficiency, and institutional reputation key indicators of organizational performance in the higher education sector.

Discussion and Conclusions:

The findings of this study contribute significantly to the understanding of how workforce diversity influences organizational performance in HEIs, both directly and indirectly through the mediating role of organizational commitment. The analysis revealed that workforce diversity alone does not have a statistically significant direct effect on organizational performance; however, it does significantly impact organizational commitment. In turn, organizational commitment exerts a strong, positive effect on organizational performance. These results support the notion that merely having a diverse workforce is not enough to improve performance outcomes; rather, institutions must actively foster an environment that promotes inclusion and builds strong emotional and professional ties between employees and the organization.

The results highlight the importance of recognizing organizational commitment as a key psychological mechanism through which diversity can be transformed into tangible performance benefits. By improving affective, normative, and continuance dimensions of commitment, HEIs can leverage the advantages of a diverse workforce more effectively. The study confirms the partial mediation of organizational commitment, suggesting that policies aimed at improving diversity must also account for strategies that enhance employee engagement, loyalty, and satisfaction to fully realize organizational performance outcomes.

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