

A Study on Demographic Influence on Employee Performance in Select IT Companies Hyderabad

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Abstract: In today's dynamic and opportunity-rich business world, workforce diversity is crucial to corporate success. This study investigates the influence of demographic description such as age, gender, educational background, and Ethnicity on employee performance. Data from a convenience sample of 75 employees were examined using descriptive statistics. The findings show that there is a high relationship between educational background and Ethnicity on employee performance, with gender and Age having a minor influence. The findings emphasize the strategic necessity of managing heterogeneous people to increase productivity and adaptability. The report recommends that firms implement inclusive human resource policies to effectively use diversity and maintain a competitive advantage.

Keywords: Demographic, Ethnicity, Employee Performance, IT Companies, Employee Productivity.

1 INTRODUCTION

In the contemporary business environment, workforce diversity has become a crucial factor influencing organizational success and employee performance. Globalization, technological advancements, and changing workforce demographics have encouraged organizations, particularly in the Information Technology (IT) sector, to employ individuals from diverse age groups, genders, educational backgrounds, and ethnicities. Effective management of workforce diversity enables organizations to enhance innovation, creativity, productivity, and competitive advantage. Studies have shown that organizations with inclusive workplace practices experience improved employee satisfaction and organizational performance [1][2].

Workforce diversity refers to the coexistence of employees with different demographic characteristics, cultural values, experiences, and perspectives within the same organization. According to Shenbhagavadivu et al., cross-cultural workforce diversity positively influences employee performance in Kerala's IT sector by improving collaboration and organizational effectiveness [1]. Similarly, Sisodia et al. observed that acceptance of workplace diversity in Indian IT companies significantly enhances employee performance and organizational outcomes [2]. Earlier research by Suganya and Barani also reported that workforce diversity dimensions such as age and ethnicity positively affect employee performance in IT companies, while gender and educational diversity may create certain challenges if not managed effectively [3].

Demographic variables such as age, gender, ethnicity, and educational background are considered important determinants of employee behaviour and performance. Roy found that demographic diversity significantly impacts organizational performance, with age diversity having a strong influence on employee productivity and workplace relationships [4]. Likewise, Jakaria Khan highlighted that gender and educational diversity positively contribute to employees' perceived performance [5]. Sengupta and Pande further emphasized that diversity and inclusion practices create a supportive work environment and significantly improve employee performance in the ITES industry [6].

Organizations that successfully implement diversity management practices are more likely to create equal opportunities, encourage innovation, and maintain employee engagement. Carberry and Meyers noted that employee perceptions regarding inclusive workplaces vary across demographic groups, emphasizing the importance of equitable organizational policies [7]. Furthermore, recent studies have linked employee performance with factors such as compensation, wellbeing, employer branding, and communication practices. Yang and Wang explained that employee compensation and human capital development strongly contribute to firm performance [8]. Raj and Goute identified that employee wellbeing and effective internal communication reduce technostress and positively affect performance [9]. Employer branding and positive organizational image significantly influence employee motivation and performance [11].

In addition, technological systems and structured decision-making processes are increasingly used to evaluate employee performance in organizations. Kurniawan et al. proposed a decision support system for employee performance assessment using the Analytic Hierarchy Process, demonstrating the importance of systematic evaluation methods in modern organizations [10]. Das and Ramalingam further emphasized that employee identification and interpersonal relationships influence workplace effectiveness and service adaptation [12].

Although several studies have examined workforce diversity and employee performance, limited research has specifically focused on demographic influences in select IT companies in Hyderabad. Therefore, this study aims to examine the influence of demographic factors such as age, gender, educational background, and ethnicity on employee performance in selected IT companies. The study also seeks to understand how diversity management practices contribute to organizational productivity and employee effectiveness.

2 LITERATURE REVIEW

Shenbhagavadivu et al. [1] examined the impact of cross-cultural workforce diversity on employee performance in Kerala's IT sector. The study revealed that diversity in cultural backgrounds enhances teamwork, collaboration, and organizational effectiveness. The researchers concluded that effective diversity management practices positively influence employee productivity and organizational growth. Sisodia et al. [2] investigated the impact of workplace diversity on employee performance in selected IT companies in India. The study emphasized that organizations which promote inclusive work environments and diversity acceptance experience better employee performance and higher organizational efficiency. The findings indicated that workplace diversity has a positive and significant effect on employee productivity.

Suganya and Barani [3] studied the effects of workforce diversity on employee performance in IT companies in Salem District. The research found that age and ethnicity positively influence employee performance, whereas gender and educational diversity may create challenges if not managed properly. The study suggested that organizations should establish supportive and inclusive workplace practices to improve employee performance. Roy [4] analyzed the impact of age, gender, and ethnic diversity on organizational performance in Bangladesh's banking sector. The study identified that demographic diversity significantly affects organizational outcomes, with age diversity having the strongest influence on organizational performance. The research also highlighted that proper diversity management practices improve employee relationships and productivity.

Jakaria Khan [5] explored the impact of workforce diversity on employees' perceived performance in the banking sector of Bangladesh. The study reported that gender and educational diversity positively influence employee performance, while age diversity showed less impact. The findings emphasized the importance of maintaining balanced diversity practices within organizations. Sengupta and Pande [6] studied the impact of diversity and inclusion on employee performance in the ITES industry. The researchers found that diversity-friendly organizational practices and inclusive work environments improve employee satisfaction, teamwork, and overall organizational performance. The study concluded that diversity and inclusion significantly contribute to employee effectiveness.

Carberry and Meyers [7] examined demographic variations in employee perceptions regarding Fortune's "Best Companies to Work For." The study observed that employees from different demographic groups perceive organizational policies and workplace inclusiveness differently. The findings highlighted the importance of equitable diversity practices to maintain employee satisfaction and engagement. Yang and Wang [8] investigated the relationship between employee compensation and firm performance from a human capital perspective. The study concluded that proper compensation systems and investment in human capital positively affect employee motivation and organizational performance.

Raj and Goute [9] analyzed the relationship between internal branding, technostress, and employee wellbeing. The study revealed that effective internal communication and employee wellbeing reduce workplace stress and positively influence employee performance. The researchers also emphasized the role of organizational support in maintaining employee productivity. Kurniawan et al. [10] proposed a decision support system for employee performance assessment using the Analytic Hierarchy Process. The study demonstrated that structured performance evaluation systems improve accuracy in employee assessment and assist organizations in making effective administrative decisions.

Employer branding on employee performance. The findings revealed that employer image, brand perception, and organizational reputation significantly influence employee motivation, satisfaction, and performance [11]. The study emphasized the importance of strong employer branding strategies for organizational success. Das and Ramalingam [12] explored the role of employee-customer identification in adapting service offerings.

The study found that positive interpersonal relationships and employee identification with customers enhance workplace effectiveness and service quality, ultimately improving organizational performance.

3 RESEARCH METHODOLOGY

Non probability sampling that is convenience sampling was adopted for this study. Research instrument as questionnaires and distributed as 75 respondents in select IT Company. The data was analyzed through descriptive statistics. Questionnaires were segregated into three sections such as demographics of respondents, diversity factors and employee performance. Employee performance act as Dependent variable, diversity factors consider as independent variables

3.1. Statement of the Problem

A more varied workforce is necessary due to the rapid growth of globalization businesses. Today's organizations have no trouble creating a diverse workplace, but keeping a diverse workforce is a major difficulty. The study's objective is to examine the effects of demographics on workers' performance in particular IT firms. The impact of specific diversity factors, such as age, gender, ethnicity, and educational background, on employees' performance in information technology in Hyderabad is examined by this researcher utilizing both quantitative and qualitative approaches.

3.2. Objectives of the Study

1. To study the concept of workforce diversity in IT company.
2. To identify factors such as age, gender, educational background and ethnicity affecting workforce diversity on employee performance.
3. To examine the relationship between workforce diversity on employee performance.

3.3. Hypothesis of the study

1. H1; There is Significant Relationship Between Age and Employee Performance.
2. H0; There is No Significant Relationship Between Age and employee Performance.
3. H2; There is a significant relationship Between gender and employee performance.
4. H0; There is no significant relationship Between gender and employee performance.
5. H3; There is a significant relationship Between Education Background and employee performance.
6. H0; There is no significant relationship Between Education Background and employee performance.

4 RESULTS AND DISCUSSIONS

The results of the study indicate that workforce diversity has a significant influence on employee performance in selected IT companies in Hyderabad. The analysis revealed that educational background and ethnicity have a stronger positive impact on employee performance compared to age and gender diversity. Employees expressed positive perceptions regarding inclusive organizational policies, participation in decision-making, and equal opportunities provided within the workplace.

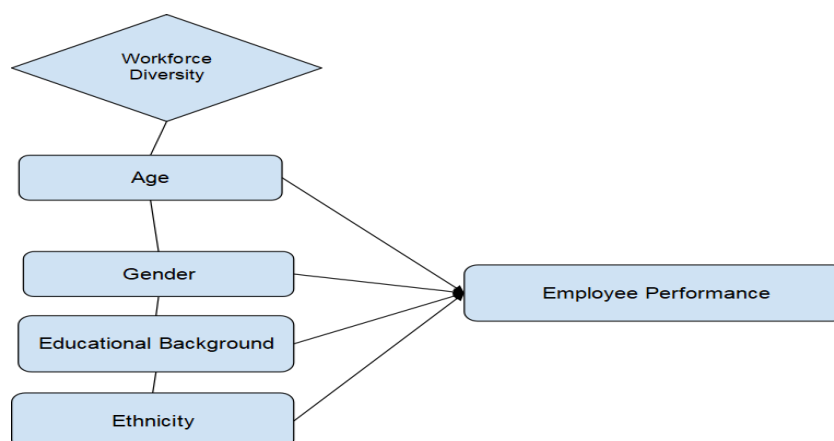


Fig. 1. Factors Influencing workforce diversity on Employee performance

However, certain factors such as limited growth opportunities for women, lack of equal treatment, and age-related barriers in workgroups were identified as challenges affecting employee performance. The findings also suggest that organizations with effective diversity management practices create a more supportive and productive work environment. Fig. 1 illustrates the conceptual relationship between workforce diversity dimensions such as age, gender, educational background, and ethnicity with employee performance, highlighting how demographic factors collectively contribute to organizational productivity and employee effectiveness.

4.1. Gender impact on employee performance

Table 1 shows the gender on employees' performance, the influence of gender diversity on employee performance in selected IT companies. The findings indicate that most respondents agreed that company policies encourage women's career growth and that hiring is not primarily based on gender. However, responses also reveal concerns regarding equal treatment and career advancement opportunities for women employees. The analysis suggests that effective gender diversity practices contribute positively to employee performance and workplace inclusiveness.

Table 1. Gender On Employees' Performance

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	Mean	SD
Hiring is not considered as gender basis	9	8	4	14	40	75	3.91	1.28
Hiring practices are more attractive for women	6	8	20	32	9	75	3.4	1.05
Equal Treatment is given both genders	36	21	6	9	3	75	1.97	1.09
Opportunities are helpful for growth and career advancement for women	42	8	18	2	5	75	1.92	1.1
Company policies are designed for encouraging women career	6	9	11	3	46	75	3.99	1.32
Providing training and development meets both requirement of gender	5	11	17	30	12	75	3.44	1.08
Giving chance to women for participation for decision making	2	34	8	9	22	75	3.2	1.34
Performance criteria is giving more success rate for women	5	44	12	9	5	75	2.5	1.03
Workforce diversity practices are positive for gender	9	49	8	6	3	75	2.3	1

4.2. Age impact on employee performance

Table 2 presents the impact of age diversity on employee performance. The results indicate that organizations provide equal opportunities for employees of different age groups in training, career development, and decision-making processes. At the same time, some respondents felt that age differences create barriers in bonding and coordination among workgroups. Overall, the findings show that proper management of age diversity can improve workplace harmony and organizational productivity.

4.3. Educational Background impact on employee performance

Table 3 explains the relationship between educational background diversity and employee performance. The analysis reveals that employees from different educational backgrounds actively participate in decision-making and problem-solving activities within organizations. The respondents also indicated that educational diversity generally does not create conflicts in the workplace. However, employees with lower educational qualifications reported fewer opportunities for career growth and confidence development.

Table 2. Age on Employee Performance

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	Mean	SD
Companies provide equal opportunity for training and career development	2	4	8	41	20	75	3.35	0.95
Company giving equal opportunities for All age group in decision making	8	11	5	20	31	75	3.73	1.18
Age has created conflict in work groups	6	8	7	36	18	75	3.53	1.08
Age is one of the barriers for lack of bonding in different age work group	3	5	9	17	41	75	3.88	1.04
Create positive atmosphere in age workforce	37	20	6	8	4	75	1.73	1.07

Table 3. Education Qualification on Employee Performance

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	Mean	SD
Hiring is based on the education background	17	37	14	4	3	75	2.21	1.00
Leave policy is based on the education of the	13	38	8	11	5	75	2.45	1.08
Lower educational qualification employee has opportunities for growth	37	16	12	7	3	75	1.98	1.02
education background is not creating conflicts	16	5	14	9	31	75	3.46	1.30
Low Education background creates employee lack of confident	18	4	9	6	38	75	3.56	1.34
Different education members involved in decision making and problem solving	5	11	22	7	30	75	3.61	1.25

4.4. Ethnicity impact on employee performance

Table 4 highlights the effect of ethnicity diversity on employee performance in IT companies. The findings show that organizations respect employees' cultures and values and provide opportunities for minority employees in growth and advancement activities. Respondents also agreed that employees from different ethnic backgrounds are included in decision-making and problem-solving processes. The study concludes that positive ethnicity diversity practices improve employee cooperation, workplace inclusion, and overall organizational effectiveness.

As per the analysis of the data, factors affecting workforce diversity on employee performance are positively related about the culture and values (4.32), Hiring is not considered as gender basis (3.99), Different ethnicity employee's include in problem solving and decision making (3.96), Company policies are designed for encouraging women career (3.91), Age is one of the barrier for lack of bonding in different age work group (3.88), hiring practices are good at minorities (3.85), Policies are designed for Minorities for growth and advancement(3.77), Education background and ethnicity is not create any conflict, (3.72), Different education members involved in decision making and problem solving (3.61). There is a negative relationship among the diversity on employee performance that Create positive atmosphere in age workforce (1.73), Opportunities are helpful for growth and career advancement for women (1.92), Equal Treatment is given both genders (1.97), Lower educational qualification employee have opportunities for growth (1.98).

Table 4. Ethnicity on Employees' Performance

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	Mean	SD
hiring practices are good at minorities	2	5	9	47	12	75	3.85	0.97
Polices are designed for Minorities for growth and advancement	5	8	4	40	18	75	3.77	1.02
Organization is giving priority to Employee's cultures, and values.	2	2	8	22	41	75	4.32	0.89
Different languages do not create communication problems among workers.	19	32	14	7	3	75	2.25	1.02
Low level of self-esteem due to Employee's ethnicity.	11	38	16	4	6	75	2.38	1.02
Different ethnicity employees include in problem solving and decision making.	7	5	9	19	35	75	3.96	1.08
Create Positivity about ethnicity in workforce diversity	17	42	6	7	3	75	2.19	0.98

5 CONCLUSION

A diverse workforce is a competitive advantage and growth of market place. Diverse work teams bring high value and increasing work productivity to the organizations. The study reveals that there is a lacking of age diversity and they have to concentrate on Opportunities are helpful for growth and career advancement for women , Equal Treatment is given both genders lower educational qualification employee have opportunities for growth. Diversity management benefits associates by creating equity and inclusion practices has to create where all employees feel fair and equitable opportunities and challenges in the organization. Which will improve the age diversity on women. Finally the study concluded that IT companies are good in Ethnicity and educational background only thing is concentrate on age diversity for giving equal opportunities for women advancement for career.

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ETHICS STATEMENT

This study did not involve human or animal subjects and, therefore, did not require ethical approval.

STATEMENT OF CONFLICT OF INTERESTS

The authors declare that they have no conflicts of interest related to this study.

LICENSING

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