

A STUDY OF ORGANIZATIONAL CLIMATE, DIVERSITY, AND INCLUSION AMONG FILIPINO EMPLOYEES

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ABSTRACT

There is a misconception that diversity is irrelevant to understanding the workplace in other parts of the world, particularly in Asia. In other words, countries in Asia, like the Philippines, are homogenous. Today, western countries and other developed regions are not the only places where the workforce is becoming more diversified. Hence, this study aims to make a unique contribution to the diverse literature in the country by examining the relationships between diversity, inclusion, and organizational climate in the context of a perceived homogeneous culture. The influence of demographic characteristics like age, gender, tenure, and position was also considered in the study. Using a sample of 40 Filipino employees in a higher education institution in Cebu City, the results show average employee perceptions about diversity, inclusion, and organizational climate. The perception of diversity was positively linked to inclusion and the organizational climate. However, perceptions of inclusion and organizational climate were not statistically meaningful. On the other hand, gender, tenure, and position were closely linked to employee's perceptions of the organizational climate. Specifically, gender-diverse employees, new employees, and those in teaching positions have a more positive perception of the organizational climate. Therefore, assessing the organizational climate is highly relevant in promoting and improving inclusion and diversity in the workplace.

Keywords: organizational climate, diversity climate, inclusion

INTRODUCTION

Most diversity literature focuses on Western nations, with the idea that diversity is irrelevant to understanding the workplace in other parts of the world, particularly in Asia. Asian countries like the Philippines are homogenous (Cho & Mor Barak, 2008). However, the importance of diversity in an organization has now been recognized in Asia. Today, it could be argued that Western nations and other developed regions worldwide are not the only places where the workforce is becoming more diverse (Findler et al., 2007). As one example, the Philippines, a developing nation, is less homogeneous than it is perceived as an Asian nation in terms of gender and sexual orientation, age, educational level, socioeconomic status, and religious affiliation, among others (Cabrera, 2019).

Conversely, most recent studies on organizational climate emphasize creating inclusive workplaces that go beyond diversity. Organizational climate represents employees' perceptions of the organization's policies, practices, and procedures (Schneider et al., 2011; Patterson et al., 2005). In other words, it refers to subsequent patterns of interactions and behaviors that support diversity and inclusion. There is mounting evidence from research by scholars and practitioners that diversity and inclusion are essential predictors of employee engagement and organizational success (Mor Barak, 2015; Mor Barak et al., 2006; Seck et al., 1993). Although diversity and inclusion are frequently used interchangeably, they are two different concepts. Diversity is referred to as a characteristic of a workgroup or organization. It includes both observable (such as gender, race, and age) and non-observable (such as culture, cognition, and education) differences among members. Contrarily, inclusion refers to the belief among employees that their contribution to the organization is valued and that their full participation is encouraged (Mor Barak, 2015).

Despite the expanding body of research on the complexity of diversity, scholars have taken positions on all sides of the topic. For instance, it has proven challenging to research organizational dynamics and diversity in many Asian nations (Cho & Mor Barak, 2008). Likewise, most Filipino-owned organizations have a cultural tendency to be secretive in their policies and practices. It resulted in a nationwide need for more information regarding organizational diversity and inclusion climates. To address the limitations of previous research, this study was interested in studying diversity within the Filipino culture.

The researcher was fortunate to conduct diversity research in one of the most dynamic educational organizations in the country. It was a rare opportunity since, like most other organizations in the Philippines, this company had never allowed researchers access to its employees and internal culture. The specific objectives of this study were to: a) identify the diversity characteristics of employees in the context of a perceived homogeneous culture in terms of age, gender, tenure, and position; b) examine the relationship between perceptions of diversity, inclusion, and organizational climate; and c) investigate the relationship between diverse characteristics (such as age, gender, tenure, position) and organizational climate.

METHODS

Participants

Forty participants between the ages of 24 and 50 ($M = 28.60$, $SD = 6.09$) were employed in a tertiary educational institution in the Philippines. More than half (75%) of the participants were between the ages of 25 to 34 years old, followed by 15% under 24 and 10% being 35 years or older. Slightly more than half (55%) of the participants were women, followed by 35% of men, and 10% were gender diverse. Nearly half of the participants (45%) were employed for two to three years in the organization, followed by 30% for four to five years, 20% of the participants under one year, and 5% employed for six years or more. A majority of the participants were non-teaching staff (55%), followed by teaching staff (40%) and administration staff (5%). The primary characteristics of the sample are shown in Table 1.

Table 1

Diverse characteristics of the sample (N = 40)

Characteristics	N	%
Age ($M = 28.60$, $SD = 6.09$)		
≤ 24 years	6	15.0
25 – 34 years	30	75.0
35 years +	4	10.0
Gender		
Man	14	35.0

Woman	22	55.0
Non-binary	2	5.0
Genderqueer	2	5.0
Tenure ($M = 2.87, SD = 1.36$)		
≤ 1 year	8	20.0
2 to 3 years	18	45.0
4 to 5 years	12	30.0
6 years +	2	5.0
Position		
Administration	2	5.0
Teaching Staff	16	40.0
Non-teaching Staff	22	55.0

Note: M and SD represent mean and standard deviation, respectively.

Procedures

A consent form with information about the study's purpose and the significance of participants' participation was first obtained. Those who gave their consent were able to continue with the study. Forty participants responded to an online survey through Google Forms. The data collection instruments utilized in this study were divided into four parts: (1) profile of the participants, (2) diversity climate perception scale, (3) inclusion-exclusion scale, and (4) organizational climate scale. These scales show a good model fit, internal consistency, and cross-time consistency, with evidence for content, convergent, and divergent validity (Mor Barak, 2017; Patterson et al., 2005).

MEASURES

Diversity Characteristics

Participants were asked to indicate their age, gender, tenure, and position.

Diversity

Mor Barak and Cherin (1998) developed a 16-item scale to gauge employees' perceptions of diversity. The diversity climate scale examines employees' perceptions of the diversity climate within the organization. It has two dimensions, each of which has two factors. The organizational dimension includes organizational fairness (factor a) and inclusion (factor b), while the personal dimension contains personal diversity value (factor c) and comfort with diversity (factor d). All items are added to create a composite diversity perceptions score, including four reverse-scored questions (items 1, 9, 15, and 16) that aim to prevent a response set. The scale uses a six-point Likert scale, ranging from "strongly disagree" to "strongly agree." Higher scores on the scale indicate a favorable opinion of a diverse climate. Additionally, the dimensions and factors can be separately summed and analyzed to learn more about how employees perceive diversity. Finally, the scale and its factors demonstrated strong to adequate internal consistency with Cronbach's alphas of .83, .86, .80, .77, and .71, respectively (Mor Barak et al., 1998).

Inclusion

Mor Barak (2017, pp. 494–495) measured the perception of inclusion using a 15-item scale. The inclusion-exclusion scale was developed to gauge how much an employee feels a part of critical organizational functions like information access, involvement and participation, and influence over decision-making. It uses a matrix system with three inclusion dimensions (decision-making, information networks, and participation/involvement) intersected by five work-organization system levels (workgroup, organization, supervisor, higher management, and social/informal). The scale items are added to prevent a response set to create a composite inclusion-exclusion continuum score with three reverse-scored questions (items 5, 8, and 15). It uses a six-point Likert scale, ranging from "strongly disagree" to "strongly agree." Higher scores on the scale correspond to a greater sense of inclusion. The initial version of the measure showed good internal consistency in a sample of 3,400 employees of diverse racial and ethnic backgrounds in a California-based high-tech company with a Cronbach's alpha of .88 (Mor Barak & Levin, 2002).

Organizational Climate

Patterson and colleagues (2005) developed an 82-item scale to assess the organizational climate. The organizational climate measure consists of 17 scales broken down into four quadrants: internal processes, open systems, rational goals, and human relations. The 82 scale items are added to create a composite organizational climate score, with 31 reverse-scored questions denoted with an asterisk (*) to prevent a response set from systematically answering the questions. It uses a four-point Likert scale, ranging from “definitely false” to “definitely true,” with higher scores corresponding to a more positive perception of the work environment. Furthermore, the 17 scale has regression weights from the confirmatory factor analysis on the second 50% of the data, suggesting that each scale is factorially distinct, highly statistically significant, and has acceptable levels of reliability.

DATA ANALYSIS

Following the data collection, the researcher utilized SPSS Statistics 29.0 to perform accurate data analysis and presented the results in tables. In line with the study’s objectives, descriptive statistics were first used to ascertain the diversity characteristics of the employees (see Table 1) and the level of the measures (see Table 2). Next, a Pearson correlation coefficient examined the relationship between organizational climate, inclusion, and diversity. After that, several Welch’s ANOVAs were conducted to investigate group differences for unequal sample sizes of diversity characteristics (such as age, gender, tenure, and position) to organizational climate.

RESULTS

Descriptive Analysis

Table 2 displays the means and standard deviations of the organizational climate, diversity, and inclusion. In addition, a percentile range was created for each measure’s score to ensure uniformity in interpretation.

The results show that participants’ perceptions about diversity ($M = 3.85$, $SD = .71$) and inclusion ($M = 3.89$, $SD = .70$) are average, ranking in the 54th percentile. Similarly, participants

had an average view of organizational climate ($M = 2.49$, $SD = .40$), ranking in the 42nd percentile. It shows that employees' perceptions of organizational climate, diversity, and inclusion are generally fair.

Table 2

Descriptive statistics of the measures (N = 40)

Measure	<i>M</i>	<i>SD</i>	%ile Rank	Interpretation
Diversity Perception	3.85	.71	54 th	Average
Perception of Inclusion	3.89	.70	54 th	Average
Organizational Climate	2.49	.40	42 nd	Average

Percentile Range: 1-20 (Very Low); 21-40 (Low); 41-60 (Average); 61-79 (High); 80-99 (Very High)

Correlation Analysis

Table 3, on the other hand, shows the relationships between the three measures. Diversity perception was both significantly and favorably correlated with inclusion ($r = .497$, $p < .01$) and organizational climate ($r = .617$, $p < .01$). However, there was no statistically significant association between the organizational climate and the perception of inclusion.

Table 3

Intercorrelations among measures

Measure	1	2	3
1. Diversity Perception	–		
2. Perception of Inclusion	.497**	–	
3. Organizational Climate	.617**	.156	–

** . Correlation is significant at the .01 level (2-tailed).

Analysis of Variance

The relationship between four diversity characteristics and organizational climate is shown in Table 4. Welch's analysis of variance (ANOVA) revealed no difference in the relationship between age and organizational climate ($F_{Welch} [2,13.789] = 6.916, p = .008$). However, a significant relationship between gender and organizational climate was found by Welch's ANOVA ($F_{Welch} [2,11.374] = 8.595, p = .005$).

Table 4

Organizational climate by age, gender, tenure, and position (N = 40)

	N	Organization Climate	
		M	SD
Age		$F_{Welch} = 2.095$	$df = 2,10.354$
≤ 24 years	18	2.68	.27
25 – 34 years	18	2.43	.43
35 years +	4	2.62	.15
Gender		$F_{Welch} = 8.595^*$	$df = 2,11.374$
Man	14	2.43	.31
Woman	22	2.44	.43
Gender-diverse	4	2.96	.21
Tenure		$F_{Welch} = 13.388^*$	$df = 3,17.223$
≤ 1 year	8	2.91	.18
2 to 3 years	18	2.34	.39
4 to 5 years	12	2.43	.37
6 years +	2	2.50	.007
Position		$F_{Welch} = 43.915^*$	$df = 2,10.905$
Administrative Staff	2	1.95	.06
Teaching Staff	16	2.71	.26
Non-teaching Staff	22	2.38	.41

Note: Asymptotically F distributed, $*p < .05$

The ANOVA post-hoc test, Dunnett T3, suggested that gender-diverse employees had a more favorable perception of the organizational climate ($M = 2.96$), followed by women ($M = 2.44$) and men ($M = 2.43$). Likewise, Welch's ANOVA of the relationship between tenure and organizational climate revealed a significant difference ($F_{Welch} [3,17.223] = 13.388, p = .001$), with employees with tenures under one year ($M = 2.91$) reporting the highest levels of positive perception in their work environment, followed by those with tenures of 6 years or more ($M = 2.50$), 4 to 5 years ($M = 2.43$), and employees with tenures of 2 to 3 years ($M = 2.34$). Moreover, the sample's perception of a positive organizational climate significantly differs across employment positions ($F_{Welch} [2,10.905] = 43.915, p = .001$). It illustrates that teaching staff members are more likely to experience a positive perception of their work environment than administrative and non-teaching staff members. The ANOVA post-hoc test, Dunnett T3, shows that teaching employees had a positive perception of the organization's climates ($M = 2.71$), followed by non-teaching employees ($M = 2.38$) and administrative staff ($M = 1.95$).

DISCUSSION AND ANALYSIS

This study aimed to identify Filipino employees' diverse characteristics in a perceived homogeneous culture, examine the relationship between perceptions of diversity, inclusion, and organizational climate, and investigate the relationship between diverse characteristics and organizational climate in the Filipino cultural context.

Results indicate that diversity climate was significantly and favorably correlated with inclusion, as the study predicted. It is consistent with previous research on the association between diversity and inclusion in the workplace (Mor Barak et al., 2001; Mor Barak & Levin, 2002). Furthermore, participants' views of diversity and inclusion within their organizations were generally fair. Similarly, Llantos (2021) found that academic managers and leaders of selected higher education institutions (HEIs) in the Philippines believed that multiculturalism and diversity management should be embedded in organizational programs. It means that Filipino organizations are moving towards diversity and inclusion.

Similarly, diversity perceptions and organizational climate were positively correlated. However, the present study has found an insignificant relationship between the organizational climate and the perception of inclusion. Nevertheless, participants viewed relatively their

organizational climate. Cho and Mor Barak (2008) argued that people's perceptions of their organizations can be influenced by their diverse characteristics, even though they differ from one culture to another. As such, it seems reasonable that people identify themselves based on their diversity characteristics, and this actual diversity would then affect their perception of the organization's climate, including its inclusive practices.

In addition, this study identified four diverse characteristics such as age, gender, tenure, and position with organizational climate. However, the age factor was not statistically significant with the organizational climate. It seems plausible, given that most of the participants in the sample were relatively young. Only gender, tenure, and position were closely linked to employees' positive perceptions of the organizational climate. More specifically, gender-diverse employees, new employees, and those in teaching positions have a more favorable perception of the organization. The findings suggest a more positive view of the organization among employees in teaching positions since the sample is from a tertiary educational institution. Hastings (2018) also argued that it is likely for new employees to have a more positive outlook than tenured employees. However, they taper off over time. In the Philippines, HEIs implementing gender-fair learning and gender mainstreaming efforts have facilitated gender diversity awareness among universities and college workplaces (Domogen et al., 2022; Llantos, 2021).

In sum, assessing the organizational climate is highly relevant in promoting and improving inclusion and diversity in the workplace. It is essential to remember that employees can get along with each other, but that does not change the fact that they are still different from one another. Thus, while the Philippine organizational culture may seem homogeneous, it is diverse.

CONCLUSION

In the present study, key findings show that most employees have average perceptions of organizational climate, diversity, and inclusion. Additionally, perceptions of inclusion and organizational climate were significantly and favorably correlated with perceptions of diversity. However, there was no statistically significant association between the organizational

climate and the perception of inclusion. Furthermore, diversity characteristics were significantly related to organizational climate perceptions. Specifically, gender-diverse employees, new employees, and those in teaching positions have a more positive perception of the organizational climate.

RECOMMENDATIONS

Organizations should emphasize the value of diversity management competencies. Consideration should also be given to developing a diversity management strategy that highlights each employee's unique attributes and interpersonal relationships. Furthermore, this study also provides many possible directions for future research. It is recommended to replicate this study using samples from different types of organizations, such as comparing employees of public and private organizations and those of small and large enterprises in the country. Future studies should investigate the effects of individual differences and consider factors in the organizational context for potential intervening variables. Finally, longitudinal research designs can be implemented to ascertain if variables change over time and if the change is the same or different from one culture to another.

LIMITATIONS

Some limitations in this study require careful interpretation of the results. The sample size was limited to 40 employees at one of the tertiary schools in Cebu, Philippines. Participants in the study also had short organizational tenures and were relatively young. In addition, this company had never given researchers access to its employees and internal culture. Due to the traditional confidentiality of Filipino companies, the sample was not randomly selected due to the lack of a sampling framework and time constraints. Nonetheless, this was a rare opportunity to conduct the study. Additionally, the study was restricted to a single company in Cebu City to maintain sample homogeneity. As such, the findings may need to be more generalizable or representative of Filipino culture. Despite these limitations, the information obtained in the present study offers a unique insight into the diversity of the Filipino workforce.

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