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Influence of Employee Diversity Strategies on the Relationship Between Human Capital Development and Organisational Performance: A Case of Coca-Cola Manufacturing Company, Mbarara District, Uganda.

By

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Abstract

The purpose of this study was to assess the influence of employee diversity strategies on the relationship between human capital development and organisational performance at Coca-Cola Company in Mbarara City, grounded in the Resource-Based View theory. Using a mixed-methods approach, the study integrated correlational, descriptive, and case study designs to capture multiple dimensions of the research problem. The target population consisted of 235 employees, from which a sample of 148 respondents was systematically selected using stratified, proportionate, simple random, and purposive sampling techniques. Quantitative data were collected through self-administered questionnaires and analysed using SPSS version 28, employing descriptive statistics, correlation, and linear regression, while qualitative data from unstructured interviews were analysed thematically. The correlational analysis revealed a moderate positive and statistically significant relationship between employee diversity and organisational performance, with a Pearson correlation coefficient of 0.464 (p = 0.000), suggesting that greater diversity is associated with improved performance. However, regression analysis indicated a positive but not statistically significant effect (β = 0.183, p = 0.113), highlighting a gap between the perceived benefits of diversity and its measurable impact on performance, potentially influenced by contextual factors such as leadership representation and integration practices. These findings underscore the importance of implementing structured diversity strategies to enhance human capital and organisational outcomes. The study contributes to the body of knowledge by providing empirical evidence from the Ugandan context, where research on diversity and performance in multinational companies is limited. For policy, the findings suggest that management should strengthen diversity initiatives, leadership inclusivity, and integration processes to maximise workforce potential and improve overall organisational effectiveness.

Keywords: *Employee Diversity Strategies, Human Capital Development, Organisational Performance, Manufacturing Company*

1.0 Introduction

Organisational performance in the manufacturing sector reflects the ability of a firm to efficiently transform inputs such as labour, materials, and technology into high-quality products that meet market demands while maintaining profitability and competitiveness (Das & Canel, 2023). High performance in this sector depends on operational efficiency, product innovation, employee productivity, and adaptability to changing consumer preferences and technological advancements (Alzoraiki et al., 2024). Sustaining such performance requires continuous investment in human capital development to enhance the technical skills, problem-solving abilities, and innovative capacity of employees (Mustafa & Lleshi, 2024). Human capital development ensures that workers can effectively operate advanced machinery, maintain quality standards, and drive process improvements

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(Nwachukwu, 2024). The success of these initiatives, however, is often influenced by the extent to which employee diversity is embraced and managed within the organisation (Baker et al., 2021). Effective diversity strategies promote inclusion, collaboration, and equitable access to training and career advancement, allowing the workforce to harness diverse perspectives and experiences (Chukwudi & Eusebius, 2023).

In the manufacturing context, such diversity enhances creativity, reduces operational inefficiencies, and fosters teamwork across different functional areas (Oham & Ejike, 2024). The relationship among these elements shows that when manufacturing firms integrate strong diversity strategies into their human capital development efforts, they create an environment that maximises employee potential and translates directly into improved organisational performance (Hoichuk & Lyubomudrova, 2024).

The performance of manufacturing industries in Uganda continues to face significant challenges that hinder productivity and competitiveness (Atigeet, al., 2024). Persistent issues such as unreliable electricity supply, poor transport infrastructure, limited access to affordable financing, and shortages of skilled labour constrain efficient production and technological advancement (Calabrese et al., 2019). Many firms operate with outdated machinery and low innovation capacity, while competition from cheap imports and weak enforcement of quality standards further erode their market share. These structural and operational challenges reduce the overall efficiency and profitability of the sector, limiting its contribution to national industrial growth (Stewart, 2024). Despite various policy efforts, limited attention has been given to how internal organisational factors such as employee diversity strategies and human capital development can enhance performance within this challenging environment.

Coca Cola Beverages Uganda's Mbarara branch continues to face significant challenges in achieving optimal performance despite implementing various business strategies. The Uganda Economic Policy Research Centre (EPRC) (2025) highlights that the company operates under difficult macroeconomic conditions, including unreliable electricity, high taxation, and persistent inflation, which adversely affect operational efficiency and profitability. In 2024, the depreciation of the Ugandan shilling by over 8% against the US dollar further increased the cost of imported production materials, placing additional pressure on manufacturing efficiency and cost management (EPRC, 2025). While these external challenges are well documented, limited attention has been given to how internal organisational factors can enhance performance. This study therefore aimed to examine the influence of employee diversity strategies on the relationship between human capital development and organisational performance within Uganda's manufacturing sector. Focusing on Coca Cola Manufacturing Company in Mbarara District, the research provides empirical evidence on how inclusive workforce management and targeted employee development can address operational challenges, improve efficiency, and strengthen overall organisational performance.

The study was guided by the following specific objectives:

- To examine the employee diversity strategies adopted by Coca Cola Manufacturing Company in Mbarara District.
- To assess how employee diversity influences human capital development within the company.
- To evaluate the impact of employee diversity strategies on organisational performance.
- To identify the barriers and enablers affecting the implementation of employee diversity strategies in the company.
- To propose recommendations for enhancing employee diversity strategies to strengthen human capital development and improve organisational performance.

The study was framed on the following null hypothesis:

- Employee diversity strategies have no significant influence on the relationship between human capital development and organisational performance at Coca Cola Manufacturing Company in Mbarara District.

Theoretical framework

This study was anchored on the Resource-Based View (RBV) theory by Barney (1991), which posits that organisations achieve sustainable competitive advantage by effectively acquiring, developing, and managing resources that are valuable, rare, inimitable, and non-substitutable (Madhani, 2010). The theory assumes that human resources constitute a key strategic asset, organisational capabilities emerge from how these resources are managed, and leveraging unique resources can significantly enhance performance and competitiveness (Armstrong & Shimizu, 2007).

In this study, the RBV theory provides a framework for understanding the relationship between the variables by conceptualising human capital development as a critical organisational resource. Employee diversity strategies serve to maximise the potential of this resource by integrating the skills, knowledge, and experiences of a varied workforce. Through effective diversity management, organisations can foster innovation, improve collaboration, and ultimately enhance overall organisational performance as shown in Figure 1.

Figure 1: Theoretical Framework

Empirical review

The study discusses various empirical studies as shown in Figure 2.

Influence of employee diversity on performance of multinational companies

Ohunakin et al. (2019) investigated the effects of diversity management and inclusion on organisational outcomes, specifically focusing on job satisfaction and job performance among employees of Shell Corporation. The purpose of the study was to understand how managing and including a diverse workforce could benefit organisational activities, particularly in a highly diverse context such as Nigeria, where there is a noted lack of research on these constructs. The study employed a cross-sectional research design, administering 384 pen-and-paper questionnaires to employees at the Lagos Branch of Shell Corporation. Data analysis involved Confirmatory Factor Analysis (CFA), assessments of convergent and divergent validity, correlational analysis, and structural equation modelling. The findings revealed that diversity management and inclusion had a positive effect on both employees' job satisfaction and job performance. The study concluded that implementing effective diversity and inclusion practices enables organisations to create a work environment where employees are motivated to work harder and are more willing to remain committed to the organisation, highlighting the strategic value of these practices in enhancing organisational outcomes.

Idam (2021) conducted a study to examine the concept of diversity and its influence on employee engagement within multinational organisations in Nigeria. The purpose of the study was to explore how various aspects of diversity—including age, sex, gender, sexual orientation, and culture—affect employee behaviour, performance, and self-satisfaction, and to provide recommendations for enhancing the positive impacts of diversity in the workplace. The study employed a mixed-methods approach, collecting primary data through questionnaires and interviews from 80 anonymous participants across different industries, while also utilising secondary sources such as peer-reviewed journals and texts. The findings revealed that diversity has a predominantly positive influence on employee engagement, although the impact varies across different diversity dimensions. The study concluded that the strategic involvement of talent management in managing diversity can further enhance employee engagement, and it offered recommendations for leveraging diversity to promote productive and inclusive work environments in multinational corporations.

Wardi et al. (2024) analyzed the impact of diversity and inclusion policies on organizational performance within multinational companies. The purpose of the study was to determine how these policies influence productivity, innovation, and operational efficiency, highlighting their strategic importance in a globalized business environment. A quantitative research design was employed, with data collected through a questionnaire survey administered to 200 respondents from various multinational companies. The data were analyzed using multiple linear regression to assess the contribution of diversity and inclusion to organizational performance. The findings revealed that diversity contributed 45% and inclusion 37% to the improvement of organizational performance, with an R^2 value of 0.6416 indicating that the model explained 64.16% of the variability in performance. Additionally, effective implementation of diversity and inclusion policies was found to increase employee engagement by 28% and operational efficiency by 15%. The study concluded that diversity and inclusion are critical strategic elements that enhance competitiveness in multinational companies and provided empirical evidence to guide managers in designing inclusive policies that maximize human resource potential.

Kowo (2021) examined the impact of employee diversity on organizational performance in multinational food industries in South West Nigeria. The purpose of the study was to assess how different dimensions of employee diversity, including gender diversity, age diversity, cultural diversity, and work experience diversity, relate to organizational performance indicators such as sales patronage, operation cost, market share, and employee turnover. The study employed a cross-sectional research design, collecting primary data through questionnaires administered to employees in five randomly selected multinational food corporations. Descriptive and inferential statistical techniques, including mean, regression, and correlation analysis using SPSS, were used for data analysis. The findings revealed that gender diversity had a significant positive effect on sales patronage (P=0.004), age diversity was positively related to operation cost (P=0.001), cultural diversity showed a significant relationship with market share, and work experience diversity was positively associated with employee turnover. The study concluded that employee diversity positively influences various aspects of organizational performance and recommended that multinational food industries not only ensure workforce diversity but also strategically leverage it to enhance overall organizational performance.

Stahl and Maznevski (2021) conducted a retrospective study reflecting on research into cultural diversity in teams. The purpose of the study was to synthesise existing research on multicultural work groups, reconcile conflicting findings, and develop a clearer understanding of how cultural diversity affects team outcomes. The study employed a meta-analytic approach, analysing 108 primary studies encompassing a total of 10,632 work groups. The findings indicated that cultural diversity does not directly influence team performance; instead, its effects are indirect and mediated by process variables such as creativity, cohesion, and conflict. Moreover, the impact of diversity is moderated by contextual factors including team tenure, task complexity, and whether the team is co-located or geographically dispersed. The study concluded that while cultural diversity offers potential benefits for team outcomes, its effectiveness depends on how it is managed and the context in which teams operate. The authors highlighted gaps in the literature and proposed an agenda for future research to better understand the dynamics

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and mechanisms through which diversity influences team performance.

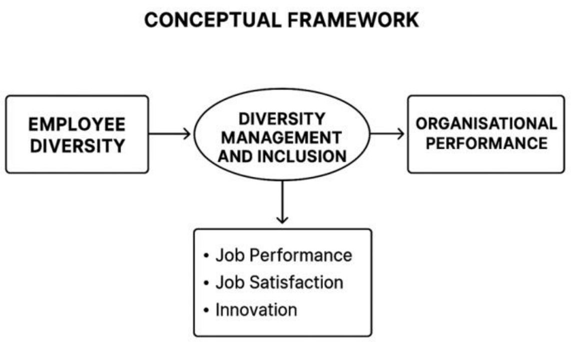

Figure 2: Conceptual Framework

Methodology

Research Design

This study adopted a combination of correlational, descriptive, and case study research designs to capture multiple dimensions of the research problem. The correlational design was utilised to examine and quantify the strength and direction of relationships between diversity strategies and organisational performance, providing robust statistical evidence of associations. The descriptive design enabled systematic summarisation and presentation of the current state of innovation practices, employee engagement, and performance outcomes, offering a clear overview of prevailing patterns and trends within the organisation [42].

The case study design facilitated an in-depth investigation of contextual and organisational factors specific to Coca-Cola Manufacturing Company in Mbarara District, allowing the study to gather qualitative insights from employees and managers regarding the implementation, challenges, and outcomes of human capital-focused innovation strategies. Integrating these research designs supported a mixed-methods approach, combining quantitative analysis of relationships with qualitative understanding of organisational realities. This approach ensured a comprehensive and contextually grounded examination of how innovation strategies in human capital development affect organisational performance.

Target Population

The target population for this study consisted of 235 employees of Century Bottling Company, Mbarara Branch, encompassing a wide array of functional roles and departments such as management and administration, finance and accounts, sales and marketing, records and stores, quality assurance, processing and production, engineering, transport and logistics, health and safety, and support staff. The inclusion of this diverse workforce ensured the study captured comprehensive perspectives on the implementation and effectiveness of human capital development strategies and their influence on organisational performance. Participants were purposively selected based on their knowledge, experience, and active involvement in the company's daily operations, positioning them to provide informed and credible responses [Lund & Matthews, 2024).

Inclusion criteria targeted employees with sufficient exposure to the company's human capital development initiatives, particularly those in managerial, operational, and support roles across key departments. This focus ensured that participants could offer relevant and contextually grounded insights regarding the impact of human capital strategies on organisational performance (Brealey et al., 2025)

Exclusion criteria omitted employees with less than six months of service, interns, staff on probation, newly recruited personnel, employees on leave, and those not directly engaged in day-to-day operations. These exclusions were justified because such individuals were less likely to be familiar with the company's strategies, had limited understanding of performance metrics, and posed a higher risk of providing biased or uninformed responses. This approach ensured that the collected data were reliable, valid, and reflective of employees with adequate experience and knowledge of organisational practices (Lawrence et al., 2024).

Sample Size

The study targeted a sample size of 148 respondents, drawn from the total population of 235 employees at Coca-Cola Manufacturing Company, Mbarara Branch. The sample was calculated using Slovin's formula to ensure an adequate representation of the population while maintaining a manageable number of participants for effective data collection. This approach provided a statistically sound basis for selecting respondents, enhancing the reliability and generalizability of the study findings (Muyembe Asenahabi & Anselemo Ikoha, 2023).

The formula used is as follows:
Where:
n = sample size
N = target population
e = level of significance (0.05)
Substituting the values:

$$\frac{235}{1 + 235(0.05)^2}$$

= 148
n = 148 Respondents

Sampling Procedure

The study employed a multistage sampling approach to achieve a systematic and comprehensive selection of participants from the diverse workforce of Coca-Cola Company, Mbarara Branch (Hossan et al, 2023; Amos et al., 2021). In the first stage, stratified random sampling was used to divide the population into distinct departments, including management, production, finance, and logistics. This ensured that all key functional areas were adequately represented, maintaining proportionality across departments (Nguyen et al., 2021).

Proportionate sampling was subsequently applied to select participants from each department based on its size, ensuring that larger departments contributed more respondents while

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smaller departments were still represented. This approach preserved the overall representativeness of the sample (Iliyasu & Etikan, 2021).

Within the departmental strata, simple random sampling was employed to select employees, giving each individual an equal opportunity of being chosen. This method reduced selection bias and enhanced the generalizability of quantitative findings regarding human capital development strategies and organisational performance.

For the qualitative component, purposive sampling was used to select department heads and senior executives. This was justified by their specialised knowledge, experience, and comprehensive understanding of human capital practices and organisational performance. Their insights provided detailed, contextually rich information on strategic initiatives, challenges, and the effectiveness of innovation in human capital development, complementing the quantitative data and strengthening the validity of the study (Nyimbili & Nyimbili, 2024).

By combining these sampling techniques, the study balanced representativeness, fairness, and depth, ensuring reliable quantitative results alongside rich qualitative insights.

Table 1: Sampling Techniques

Stage	Sampling Method	Population/Participants	Purpose/Justification	Reference
Stage 1	Stratified Random Sampling	All employees divided by department (management, production, finance, logistics, etc.)	Ensures representation of all key functional areas and maintains proportionality across departments	(Hossan et al, 2023; Amos et al., 2021)
Stage 2	Proportionate Sampling	Employees within each department	Larger departments contribute more respondents while smaller departments are still included, preserving sample representativeness	(Iliyasu & Etikan, 2021).
Stage 3	Simple Random Sampling	Employees within departmental strata	Reduces selection bias and provides each individual an equal chance of selection; enhances generalizability of quantitative findings	(Iliyasu & Etikan, 2021)
Qualitative Sampling	Purposive Sampling	Department heads and senior executives	Targets individuals with specialised knowledge and experience to provide in-depth, contextually rich insights on human capital strategies and organisational performance	(Nyimbili, & Nyimbili, 2024).

Research Instruments

The study employed a self-administered questionnaire with closed-ended items measured on a 5-point Likert scale to collect quantitative data from 114 staff members (Leon et al., 2022). This approach was appropriate because non-management employees are directly involved in operational activities and possess practical knowledge of how employee diversity strategies are implemented and how they impact organisational performance. The structured format allowed for efficient data collection and systematic analysis, while the self-administered nature encouraged respondents to provide honest and unbiased answers, reducing the risk of interviewer influence and social desirability bias. The Likert scale facilitated consistent measurement of attitudes, perceptions, and levels of agreement, allowing for meaningful comparisons across respondents.

To complement the quantitative data, the study conducted unstructured interviews purposively selected respondents from the management staff. This method was justified because these individuals have strategic oversight and a comprehensive understanding of innovation initiatives. Unstructured interviews provided flexibility to explore complex issues in depth, capturing detailed insights into the design, implementation, challenges, and outcomes of innovation strategies that could not be fully measured through structured questionnaires.

The combination of questionnaires and unstructured interviews formed a mixed-methods approach, enabling the integration of measurable employee perspectives with rich managerial insights. This approach ensured a holistic understanding of how human capital-focused innovation strategies influence organisational performance (Chauhan, 2022).

Piloting

A pilot study was conducted to assess the effectiveness of the questionnaire in capturing relevant and meaningful data aligned with the study's research objectives (Teresi, et al., 2022) The pilot spanned two weeks, with one week dedicated to data collection and the subsequent week for analysis and refinement. This process enabled a systematic evaluation of

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the clarity, comprehensibility, and relevance of the questionnaire items.

A purposive sample of 15 respondents, representing approximately 10% of the total study sample, was selected to ensure participants had adequate knowledge and experience to provide informed feedback. These pilot participants were excluded from the main study to avoid duplication and maintain the integrity of the primary data.

Data Analysis

The study employed a mixed-methods approach, integrating quantitative and qualitative analyses to gain a comprehensive understanding of the relationship between employee diversity strategies and organisational performance. Quantitative data were processed using SPSS software version 28. Descriptive statistics, including means and standard deviations, summarised the central tendency and variability of the data. Inferential statistics, specifically correlation and linear regression, were used to examine the relationship between employee diversity strategies and organisational performance. Simple linear regression further evaluated the predictive power of these strategies on organisational performance. Hypotheses were tested at a 5% significance level, with results presented in APA-formatted tables (Rahman & Muktadir, 2021).

Qualitative data collected through interviews and open-ended survey responses were analysed using thematic analysis. This method facilitated the identification of recurring patterns and themes, providing contextual insights that complemented and triangulated the quantitative findings. Integrating qualitative insights ensured a deeper and more contextually grounded understanding of how employee diversity strategies influence organisational performance (Squires, 2023).

Table 2: Data Analysis

Data Type	Analysis Method	Purpose/Justification	Software/Tools	Reference
Quantitative	Descriptive statistics (means, standard deviations)	Summarise central tendency and variability of data	SPSS v28	Rahman, A., & Muktadir, M. G. (2021).
Quantitative	Inferential statistics (linear regression, simple linear regression)	Examine relationships between employee diversity strategies and organisational performance; assess predictive power	SPSS v28	Rahman, A., & Muktadir, M. G. (2021).
Qualitative	Thematic analysis	Identify recurring patterns and themes; provide contextual insights; triangulate quantitative findings	Manual/qualitative coding	(Squires, 2023).

Ethical Considerations

The study strictly adhered to ethical principles to protect the rights, dignity, and well-being of all participants. Informed consent was obtained, ensuring that participants voluntarily agreed to take part with full understanding of the study's purpose and procedures. Confidentiality and anonymity were maintained by securely handling all data and excluding any identifying information. Participants were assured of their right to withdraw from the study at any stage without any negative consequences. The research avoided any form of harm or coercion, upholding ethical standards and fostering integrity, trustworthiness, and credibility throughout the research process Hasan et al., 2021; Nii Laryeafio & Ogbewe, 2023; Vadrot & Hughes, 2023).

4.0 Findings

Response Rate

Out of the 114 questionnaires distributed to respondents, a total of 102 were successfully returned, while 12 were not received. This outcome represents a response rate of approximately 89.5 per cent, indicating a high level of participation among the targeted respondents. Such a rate reflects the respondents' strong engagement and willingness to contribute to the study, thereby enhancing the reliability and validity of the collected data.

Descriptive Statistics on Employee diversity on of Coca Cola company in Mbarara City

The study examined the effect of employee diversity in Coca-Cola Manufacturing Company as shown in Table 3.

Table 3: Results on Employee Diversity

Statements	N	Mean	SD
The employees are diversified	102	3.93	.822
Organised policies effectively promote diversity in work place	102	3.81	.923
Employees from different backgrounds are well integrated into the organization.	102	3.85	.851
Diversity is reflected in team work in the organization	102	3.95	.837

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	N	Mean	SD
Our company actively seeks to attract and recruit candidates from diverse backgrounds.	102	4.01	.834
Our company's policies and practices promote a sense of belonging among all employees.	102	3.90	.868
Valid N (listwise)	102	**3.91**	**0.856**

Source: Field Data 2025

Descriptive statistics indicate that respondents generally agreed with statements measuring diversity. For instance, the statement “the employees are diversified” recorded a mean of 3.93 (SD = 0.822), reflecting moderate-to-strong agreement that the workforce includes varied demographic and professional backgrounds. Similarly, “organized policies effectively promote diversity in the workplace” had a mean of 3.81 (SD = 0.923), indicating moderate consensus regarding the role of formal policies in facilitating diversity. These results align with Shore et al. (2018), who emphasize that structured diversity policies enhance inclusivity and organizational adaptability.

Respondents also noted that employees from different backgrounds are well integrated into the organization, with a mean of 3.85 (SD = 0.851), while diversity is reflected in teamwork (M = 3.95, SD = 0.837). These findings suggest that multicultural teams effectively collaborate and leverage diverse perspectives to improve problem-solving and innovation. Roberson (2019) argues that employee integration across diverse backgrounds enhances team performance and decision-making quality. The moderate standard deviations indicate a relatively consistent perception among respondents, highlighting general agreement on the presence and integration of diversity within organizational teams and supporting the notion that workforce heterogeneity contributes positively to performance outcomes.

The statement “our company actively seeks to attract and recruit candidates from diverse backgrounds” had the highest mean of 4.01 (SD = 0.834), showing strong agreement that proactive recruitment strategies support a diverse workforce. Additionally, respondents agreed that “company policies and practices promote a sense of belonging among all employees” (M = 3.90, SD = 0.868), suggesting that inclusion initiatives are recognized across roles.

The overall mean score of 3.91 and a standard deviation of 0.856 indicate that respondents generally agreed with the statements related to employee diversity within the Coca-Cola Manufacturing Company in Mbarara District. The mean value, being close to 4 on a five-point Likert scale, reflects a moderately high perception that diversity practices are effectively implemented and recognised in the organisation. This suggests that most employees view their workplace as inclusive, where individuals from varied backgrounds are valued and integrated into daily operations. The relatively low standard deviation demonstrates consistency in respondents' views, implying that the perception of diversity and inclusion is uniformly shared across different employee groups.

These results imply that the organisation has established a strong foundation for promoting and sustaining employee diversity. A high level of agreement among respondents signifies that diversity is not only acknowledged but also operationalised through recruitment, teamwork, and policy enforcement. Such an environment fosters creativity, enhances collaboration, and improves decision-making through the integration of diverse perspectives. As highlighted by Shore et al. (2018) and Roberson (2019), organisations with effective diversity practices often experience improved innovation, stronger employee engagement, and enhanced overall performance. Therefore, the findings suggest that Coca-Cola's diversity initiatives contribute positively to its organisational effectiveness and competitiveness within the multinational business environment.

Descriptive analysis on Perceived Performance of Coca Cola company in Mbarara City

This study sought to determine the perception of respondents on the Performance of the company as shown in Table 4.

Table 4: Results on Performance of Coca Cola Company

	N	Mean	SD
Our company has streamlined process and systems that enable efficient operations across different locations.	102	3.96	.833
Our company's strong brand reputation and image contribute significantly to our competitive advantage.	102	4.04	.783
Our company's ability to adapt quickly to changing market conditions helps us maintain a competitive advantage.	102	3.85	.851
My company consistently achieves its financial targets	102	3.83	.766
My organisation operates with high levels of efficiency, ensuring timely production.	102	3.91	.774
My organisation has significant growing market share in the industry.	102	3.87	.728
Overall	**102**	**3.91**	**0.79**

Source: Field Data, 2025

Table 4 reports respondents' perceptions of the performance of multinational companies in Mbarara District using six statements. All items have means between 3.83 and 4.04 on a 5-point agreement scale, indicating strong agreement across all dimensions. The highest mean (4.04, SD = 0.783) is for: *“Our company's strong brand reputation and image contribute significantly to our competitive advantage.”* This suggests that among the performance indicators measured, brand reputation/image is viewed as the strongest contributor to performance. Close behind are *“Our company has streamlined process and systems that enable efficient*

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operations across different locations" (Mean = 3.96, SD = 0.833) and *"My organisation operates with high levels of efficiency, ensuring timely production"* (Mean = 3.91, SD = 0.774), showing that respondents see operational efficiency and process/system streamlining as important. The lower means, though still positive, are for *"My company consistently achieves its financial targets"* (3.83, SD = 0.766) and *"Our company's ability to adapt quickly to changing market conditions helps us maintain a competitive advantage"* (3.85, SD = 0.851), implying that adaptation and financial target achievement are somewhat less strongly perceived, perhaps reflecting challenges in those areas.

In terms of consistency, looking at the standard deviations: they range from 0.728 to 0.851. The lowest SD (0.728) is for the item *"My organisation has significant growing market share in the industry"*, which means respondents' views are more tightly clustered (less disagreement) about market share than some other items. The highest SD (0.851) is for *"Our company's ability to adapt quickly to changing market conditions…"*, indicating more dispersion in how much respondents feel the companies adapt. But overall, none of the SDs are extremely high; all are under or just around 0.85, which suggests moderate agreement and that variation between respondents is present but not extreme.

The overall mean score of 3.91 and a standard deviation of 0.79 indicate that respondents generally agreed with the statements relating to the performance of Coca-Cola Company in Mbarara City. The mean value, being close to 4 on a five-point Likert scale, reflects a strong perception among respondents that Coca-Cola performs well across key operational and strategic dimensions. The relatively low standard deviation shows that respondents' views were consistent, suggesting shared confidence in the company's efficiency, competitiveness, and brand strength. This consistency highlights a stable and positive perception of Coca-Cola's performance among employees.

The implication of these findings is that Coca-Cola Company in Mbarara City has established a solid foundation for strong organisational performance. The high mean scores for brand reputation and operational efficiency indicate that the company's processes and systems are effectively streamlined to ensure quality production and reliable service delivery. Employees perceive Coca-Cola as maintaining an excellent corporate image, which significantly contributes to its market advantage. The slightly lower mean scores related to adaptability and financial target achievement, though still positive, suggest that the company may face moderate challenges in keeping pace with changing market conditions and achieving consistent financial outcomes.

These results imply that Coca-Cola Company in Mbarara City operates as a well-organised and high-performing enterprise with a strong emphasis on efficiency, brand strength, and quality production. The consistent standard deviation demonstrates steady employee confidence in the company's management and performance strategies. These findings indicate that Coca-Cola's continued success in Mbarara City is driven by its focus on operational excellence, brand reputation, and commitment to sustaining customer satisfaction and market growth.

Qualitative Findings on Employee Diversity in Coca Cola Multinational Company

Interviews were conducted to seek views of key informants on various aspects of employee diversity.

Both key informants recognised the presence of diversity within the workforce. KI1 remarked that the company employs individuals from different cultural and educational backgrounds, reflecting a varied and inclusive staff composition. KI2 agreed with this observation but pointed out that diversity is less evident within senior management, suggesting that leadership positions may not yet fully represent the broader diversity found in the rest of the organisation.

On the subject of workplace diversity policies, KI1 explained that the company's recruitment policy places strong emphasis on equal opportunity, ensuring that all applicants have a fair chance regardless of their background. KI2 supported this view but observed that enforcement of these policies could be strengthened to ensure they are effectively implemented across all departments.

Regarding the integration of employees, both KI1 and KI2 highlighted efforts made by the organisation to promote inclusion. KI1 shared that social events play a key role in helping employees bond, regardless of their cultural or educational backgrounds. KI2 agreed with this but noted that new recruits occasionally experience challenges integrating fully into existing teams, indicating a potential area for improvement in the onboarding process.

When discussing teamwork and collaboration, both informants acknowledged that diversity positively influences team performance. KI1 emphasised that the variety of perspectives brought by diverse employees makes teams stronger and more innovative. KI2 concurred but admitted that communication barriers sometimes arise, which can temporarily hinder effective collaboration among team members.

In terms of recruitment, KI1 revealed that the company partners with universities to attract candidates from a wide range of backgrounds, a practice that broadens the organisation's talent pool. KI2 confirmed this approach but mentioned that preference is sometimes given to candidates with prior industry experience, which may unintentionally limit opportunities for other qualified applicants from diverse backgrounds.

On the sense of belonging, both informants acknowledged that employees generally feel valued within the company. KI1 expressed that recognition programmes contribute significantly to fostering a sense of inclusion among staff. KI2 agreed with this sentiment but added that some employees still feel underrepresented in leadership positions, suggesting the need for greater inclusion at higher organisational levels to strengthen overall employee belonging and representation.

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The findings imply that while the company demonstrates a commendable level of diversity and inclusion, certain gaps remain that require attention to strengthen overall equity and representation. The presence of employees from varied cultural and educational backgrounds, along with initiatives such as social events and university partnerships, reflects the company's commitment to fostering diversity and integration within its workforce. However, the limited diversity at senior management levels and the reported challenges faced by new recruits indicate the need for stronger enforcement of diversity policies and enhanced onboarding support. Occasional communication barriers and perceived underrepresentation in leadership suggest that inclusion efforts should extend beyond recruitment to encompass continuous mentorship, leadership development, and open communication frameworks. These findings imply that while the company has established a solid foundation for diversity, sustained improvement in policy enforcement, leadership representation, and employee engagement will be essential to build a more inclusive and cohesive organisational culture.

Correlation Analysis

The study conducted correlation analysis to determine the strength and direction of the relationship between employee diversity and organisational performance, establishing whether greater diversity is associated with improved company outcomes as shown in Table 5.

Table 5: Correlational Analysis

		Diversity	Performance of Multinational Companies
Diversity	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	102	
	Sig. (2-tailed)	.000	
	N	102	
Performance of Multinational Companies	Pearson Correlation	.464**	
	Sig. (2-tailed)	.000	
	N	102	102

Source: Field Data, 2025

The correlational analysis reveals a positive and statistically significant relationship between employee diversity and the performance of Coca Cola multinational companies, with a Pearson correlation coefficient of 0.464 and a significance level of 0.000. This indicates a moderate positive association, suggesting that higher levels of diversity within the workforce are linked to better organisational performance. The significance value confirms that this relationship is unlikely to have occurred by chance, providing strong evidence of the connection between the two variables.

The implication of these findings is that fostering a diverse workforce can contribute meaningfully to the overall effectiveness and competitiveness of companies. By embracing diversity, organisations are likely to benefit from enhanced teamwork, broader perspectives in decision-making, and improved problem-solving capabilities, all of which can drive operational efficiency, innovation, and market growth. Consequently, management should prioritise diversity initiatives, not only as a matter of policy compliance or social responsibility but also as a strategic approach to strengthen performance and sustain a competitive advantage in the business environment.

Regression analysis

The study adopted simple regression to examine the extent to which employee diversity predicts and influences the performance of Coca-Cola Company in Mbarara City as shown in Table 6.

Table 6: ANOVA[a]

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	46.755	1	11.689	11.181	.000[b]
	Residual	136.949	101	1.045		
	Total	183.704	102			

a. Dependent Variable: Performance of Multinational Companies

b. Predictors: (Constant): Employee Diversity

Source: Field Data (2025)

The ANOVA results indicate that the regression model predicting the performance of Coca-Cola Company in Mbarara City using employee diversity is statistically significant, with an F-value of 11.181 and a significance level of 0.000. This shows that the model as a whole reliably explains variations in the company's performance, suggesting that employee diversity is a meaningful predictor. The regression model accounts for a portion of the variability in performance, highlighting that differences in workforce diversity are associated with measurable changes in organisational outcomes.

The implications of these findings are that Coca-Cola Company can enhance its overall performance by strategically managing and promoting diversity within its workforce. A diverse employee base appears to contribute positively to operational efficiency, innovation, teamwork, and market competitiveness. Therefore, management should continue to invest in diversity initiatives, including equitable recruitment, inclusion policies, and integration practices, as these are likely to strengthen performance and sustain a competitive advantage in Mbarara City's dynamic business environment.

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Table 7: Coefficients

Coefficients						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta (β)	t	Sig.
1	(Constant)	.469	.527		.891	.375
	Diversity	.292	.183	.183	1.594	.113

a. Dependent Variable: Performance of Multinational Company b. Employee Diversity

Source: Field Data, 2025

The regression results in Table 7 show that employee diversity has a positive but not statistically significant effect on the performance of Coca-Cola Company in Mbarara City, with a beta value of 0.183 and a significance level of 0.113. This indicates that while a more diverse workforce is associated with better organisational performance, the relationship is not strong enough to be considered statistically conclusive in this study. The findings imply that employee diversity may still contribute to aspects such as teamwork, inclusion, and overall organisational culture, but its impact on performance is less direct compared to other factors, such as innovation, which demonstrated a significant positive effect. Therefore, Coca-Cola Company should continue to foster diversity within its workforce as part of broader strategies to improve performance while also focusing on complementary initiatives that more directly enhance organisational outcomes.

Hypothesis Testing

There is no significant relationship between employee diversity on performance of multinational companies in Mbarara district, Uganda

For employee diversity ($t = 1.594$, $p = 0.113$, $p > 0.05$), the p-value exceeds the significance threshold of 0.05. Therefore, the null hypothesis that diversity has no statistically significant influence on the performance of multinational companies is retained, despite the positive beta coefficient ($\beta = 0.183$) suggesting a potentially beneficial relationship. This indicates that while greater diversity may contribute to improved decision-making, teamwork, and organizational outcomes, its effect on performance in this study is not statistically conclusive.

Discussion of findings

Based on the findings of this study, several observations emerge when compared to existing empirical research on employee diversity and organisational performance. The study found that while employee diversity in Coca-Cola Company in Mbarara City is positively associated with organisational performance, this relationship is not statistically significant ($t = 1.594$, $p = 0.113$). Descriptive statistics and qualitative interviews indicated that diversity is present in the workforce, recruitment policies promote inclusion, and employees generally feel a sense of belonging. However, challenges such as limited diversity in senior management, integration difficulties for new recruits, and underrepresentation in leadership were also reported.

These findings partially align with the results of Ohunakin et al. (2019), Idam (2021), Wardi et al. (2024), and Kowo (2021), which demonstrated that effective diversity management positively influences organisational outcomes such as job performance, employee engagement, operational efficiency, and market competitiveness. Similar to the Coca-Cola findings, these studies underscore that a diverse workforce can enhance teamwork, innovation, and overall organisational effectiveness. However, unlike the current study, most of these studies reported statistically significant effects of diversity on performance, suggesting that diversity's impact is context-dependent and may be influenced by how it is implemented and managed.

The findings also resonate with the conclusions of Stahl and Maznevski (2021), who highlighted that the effects of cultural diversity are often indirect and mediated by process variables such as team cohesion, creativity, and conflict management. This helps explain why the current study observed a positive but non-significant relationship between diversity and performance; while diversity exists and contributes to team processes, its direct measurable effect on organisational performance may be moderated by factors such as leadership representation, integration practices, and contextual organisational dynamics.

Therefore, the study's findings both agree and diverge from existing empirical evidence. They agree in the sense that diversity is acknowledged as valuable for fostering inclusion, enhancing collaboration, and potentially improving organisational outcomes. They diverge in the statistical significance of its direct effect on performance, indicating that the benefits of diversity may be more nuanced and mediated by effective management practices, organisational culture, and contextual factors specific to Coca-Cola Company in Mbarara City.

Conclusion

Based on the study's findings, it can be concluded that employee diversity is present and recognised as an important aspect of the workforce at Coca-Cola Company in Mbarara City. The company has implemented policies and practices aimed at promoting inclusion, integration, and a sense of belonging, and these efforts are generally appreciated by employees. Diversity is perceived to enhance teamwork, collaboration, and the overall organisational environment. However, the study also reveals areas for improvement, including limited diversity in senior management, challenges in integrating new recruits, and underrepresentation in leadership positions.

Although the correlational analysis indicates a positive association between employee diversity and organisational performance, the regression results show that this relationship is not statistically significant, suggesting that diversity alone

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may not directly drive measurable performance outcomes. The findings imply that while diversity has the potential to contribute to improved decision-making, innovation, and employee engagement, its impact on performance depends on effective management, supportive organisational structures, and strategic utilisation of diverse talent. Therefore, Coca-Cola Company benefits from workforce diversity, but maximising its contribution to organisational performance requires continued attention to leadership representation, policy enforcement, and inclusion practices.

Recommendations

To enhance employee diversity and improve the performance of Coca-Cola Company in Mbarara City, several strategic recommendations can be implemented by specific stakeholders. Management should prioritise creating a more inclusive leadership structure by promoting qualified employees from diverse backgrounds into senior roles, ensuring that decision-making and organisational direction reflect the broader workforce. Human resource departments should strengthen the enforcement of diversity and recruitment policies by regularly reviewing hiring practices, developing mentorship programmes, and establishing clear targets for inclusion at all levels of the company.

Team leaders and supervisors can support integration by fostering open communication, encouraging collaboration across culturally and educationally diverse groups, and addressing barriers that may impede new recruits from fully joining teams. Additionally, recognition and employee engagement initiatives should be expanded to reinforce a sense of belonging, ensuring that all employees feel valued and represented. Academic and industry partners, such as universities, can collaborate with the company to broaden recruitment pipelines, targeting a wide range of candidates and ensuring that opportunities are accessible to underrepresented groups.

Finally, continuous training and development programmes for both management and staff should be implemented to build awareness of diversity's benefits, promote inclusive behaviours, and enhance skills in managing multicultural teams. By strategically aligning the responsibilities of management, human resources, team leaders, and external partners, Coca-Cola Company can leverage workforce diversity more effectively, fostering a culture of inclusion that drives innovation, operational efficiency, and overall organisational performance.

Recommendations on Future Research

Future research in the area of employee diversity and organisational performance could consider the following recommendations:

Researchers could explore the impact of specific dimensions of diversity, such as gender, age, educational background, and cultural differences, on organisational performance to identify which aspects contribute most significantly to positive outcomes.

Longitudinal studies could be conducted to examine how employee diversity influences organisational performance over time, capturing the long-term effects of diversity initiatives and inclusion policies.

Future studies could investigate the moderating and mediating factors, such as leadership practices, organisational culture, and team dynamics, that affect the relationship between diversity and performance, providing a deeper understanding of the mechanisms through which diversity impacts company outcomes.

Limitations of the study

First, the study was conducted within a single company, Coca-Cola Company in Mbarara City, which limits the generalisability of the findings to other organisations or industries, as contextual factors specific to this company may have influenced the results.

Second, the study relied primarily on self-reported data from employees and key informants, which may be subject to response bias, as participants could provide socially desirable answers or overstate positive aspects of diversity and organisational performance.

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