Diversity and Team Performance in Banks

A qualitative analysis of how workplace diversity and team performance are related: A study of Swedish banks

MASTER THESIS WITHIN: Business Administration
NUMBER OF CREDITS: 30 ECTS
PROGRAMME OF STUDY: Civilekonomprogrammet
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JÖNKÖPING: 22 May 2022
Title: A qualitative analysis of how workplace diversity and team performance are related: A study of Swedish banks

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Date: 2023-05-22

Key terms: Team performance, Diversity, Swedish banks, Workplace diversity, Gender diversity, Ethnic diversity

Background: Given the rise of multiculturalism in Sweden and the need for businesses to adapt, this topic is particularly relevant for Swedish banks. Moreover, it provides background information on the Swedish banking sector, highlighting its historical development and the influence of digitalisation on services. The concept of diversity is defined as encompassing various aspects of difference. The significance of workplace diversity and its impact on innovation and problem-solving is discussed. Team performance is examined from financial, social, and creative perspectives, emphasising the importance of diverse teams in strategic decision-making and customer connections. Finally, the societal changes in Sweden, particularly related to multiculturalism and migration, are addressed, underscoring the need for banks to adapt to the evolving consumer landscape.

Purpose: The purpose of this study is to investigate the relationship between diversity and team performance in the context of Swedish banks. Further, this study intends to address a research gap in the previously existing literature by gaining an in-depth understanding of how performance is measured in banks and how diversity is perceived in Swedish banks.

Method: The aim of this study was accomplished using a qualitative study method guided by an exploratory research design. The collection of empirical findings involved semi-structured interviews. Thematic analysis was employed to identify common patterns and themes within the empirical results, allowing for a deeper understanding of the linkages between workplace diversity and team performance.
Conclusion: The study found that there is a relevant linkage to be made between broader diversity and team performance. The study recognises the advantages of having a varied team, such as improved problem-solving ability, creativity, and innovation. It underlines the significance of staff diversity in reflecting the market. Having a diverse workforce in the bank can elevate the overall performance of the bank, which in turn is a result of higher quality services that the business provides possessing a broader understanding and knowledge is essential for the organisation to adequately and sufficiently service the continuation of complex errands that they have to deal with on a daily operation.
Acknowledgement

As we close this chapter and journey of writing a thesis, we will significantly acknowledge and appreciate the challenges that come with it. There have been great moments and moments which could have been better. However, we have had people who have motivated and assisted us through this journey. Therefore, this page is dedicated to those individuals for us to show appreciation and acknowledge their tremendous support.

First and foremost, we would like to express our heartfelt appreciation and gratitude to our supervisor, Anna Larsson. Thank you for helping us understand the importance of our work and challenging us to reach our potential, and further, thank you for your fantastic insight into our thesis. The friendly seminar dynamic that you have created allowed us to receive fantastic feedback, and the meetings made us rethink and adapt to which our thesis reached its fullest potential. All of this is only possible with your great advice and leadership.

Second, we would like to express our gratitude to the other seminar participants who, during this process, have offered us insightful criticism and suggestions that have raised the calibre of our thesis. We appreciate you spending the time to comment and give us feedback.

Furthermore, we would like to express our gratitude towards the 8 interviewees who participated and contributed to our work. We greatly appreciate their trust and the time they spent helping us create this thesis. With your great insight and experience, this is possible. Thank you for believing in us and sharing your valuable insights. We wish you the best of luck in the future.

Finally, we would like to express our gratitude to our friends and family for their unwavering support and inspiration throughout this journey. When we felt trapped and unmotivated, your words of support and encouragement kept us moving forward. Thank you sincerely.

Idiris Abiib

Richardo Mezher
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1. Introduction

The background information on the topic is introduced in the first chapter of this thesis, which sets the stage for the discussion of the study's problems and research gaps. After that, the study's research question and purpose are generated from the background and discussion. The delimitations that have been added to this study and their justification are covered in our final discussion.

1.1 Background

Sweden, in general, is renowned for its liberal attitudes toward diversity and inclusion, and the banking sector should not be an exception. This study will help to offer views of the relationship between workplace diversity and the connection to team performance. The majority of the studies regarding diversity also include an aspect of a team. Therefore, the connection between diversity and team is inevitable. Numerous articles write about the benefits of having a diverse team. Galleta et al., (2022) point out that women are better at the social aspect of work than men and are more likely to interact socially on a deeper level with relevant stakeholders. Enforcing a diverse workforce could therefore give the edge in certain performance aspects. For banks to reflect their market, they should have a similar workforce. Women are a considerable proportion of the world population, and it is logical to keep at least a quota that reflects the ratio of men to the proportion of women in the workforce.

Additionally, diversity is becoming more prevalent in today's contemporary society. As globalisation continues, this consequently means introducing diversity in various societies. Diversity can come in multiple forms, such as women in the workplace, different tenures at the workplace, and ethnic differences. Implementing any of these diversity factors into the workforce could give potential benefits and improve the team's performance as a result. García-Meca et al., (2014) state that given the importance of banks in the economy, it is also of enormous significance how to optimise and improve their governance, whether this is through...
a diverse workforce or a homogeneous board is of interest to policy-makers and other relevant stakeholders.

Diversity in the workplace has gained increased recognition as an exciting and concerning topic these recent years. According to Munjuri and Maina (2013), organisations that cultivate a diverse workforce and manage it correctly can reap benefits such as more creative decision-making, an enjoyable work environment, and better products due to an inclusive workplace that encourages individuals to contribute significantly. Hence, in recent years, businesses have realised the potential benefits of bringing diverse perspectives and talent to enhance team performance. By investigating the practical application of diversity in this specific context, insight will be received into its effects of it. As we are experiencing the rise of multiculturalism in Sweden, this is a pertinent topic for Swedish Banks to consider.

Furthermore, Doka and Kenneth (2016) state that because of the trend of multiculturalism and the increase of different racial and ethnic backgrounds, the workplace for US businesses has transformed. Consequently, those who adapt to this transformation will be better positioned to compete in the globalised economy. To entail the relevancy for Swedish banks, during the European migration crisis in 2015, Sweden was acknowledged as one of the most generous and accepting countries towards refugees. Even is one of the largest accepting countries for asylum seekers these years (Guild et al., 2015).

Therefore, a similar transformation is happening for Swedish businesses, which can be seen as a signal for them to adapt to stay competitive. Since Sweden has a reputation for being one of the most welcoming nations to refugees, a tendency toward a multicultural society is unavoidable and will subsequently affect the consumer market for all Swedish organisations.

1.1.2 Swedish Banking Sector
The first Swedish bank, Stockholm Banco, was founded at the beginning of the 17th century. Numerous Swedish banks began to appear in the 19th century, including Nordea,
Handelsbanken, and Skandinaviska banken, which served as the foundation for Swedish banks. The Swedish government made significant bank investments during this time to strengthen the banks’ systems and structure. The Swedish banks’ considerable stakeholders include the government and other parties, including clients, people, and investment businesses, management personnel, including executives and employees, and suppliers who supply goods and services to the banks (Elliot, 2016; Flux, 1910).

As the financial industry liberalised and the government lost greater control over the banks as they were progressively privatised in the late 1990s, the Swedish banking system also saw a significant transformation (Elliot, 2016; Flux, 1910). As a result of big banks like Swedbank, Nordea, SEB, and Handelsbanken having an excellent international standing and a stronghold in the domestic market, Swedish banks are currently thriving in the domestic and national industries (Bankerna I Sverige, 2020).

As the usage of digital instruments grows more common in people's daily lives, businesses in all industries must keep up with the trend if they want to take advantage of the developing markets that result from this change. This entailed expanding internet-based services for the financial industry. Mobilt BankId and Swish were the two critical services that altered the course of the Swedish banking sector's early digitalisation. Because consumers could now manage any financial concern from home, Mobilt bankID transformed the Swedish banking business by replacing the customary security token (Al-Chalabi & Bahram, 2018). 84% of Swedish people use BankID, while 78% of the population uses Swish (Internetstiftelsen, 2019).

1.1.3 Diversity
The concept of diversity has recently gained popularity among businesses in the market as a whole. This is related to the fact that as individuals move throughout the world more regularly and establish themselves in various nations, the world is becoming more urbanised and globalised. The term "diversity" can refer to a wide range of topics, but its primary focus is on
any aspect of difference that can distinguish one person from another. This includes age, ethnicity, gender, and sexual orientation (Hunt et al., 2015).

Workplace diversity refers to the diversity inside an organisation and how this fosters the development of more innovative, inclusive, and well-balanced solutions to potential issues (Triandis et al., 1993). According to numerous studies, having a diverse workforce gives the company a better chance to come up with better and more original solutions to problems and questions than it would with a homogeneous workforce, mainly when the diverse groups include a mix of people from different ages and ethnic backgrounds (McMahon, 2011; Patrick & Kumar, 2012; Triandis et al., 1993). However, according to Beraki et al., (2022), to have a successful workplace diversity, the firm needs to value the usage of diversity; otherwise, it tends to not work as smoothly for companies that do not value it.

Furthermore, affirmative action is one term frequently used when discussing diversity. It relates to policies or programs that seek to end current and historical discrimination by giving historically underprivileged groups, like women, minorities, and people with disabilities, equal opportunities and benefits. Businesses utilise this to acknowledge any persistent issues at work and in the community. Affirmative actions are used to create a more inclusive workplace with workers that have different ages, gender, religious beliefs, and cultural backgrounds. This tool is valuable for organisations to implement diversity and create value (Beraki et al., 2022; Holzer & Neumark, 2000; Thomas Jr, 1990).

1.1.4 Team performance
They are working in an environment where the need to collaborate with other teammates is a common situation in today's competitive and globalised world. The team performance can be measured and analysed through various tools and measurements. When looking at team performance in the context of Swedish Banks, financial performance is the most important and relevant one. However, team performance in this context can be viewed from other similarly
essential aspects that can have long-term effects on the business. Aspects such as social and creative are also fundamental to consider when assessing team performance.

Hence, team performance could also be assessed through the scope of creativity. As organisations increasingly operate in a global and multicultural setting and must improve their decision-making process to solve complex problems in such environments, creativity could be seen as a deal-breaking factor for organisations to survive.

Additionally, in service industries that banks operate in, where the competition is fierce, and new competition could arise quickly, there is a considerable need to think strategically and make better decisions. Miliken and Martins (1996) state that diverse groups may make decisions that are of higher quality. Creativity can be seen as the formulation of different ideas from different perspectives. Therefore, with a more diverse workforce, the business could produce more creative and original decisions to help the companies gain a competitive edge. Scholars such as Cox et al., (1991) have claimed and demonstrated that the demographic characteristics of a top management team can result in better strategic decision-making, increased creativity, and more significant innovation. This results in the capacity and benefit of reaching various clients, which is critical in the banking business.

Ultimately, Hogg (2016) explains the social identity theory, where people create their social identity through social interactions. This could mean characteristics such as religion, ethnicity, and race. Further, it could affect group dynamics because individuals who receive esteem from a group they are socially and positively associated with are more prone to favour these groups. This is another signal to implement as much diversity as possible into a workforce for businesses to create a social connection with the customers and stakeholders. An example of this could be that an individual that identifies as an Arab may feel a sense of belonging or pride to do his banking at a bank that has Arab employees. Because Sweden has transformed into a multicultural society over the past decades (Guild et al., 2015). A diverse workforce that reflects the population would be more beneficial if viewed from a social aspect. As mentioned
earlier, due to the migration waves such as the one in 2015, problems such as these will arise, and banks in Sweden need to take into consideration the societal changes and consequently the change of the end consumer to service adequately and sufficiently all individual competently in the future Sweden.
1.2 Research problem

This study aims to research the relationship between diversity and team performance. Additionally, it aims to assess how team performance is affected by diversity. The different aspects of performance that will be examined from the implementation are financial, social, and creative performance. Previous research has been conducted to evaluate the effects on team performance from having a diverse workforce. However, our study aims to research this prevalent topic in Swedish banks, and it will also take into context a combination of two diversity factors, which previous literature needs to include in doing so. Consequently, this study will shed light on the relationship between diversity and team performance in such a context.

1.3 Problem discussion

The problem addressed in a study titled "Diversity and Team Performance in Banks: A qualitative analysis of how workplace diversity and team performance are related: A study of Swedish banks" is to understand the relationship between diversity in the workplace and team performance. The purpose of such a study would be to explore whether and how workplace diversity affects team performance and identify any potential connections between those contributing to this relationship.

Previous literature on team and diversity has consisted chiefly of quantitative financial perspectives, where the employee's point of view needs to be brought into the picture. As such, the studies become increasingly squared, only observing one aspect of a more complex process. There needs to be relevant information on team processes and how they function in Swedish banks or how diversity has any relationship with team performance in such settings, making this a perfect gap for this study to prevail.

In addition, the prevalence of diversity in the workplace has increased, and it is frequently seen as a beneficial advantage, making this research issue crucial. However, there still needs to be more empirical findings regarding how diversity affects team performance in Swedish banks
and the best approaches for firms to manage diversity. Organisations seeking to enhance team performance and create more inclusive and productive work cultures may find essential insights from a study that addresses these issues. García-Meca et al., (2014) conducted a similar study, including the research and examination of the effects of both nationality diversity and gender diversity in Banks. However, this study was conducted internationally, and the findings were collected from 159 banks in over nine countries. It was also claimed that this was not a regular practice in the literature.

As García-Meca et al., (2014) claim, examining the effect of national and gender diversity is not shared. Therefore, another research gap arises from the lack of research regarding the effects on team performance of various diversity factors in the context of Swedish Banks. Hence, this is what differentiates the research from the existing literature. This study will investigate the relationship of various diversity factors to team performance, such as gender and ethnicity, which is not regularly done in the existing literature, especially in the setting of Swedish Banks.

Furthermore, the relevance of Swedish Banks to this study hangs on their policies and practices, which encourage diversity in the workplace. Many Swedish Banks have incorporated a part of diversity inclusion in their enterprise identity, which they write about on their websites. Additionally, Handelsbanken is one bank of many that recognise the benefits of having a diverse and inclusive workplace. (Handelsbanken, n.d-a) Respect, fairness, and equality are the three guiding principles underpinning Handelsbanken's dedication to diversity and inclusion. They firmly believe that every individual, regardless of any disparities in individuality, should have the opportunity to thrive and advance in their careers at their workplace.

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from having a diverse and inclusive workplace. (Handelsbanken, n.d-a) Respect, fairness, and equality are the three guiding principles underpinning Handelsbanken's dedication to diversity and inclusion. They firmly believe that every individual, regardless of any disparities in individuality, should have the opportunity to thrive and advance in their careers at their workplace. Handelsbanken has established employee networks as one of its core efforts to promote underrepresented groups. For instance, the bank has set up networks for women, LGBTQ+ people, and people with impairments (Handelsbanken, n.d.-b)

In addition, in light of the underrepresentation of women in leadership roles across the banking industry, Handelsbanken has vowed to remedy this gap by establishing ambitious aspirations for female representation (Handelsbanken, n.d-b). Ultimately, with emphasises on these initiatives, Handelsbanken (n.d-a), according to their diversity and equality programs, are trying to foster an enterprise culture which encourages diversity and inclusion. It is embedded into their core values and has made it a high priority for everyone to feel respected and recognised, regardless of individual differences.

Swedish banks are putting age, ethnicity, gender, and other diversity inclusion programs into place as part of the country's social sustainability efforts. Several banking institutions, including Handelsbanken, Swedbank, and Klarna, have initiatives that aim to increase workplace diversity and better reflect and understand today's consumers and society. Therefore, it can be seen that there is a connection between Swedish banks, teams, and performance, as the desire for a diverse workforce is heavily emphasised by various significant banks, and the literature that exists on diversity also often correlates to teams, making this subject relatively interconnected. However, there are no qualitative studies that consider the perspective of employees and how diversity relates to team performance in the context of Swedish banking. Hence, a need to close this research gap has been identified because most banks include some diversity and its importance of it.
Additionally, according to research, there is a strong link between diversity and team performance. The link between these two may be a partial relationship. However, it is evident through several studies and widely known that diverse teams are more likely to outperform teams that only consist of homozygous individuals. Miliken & Martins (1996) states that diverse groups may come to better judgments. Having a more varied staff will enable firms to make more creative and original decisions, providing them with a competitive edge. Creativity is the development of various ideas from various perspectives. Researchers like Cox et al., (1991) have asserted and evidenced that a top management team's demographics can lead to improved strategic decision-making and increased innovation.

Furthermore, some researchers may view diversity as a "double-edged sword". In contrast, ideas from social psychology show that varied perspectives and orientations might impede decision-making, making it a slower process than a homogeneous one (Milliken & Martins, 1996), however, in light of the research gap found in the Swedish Bank Setting. This study will be intended to conduct a case study on this issue and compare the findings with those of earlier research. The paper will only cover one industry of business, which in this study will be the banking sector in Sweden, and it will examine the effects of diversity factors, specifically gender and ethnicity. Concluding that this study will take a new perspective into consideration, which has yet to be previously done, and focus more on how the team works, the employee's perspective, and performance aspects such as social and creative, which have previously been ignored by most literature.

As several newspapers have highlighted the recognition of the lack of diversity in Swedish Banks, it was found that diversity is a very relevant topic that needs to be studied in a further context than only quantitative factors. This study aims to capture several different aspects that diversity affects team performance in Swedish Banks. Finally, the findings of this study will add to the existing body of knowledge regarding this subject. In addition, it will provide helpful and valuable insight for businesses looking to enhance their inclusion and diversity strategies. This study's results will also help policymakers and practitioners in the Swedish banking sector.
to improve and create successful plans that will foster inclusion and diversity in the workplace. In conclusion, this study will provide helpful insight and recommendations for policymakers operating in similar contexts.
1.4 Purpose and research questions

The purpose of this study is to investigate the relationship between diversity and team performance in the context of Swedish banks. Further, this study intends to address a research gap in the previously existing literature by gaining an in-depth understanding of how performance is measured in Banks and how diversity is perceived in Swedish banks. Ultimately this study also aims to gain a thorough understanding of the team practices used by Swedish banks. In light of this purpose, this study will respond to the following questions:

A. How is diversity managed in the Swedish banking sector?

B. How is diversity and team performance related in the Swedish banking sector?
To deepen the understanding of the subject and limit the scope of the study to investigate a specific context, some delimitations have been introduced. As a result, this study has excluded certain information and viewpoints because they do not contribute to this study's research.

There exists much information regarding the effect of diversity on team performance. However, the focus of this study will explore only two factors of diversity that can affect team performance. These are gender and ethnicity. Furthermore, the study will be conducted in the setting of Swedish Banks. The reasoning behind this is, firstly because that there has yet to be any similar qualitative study conducted on Swedish Banks regarding this subject. In addition, the logic of exploring only two diversity factors is to keep the research relevant, as these factors are prevalent in today's society. Where diversity can be set into context relating to many factors, this study chooses to explore those relevant in contrast to the society and market Swedish Banks face today.

Additionally, to narrow the focus of this study, team performance will only be assessed through the scope of financial, creative, and social aspects. Team performance can be viewed from many different perspectives. However, in order for the study to capture relevant information regarding the diversity effect on team performance through a qualitative study, it has been deemed that these factors are most pertinent to the context of the market and society. Moreover, these aspects of performance are more easily captured in a qualitative study, in contrast to a quantitative study, where the data gathered is consequently piled into numbers. This study will, however, look from the team's perspective, which will serve as our primary source of findings. Therefore, it will provide insightful and practical information, which gives this study another perspective that has yet to be done before in any previous literature in this context.

Finally, in order to capture the most relevant information and with consideration to the feasibility of conducting these interviews and walking out with a better overview of the effect of diversity. This study chose only to capture these three performance aspects. Another reason behind the choice of these factors is that the literature that we have reviewed most often
includes a combination of these factors or an individual factor. Therefore, it can be concluded, in contrast to previous literature and in context to the methodology of this study, that these aspects are most relevant.
2. Literature review

This chapter aims to provide the reader with relevant and necessary theoretical information on diversity, team performance, diversity management, and relevant theories. The thesis will utilise four theories: Social identity theory, Group Diversity Theory, Resource diversity theory, and Conflict resolution theory. The concept and theories will, in turn, be used to analyse the thesis' findings to produce an answer to the thesis research questions.

2.1 Swedish Banking Sector

At the start of the 17th century, Stockholm Banco, the country's first bank, was established. The 19th century saw the emergence of many Swedish banks, notably Nordea, Handelsbanken, and Skandinaviska banken, which laid the foundation for Swedish banks today. During this time, the Swedish government made significant bank investments in order to enhance the systems and framework of the banks (Elliot, 2016). The government, together with other parties, including clients, persons, investment companies, management, including executives and workers, and suppliers who provide goods and services to the banks, are the primary stakeholders for the Swedish banks (Elliot, 2016; Flux, 1910). As the financial industry liberalised and the government lost greater control over the banks as they were progressively privatised in the late 1990s, the Swedish banking system also saw a significant transformation (Elliot, 2016; Flux, 1910). Swedish banks are now flourishing in the local and national sectors as a result of their large banks, such as Swedbank, Nordea, SEB, and Handelsbanken, having a foothold in the home market and a positive international reputation.

Subsequently, recent years have seen a considerable digital transition in the Swedish banking industry, driven by the rising popularity of digital banking and the rapid development of financial technology. Swedish banks have made significant investments in mobile banking services, enabling users to manage their money while on the go via smartphones or tablets. Customers may now access their accounts, send money, and pay bills from anywhere in the world thanks to this (Al-Chalabi & Bahram, 2018; Eriksson & Palmquist, 2020)
As a result, Al-Chalabi and Bahram (2018) address that in Sweden, online banking has proliferated in recent years. The majority of banks now offer a variety of online banking services, such as bill payment, investment management, and account management. To benefit from these companies’ cutting-edge technologies and services, many Swedish banks have partnered with fintech firms. According to Eriksson and Palmquist (2020), a number of banks have teamed with mobile payment companies to give their consumers a simpler and more convenient payment experience. Swedish banks have opened up their APIs (application programming interfaces) in accordance with PSD2 legislation from the EU, enabling third parties to access consumer data and offer a variety of value-added services like investment management and financial counselling. Klarna, which is a Swedish fintech company, saw enormous growth after these regulations (Botta et al., 2018). To safeguard the security of customer data and transactions, Swedish banks have also invested in digital identity and security solutions, such as biometric authentication and cutting-edge encryption technologies (Al-Chalabi & Bahram, 2018; Eriksson & Palmquist, 2020).

Whereas Mobilt BankId and Swish were two services that exploded onto the scene as the Swedish banking sector began to become digital. Because consumers could now handle any financial difficulties from home with Mobilt bankID, the old security token was replaced, revolutionising the Swedish banking sector (Al-Chalabi & Bahram, 2018). 78% of the Swedish population uses Swish, while 84% of the Swedish population uses BankID (Internetstiftelsen, 2019).

Additionally, the Swedish fintech company Klarna offers customers and businesses a variety of online financial and payment services. Sebastian Siemiatkowski, Victor Jacobsson, and Niklas Adalberth launched the business in 2005 with the intention of streamlining the online buying process and giving customers a variety of payment alternatives. Early on, Klarna concentrated on offering internet shops a "buy now, pay later" option. Customers might use this service to make purchases online and then pay for them over time in instalments. Younger customers looking for a more adaptable and convenient way to shop online helped the business
swiftly acquire popularity. In addition to its "buy now, pay later" service, Klarna has created a number of other online payment and financial services, such as a payment gateway for online retailers, a mobile payment app, and a variety of savings and investing options. Customers can now access loans and credit lines through the company's platform thanks to its expansion into the provision of credit and financing services (About Us | Klarna International, n.d.; Smith, 2021).

Moreover, Swedbank, which is one of Sweden's biggest banks, has taken initiatives to promote a diverse workplace and emphasises the desire for the companies to operate with a sizable workforce that consists of personnel from many backgrounds, ages, genders, and religious beliefs. According to Swedbank (2023), a diverse staff encourages higher creativity and is a competitive advantage. Further, by putting in place a network and inclusion and diversity plan, they hope to accomplish this. The goal of the plan is to foster an inclusive, respectful, and appreciated workplace culture. By putting a particular emphasis on crucial areas, including management, recruitment, talent development, employee engagement, communication, and monitoring. Whereas the network gives a forum for workers to express their opinions, swap stories, and exchange ideas, which fosters a positive company culture (Equality, Diversity, and Inclusion | Swedbank, 2023).

In addition, they reject all forms of discrimination and strive for gender equality with no pay disparity between the sexes. Swedbank has also taken part in "UN Women's Empowerment Principles and works within the Nordic CEOs for a Sustainable Future network to advance diversity and inclusion in the Nordic region" (Equality, Diversity, and Inclusion | Swedbank, n.d).


2.2 Diversity

Diversity in teams is becoming a regular phenomenon in today's society (Jackson et al., 2003). With the increase of multiculturalism in Sweden (Allen, 2015), it is evident that a change in the team's composition is waiting to happen or is in the current shift of trend. Diversity has therefore become a topic of relevance due to the multiculturalism in Sweden. However, diversity does not only include ethnic diversity as a factor.

Diversity can be seen from many different aspects. In the context of this study, diversity can be referred to as the actuality of various differences that exist within the group, and this includes variables such as disparities in race, gender, sexual orientation, religion, socio-economic status, ethnicity, and many more personal traits that differ the individuals from each other (Cox, 1994; Hunt et al., 2015). In addition, numerous studies showcase either a positive relationship between diversity and team performance or a minimal negative relationship between diversity and team performance. Cox and Blake (1991) further state that implementing diversity and managing it correctly could give potential benefits to a team, resulting in better team performance and, subsequently, an overall better business outcome with the leveraging of the strengths that diversity has to offer.

Additionally, diversity has been linked to a more creative decision-making process. Munjuri & Maina (2013) state that having a diverse workforce enables individuals to enjoy their work more, creates a more enjoyable environment, and individuals feel more encouraged to contribute as they enjoy their inclusive workplace. In the context of diversity in Swedish banks, there exist numerous news articles that have been written about the lack of diversity in the banks and the concealment of the lack of diversity that Swedish banks are conducting. (Aktuell Hållbarhet, 2022) underscores that even though the banking industry has been notorious for its lack of implementing ethnic diversity. Audits have revealed that it is challenging for individuals with foreign origins to break into the sector. Although banks have recently started to address the issue, AH analysis of bank reporting reveals that there is still more to be done. Furthermore, Sigblad (2021) writes in his article in Finansliv that the financial services sector,
which ranks 35th out of 39 industries in the 2020 OECD study, is at the bottom of the list in terms of the percentage of employees with a foreign background.

Further, to grasp the context, diversity is linked to numerous potential benefits for a business and is also stated to be linked to better team performance. It can therefore be seen that a lack of diversity in the banking sector would disable the banks from working on an optimal level in the international context, as diversity brings new perspectives and a better and more creative decision-making process (Mandić et al., 2017; Munjuri & Maina, 2013).

However, as mentioned above, diversity is not a one-sided square but consists of many diverse aspects of an individual that can be captured. Nonetheless, this study aims to capture two aspects of diversity which are both ethnic and gender diversity. Furthermore, (Jämställdsmyndigheten, n.d.) states that for a workplace to classify itself as equal in the context of gender, the group proportion of women to men is supposed to be 40/60 per cent or more, which gives them the right to call themselves an equal workplace. However, our population consists closer to 50/50 in terms of gender. Sweden is renowned for being one of the most equal countries in the world and with its liberal views to an inclusive workplace. Nevertheless, still, the classification for a workplace to call itself equal is 40/60. According to Zenger and Folkman (2020), female leaders are seen as more competent in regard to social context, as they are better at engaging with employees and interacting better socially. This could consequently give banks advantages when working in a global context, one of many benefits that a diverse workforce could bring to the table.

In addition, in light of the equality between employees, affirmative action has become a prevalent topic these past decades when talking about diversity and how to integrate it into teams. Affirmative action aims to fundamentally promote diversity and equal opportunity in education and employment by implementing a set of policies and practices that address this past and ongoing discrimination. Mostly these policies aim to increase and engage the representation of different minorities in the context of this study, and these minorities consist
of individuals with a foreign background and women that have been underrepresented in these past decades (Beraki et al., 2022; Holzer & Neumark, 2000; Thomas Jr, 1990).

Affirmative action can be achieved via a variety of strategies and tools. An example of affirmative action which encourages a more diverse team could be, for example, preferential treatment in hiring programs and special outreaches for respective minorities. In addition, it could also include diversity training and mentorship programs which encourage and support women and minorities to advance in their work careers (Sánchez & Kostova, 2017). Regardless, these actions are meant to create a more inclusive workplace by removing the barriers through dismantling obstacles to opportunity for disadvantaged groups and fostering a more advantageous playing field for all individuals.

As a result, firms that use affirmative action to increase employee diversity also stand to gain significantly. Green et al., (2002) state that through the fostering of a diverse team, businesses can reap benefits such as increased work productivity and subsequently giving them a competitive edge in the market. The likelihood of the enterprise surviving is increased by extracting individual differences and subsequently optimising the decision-making process.

![Figure 1. Types of diversity (Williams, 2013)](image-url)
2.2.1 Diversity management

As mentioned several times in this study, diversity has been linked to enhanced performance. However, businesses can not only implement diversity in teams and expect the team to function in harmony and magically improve in every aspect of performance. Therefore, diversity management has become a prevalent topic. Fundamentally, diversity management is the procedure of establishing and preserving a work environment that honours and respects individual diversity among employees. Regardless of a person's race, ethnicity, gender, sexual orientation, age, disability, or other personal traits, diversity management seeks to foster inclusivity, respect, and equal treatment for everyone (Cox & Blake, 1991).

In order to reap optimal benefits from a diverse workforce, it has to be managed correctly. If a business wants to enhance creativity and the decision-making process, which numerous researchers state that a diverse team does (Cox & Blake, 1991; Jackson et al., 1995), they cannot just assume that it results directly from including diversity. The management of diversity presents a number of significant issues, some of which must be acknowledged in order to be met and managed successfully within the context of diversity.

Furthermore, dealing with unconscious biases that could influence decision-making is a huge problem when managing diversity. Every individual has prejudice, which is natural for all humans. In addition, unconscious bias refers to the automatic, frequently unintended attitudes or ideas that people hold toward certain specific groups of individuals (Cox, 1994). It is further elaborated by Cox (1994) on the challenges that come with unconscious bias. He contends that unconscious biases can lead to unjust and discriminatory actions, as well as hurdles to encouraging diversity and inclusiveness.

Correspondingly, precisely the opposite of what integrating diversity is supposed to achieve. Therefore, in order to address the issue of this challenge, Cox (1994) states and recommends that there needs to be a shift or reformation of the organisational culture so that it values diversity and assists in the encouragement of receptiveness to different opinions and
perspectives. In order to fight these challenges, there are productive methods to address them. Nevertheless, he raises suggestions such as the implementation of different training programs to address awareness about these challenges and subsequently creating a strategy that will counteract these kinds of behaviours. In addition, Cox (1994) articulates the emphasis that needs to be put on addressing unconscious bias, as it is a complex issue that necessitates continual work and attention. These measures need to be taken into action, and it is crucial for managers to take the initiative if they want to foster inclusivity and diversity in the workplace. Ultimately, organisations can improve the workplace environment for both individuals and the business at large by tackling unconscious bias and similar issues that arise with diversity management.

In order to manage diversity, many businesses have started with different inclusion policies and training programs that decrease the social isolation of certain groups and further encourage and assist in creating an inclusive workplace in which every individual has the same rights and possibilities as any other individual. However, Kalev et al., (2006) argue that businesses cannot just implement their inclusion policies and diversity management based on guesses. They articulate that many businesses need clarification on which practices work best to encourage diversity. Instead, the implementation of different inclusion policies and diversity training programs should be based on empirical evidence.

In addition, affirmative action policies, quotas, and targeted recruiting were successful in raising the participation of minority groups in managerial positions, whereas diversity training and mentorship programs had little effect (Kalev et al., 2006). They go on further to imply that the efficiency of different policies also varies depending on which industry the enterprises are operating in. One example that Kalev et al., (2006) give is that they imply that actions such as affirmative action policies are more efficient in public sectors rather than in private sectors. In contrast, they also state that mentoring programs to encourage diversity were more efficient in industries and branches, which include a lot of job mobility. It was argued scientifically that affirmative action, quotas, and targeted recruitment had the highest impact regarding the
inclusion of different minority groups and that diversity training and mentoring programs were less efficient in the context of encouraging inclusivity.

Ultimately, diversity management is fundamentally about managing the diverse workforce correctly through various methods and practices and consequently encouraging diversity and mitigating social exclusion for certain minority groups. Depending on which industry the enterprises operate in, certain practices can be more fitting. Nonetheless, Kalev et al., (2006) argue that companies need to be more evidence-based and strategic regarding their approach to diversity management and that depending on the needs and challenges of the organisation, the strategy needs to be tailored accordingly.
2.3 Team performance

Team performance refers to a team's efficacy and success in attaining its goals and objectives. It covers a wide range of topics, including decision-making, goal-setting, problem-solving, leadership, and team dynamics (Brannick et al., 1997). As teams are frequently in charge of finishing complex tasks and projects, team performance is a vital sign of an organisation’s overall productivity and success. In contrast to low team performance, which can result in low morale, dissatisfaction, and decreased productivity, high team performance increases motivation, morale, and job satisfaction among team members. Team members and management must constantly communicate, provide feedback, and work together to evaluate and improve team performance (Brannick et al., 1997; Fowlkes et al., 1994).

Working in an atmosphere where you must cooperate with other teammates is a common circumstance in today's competitive and globalised world. The effectiveness of the team can be evaluated using numerous techniques and metrics. Financial performance is the most significant and pertinent when examining team performance in the context of Swedish Banks. However, in this situation, other equally significant factors that may have a long-term impact on the business might be used to evaluate team success (Dionne et al., 2004).

Whereas, when evaluating team performance, it is essential to take into account factors like social and creative factors. The range of creativity could be used to gauge team performance. Creativity could be considered a deciding element for an organisation’s survival because businesses are increasingly working in a global and multicultural environment and need to strengthen their decision-making process to handle the complex difficulties that develop in such environments (Dionne et al., 2004; Senior, 1997). It is evident that the service industries where banks compete, where competition is fierce, and new rivals may develop swiftly, have a considerable need for strategic thinking and better decision-making.

Further on, the term "teamwork process" describes the behaviours and perspectives that, when combined, result in a successful method of completing tasks when working in groups. Five
guiding concepts must be grasped in order for the teamwork process to work well. These stages are Forming, Norming, Performing, and adjourning, also known as Tuckman's five stages of team development. Tuckman presented these five stages as the critical moments for a team to progress, and function smoothly and effectively, resulting in good results and performance (Johnson et al., 2002; Tuckman & Chapman, 1965).

Forming refers to the beginning stage of the team, where the group gets together, and the members get to know each other and start to explore the purpose and object of the team. In this stage, the level of uncertainty is often high. Moreover, team members may begin to voice their opinions, ideas, and concerns during the storming stage, which can occasionally result in confrontations and arguments. Although there is a lot of tension and ambiguity during this stage, there is also a chance for team members to settle disputes and set precise goals and objectives (LePine et al., 2008; Tuckman & Chapman, 1965). During the storming stage, the level of uncertainty reduces as the members of the team discuss and voice their opinion on the matter for each member and set the goal of working together. As we go on to the norming stage, team members at this point have begun to work well together and have created a shared knowledge of their goals. Team members feel cohesive and stable as they forge a common
identity and establish clear channels for communication and decision-making (Johnson et al., 2002; Tuckman & Chapman, 1965).

Furthermore, in the performing stage, teams achieve their objectives by working successfully and efficiently. In this stage, team members can readily communicate and come to choices since they trust and get along with each other. In addition, the team members effectively communicate and collaborate with one another (Johnson et al., 2002; Tuckman & Chapman, 1965). Finally, the team has achieved its objectives and is set to disperse at the adjourning stage. Team members may experience sadness or loss as they prepare to part ways, but they may also experience a sense of success and satisfaction as they reflect on their accomplishments (Tuckman & Chapman, 1965).

Hunt et al., (2018) support the claim that diverse teams and groups perform better financially. The study looked at how organisations in the UK and the US that have high levels of diversity compared to their respective industries' national medians as well as how companies with low levels of diversity fare. According to their findings, businesses with gender-diverse teams had 21% better financial results and 27% better value generation (see Figure 4), and businesses with ethnically diverse teams in the top quartile exhibited financial performance that was 33% better and value creation that was 43% higher than the national industry median (see figure 5). The survey also shows that, when compared to the national industry median, the financial performance of enterprises with limited gender and ethnic diversity was 29% worse (see Figure 5). This demonstrates that, on average, businesses with high levels of diversity—including diversity in terms of gender and ethnicity—perform better than the median, whereas businesses with low levels of diversity did worse than the median (Hunt et al., 2018).
How gender diversity correlates with financial performance

Likelihood of financial performance¹ above national industry median by diversity quartile

<table>
<thead>
<tr>
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<th>Executive team</th>
<th>Gender</th>
<th>Profitability</th>
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<tr>
<td></td>
<td>N = 99</td>
<td></td>
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<tr>
<td>4th</td>
<td>45</td>
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<td>1st</td>
<td>55</td>
<td>23</td>
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¹ Average economic profit margin 2011–15 and average EBIT margin 2011–15

Figure 3 Delivering through Diversity (Hunt et al., 2018).

How ethnic diversity correlates with profitability

Likelihood of financial performance¹ above national industry median by diversity quartile

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<thead>
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<th></th>
<th>Executive team</th>
<th>Ethnic/cultural</th>
<th>Profitability</th>
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<tbody>
<tr>
<td>Board of directors</td>
<td>N = 453</td>
<td></td>
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<tr>
<td>4th</td>
<td>41</td>
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¹ Average economic profit margin 2011–15 and average EBIT margin 2011–15

Figure 4 Delivering through Diversity (Hunt et al., 2018).
Furthermore, Horwitz (2005) asserts further that businesses cannot solely rely on building diverse teams and assume that collaboration would result in success. Nevertheless, instead emphasises building a team via unique, diverse traits to shape a successful team that will increase effectiveness and profitability for the organisation but also lowers any chance of becoming unclear, unproductive, and underperforming. However, according to Horwitz (2005), diversity affects not only a company's financial success but also its ability to integrate its members socially. This is because diverse teams obtain this ability by interacting with people from different backgrounds, cultures, and lifestyles. As a result, each team member gains more social awareness, which in turn increases the effectiveness and effectiveness of the group as a whole (Horwitz, 2005).

Consequently, globalisation has had a substantial impact on the relationship between team effectiveness and diversity in organisations. It has also been argued that globalisation has had an impact on team composition and its fundamental functioning. As a result of the emergence of multinational firms and the expansion of cross-border trade and investment, organisations now function in a more varied and global context. As a result, there are now more teams that are varied in terms of demographics, such as race, ethnicity, gender, and culture. Therefore,
recently problems regarding miscommunication and cultural misunderstandings have arisen in such a context, problems that were of less important matter before. According to numerous studies, globalisation has provided businesses with the ability to interact with a larger talent pool to hire from, which has resulted in more diverse employment generally (Kankanhalli et al., 2006; Stahl et al., 2010).
2.4 Theoretical Frameworks

2.4.1 Social identity theory

The concept of social identity theory was first proposed by Henri Tajfel and John Turner in the early 1970s. It works as a social psychological framework that offers an understanding of how people perceive and draw their sense of self from their involvement in social groupings. Many scholars working in the field of social psychology are still refining the theory of framework today (Hogg, 2016)

Furthermore, according to Brown (2000), individuals will actively develop and create their own image of their self-concept. Through the many impressions they gather from social grouping and organisations, this self-categorization process is viewed as a way for the individual to decrease uncertainty and complexity in the world. In addition, it also provides a foundation for social comparison between people and the construction of attitudes and behaviours. For example, people will find themselves in other social contexts that they are similar to and will therefore categorise themselves as equal individuals.

Consequently, team members who identify with their team or organisation are more likely to put in a more significant effort due to the motivation to work harder for the collective. Von Knippenberg (2000) further states that identification will result in a feeling of unity toward the desired objectives. Therefore, it is more likely that individuals will be more compelled to adapt to the group and their perspective, enabling them to achieve collective goals and put the team's interest as their own interest. All this is a result of the psychological feeling of belongingness to a specific group, and identification with the team can advance the team's performance and group objectives, acting in the team's best interest. In addition, identification is also positively related to other factors which may improve overall team performance, factors such as increased work motivation and better task performance (Von Knippenberg, 2000).

However, there are not only positive effects from the identification of a social group. Von Knippenberg (2000) further elaborates on the lowered performance that can result from
identifying with their social group. Consequences of a well-integrated team may start to revolt against the organisation itself and develop counterproductive norms, which deteriorate the overall team performance. If the team feels like they are not appreciated and are getting exploited as individuals, it may consequently foster a sense of hate for the organisation. This creates a party of them vs us, which is not optimal as it develops a negative mindset against the organisation, and the team will therefore start to do as little as possible. They will then see this as an accomplishment, but in reality, it only develops a non-productive work setting. In such contexts, having an increased social identity could lead to decreased productivity. In this example, it has to be taken into consideration that the outcome of decreased productivity is undesirable from the aspect of the organisation but not from the group of identification.

Furthermore, in order to create sustainable organisational solutions, Haslam et al., (2000) state that businesses have to approach the social identity theory in a way that elicits opinions such as "What is in it for us?" instead of an individual mindset that thinks "What is in it for me?" (Haslam et al., 2000). He further communicates that a dominant equity-based approach is an optimal solution for managers to motivate employees. Instead of a collective approach to offering rewards for their contribution to the success of the organisation, he articulates the importance of treating them equitably and rewarding them individually based on their own contribution. In contrast, Haslam et al., (2000) continue by highlighting the problem with such an individualistic strategy. The problem is that it only creates further inequalities between the employees, which the managers consequently have to deal with in the future. It is an inefficient and resource-consuming strategy that is most likely prone to spiral down even further in a negative way. In a way, that undermines individuals that still do contribute to the success of the organisation but still do not get recognised for their work, which can undermine their work ethics and will for the organisation.
Figure 6. A social identity model of work motivation and performance (Van Knippenberg, 2000)
2.4.2 Group Diversity Theory

Group diversity theory is a theoretical framework that looks at how variety affects group dynamics and results. This idea holds that diversity can relate to any trait that differs among group members, including ethnicity, gender, age, and cultural demographics, as well as disparities in education, training, and experience. Group diversity theory's fundamental tenet is that varied groups are more likely to come into contact with a variety of viewpoints, ideas, and information, which can facilitate better decision-making and problem-solving. However, variety can also pose problems for communities, such as communication barriers, threats to social identities, and power disparities (Jackson et al., 1995; Page, 2008).

Moreover, according to Jackson et al., (1995), informational diversity, social category diversity, and value diversity are the three main ways that diversity influences group processes and outcomes. Informational diversity refers to variations in group members' knowledge, abilities, and competence. By bringing together a variety of various perspectives and ideas that can improve problem-solving and decision-making, this kind of diversity can improve group performance. Diversity in social categories describes variations in demographic traits like race, gender, and age. Due to issues like social identity threats, stereotypes, and prejudices, this kind of variety may make it difficult for a group to function well and may even spark conflict. Differences in group members' values, beliefs, and attitudes are referred to as value diversity. Managing this kind of diversity well can lead to better decision-making and problem-solving, but it can also cause conflict and disagreement within the group. The impacts of diversity on group processes and outcomes, according to the theory, are dependent on a number of variables, including the job at hand, the make-up of the group, the degree of interdependence among group members, and the social context in which the group functions. It is crucial to remember that diversity is not a clear-cut idea and that its effects on group dynamics and results are intricate and multifaceted (Jackson et al., 1995; Jehn et al., 1999).

Furthermore, Bezrukova et al., (2012) state that Group diversity theory provides advantages as well as drawbacks. Enhanced decision-making, improved creativity and invention, and
increased social awareness are a few potential advantages of this idea. Diverse groups can bring a variety of viewpoints and ideas together, which can improve problem-solving and decision-making. This is so that participants from various backgrounds and experiences can contribute distinctive thoughts and methods to problem-solving. Diverse groups are more likely to provide original ideas and inventive solutions because they allow for the contribution of people from various backgrounds and experiences. Being a part of a diverse team can improve social awareness and sensitivity to the needs and viewpoints of others, resulting in more compassionate and empathic interactions (Bezrukova et al., 2012; Page, 2008).

On the other hand, Group diversity theory may face challenges such as communication issues, threats to social identities, power disparities, and stereotypes and prejudices. Due to variations in language, culture, and communication methods, diverse groups may need help communicating. According to Bezrukova et al., (2012), this may result in misunderstandings and misinterpretations that impair the effectiveness of the group. People in varied groups may feel threatened or excluded because of their social identities, which can result in feelings of loneliness and decreased engagement. Members of a diverse group may hold varying degrees of authority, which can lead to disparities that have an impact on the performance and decision-making of the group.

Whereas members of distinct groups may harbour prejudices and stereotypes about others, which can cause disputes and difficulties within the group. Therefore, it is critical to successfully manage diversity to solve these issues, for instance, by encouraging open communication, eliminating power disparities, and establishing an inclusive and respectful culture. Group diversity theory, in its entirety, provides insightful information on the possible advantages and difficulties of diversity in group settings and emphasises the significance of skilfully managing diversity to ensure beneficial outcomes (Bezrukova et al., 2012; Page, 2008).
2.4.3 Resource diversity theory

There are several theoretical frameworks of diversity theories presented in this study. The benefits of having a diverse workforce can be many. However, Bundersson and Sutcliffe (2003) explore the resource diversity theory, which can be seen as a complementary framework that elicits resources from each individual, subsequently giving the team more space and resources to be more adaptive and overcome challenges. A team consists of several individuals who work together, seeking to fulfil a collective objective with optimal performance.

The resource diversity theory suggests that teams that are more diverse can also benefit from the diverse resources that come from having a heterogeneous workforce. Bundersson and Sutcliffe (2003) further elaborate on the diverse resources, which are not only knowledge but other factors such as skills, abilities, and networking contacts. They convey that with a more diverse resource capability also comes the power of adaptation and better performance than a team that consists of only homozygous individuals. It is further discussed in the article that a resourceful, diverse team can positively impact the overall organisational team performance.

There are several implications that are discussed. In particular, the authors stress how crucial it is for management teams to adopt a learning mindset in order to utilise resource variety and enhance business unit performance successfully.

Additionally, according to Horwitz & Horwitz (2007), there is a wide range of benefits that can improve the overall team performance from resource diversity. This can be enhanced social resources, improved informational sources, and developed cognitive resources. As the team is more heterogeneous, it contributes to enhanced cognitive resources, such as improved problem-solving and decision-making skills. As mentioned previously in this study, diverse teams are predisposed to benefit from a more creative and improved decision-making process because there is insight from heterogenous individuals with distinctive life experiences and opinions (Munjuri & Maina, 2013; Awino, 2013).
Furthermore, numerous researchers have described that the diverse availability of resources is very beneficial for teams and the outcome of their performance. According to Horwitz & Horwitz (2007), teams that integrate diversity experience an enhanced ability of cognitive resources, which can subsequently provide higher performance levels and improved creativity. Something that is desperately needed by firms that operate on a worldwide scale as their environment becomes more complex as a result of the present rate of globalisation and digitalisation. According to Jackson & Ruderman (1999), it was also discovered that teams with more diverse social resources outperformed those with less effective diversity integration.

However, the diversity of resources has other implications as well. Resource diversity indicates a team with very diverse individuals. Therefore, it is possible to argue that in order to bring all of these people together, with different perspectives and life experiences, to work in harmony, there may also be issues like misunderstandings, disagreements over how things should be done, and varying perspectives on the process with regard to a variety of issues (Ancona & Caldwell, 1992).

According to Ancona and Caldwell (1992), it was found that factors such as demographic diversity can create a negative impact on overall team performance. They further elaborate on the miscommunication that can arise if the team is highly reliant on each other. Therefore, it is essential to coordinate and communicate appropriately in order to benefit from the diverse resources held by the group optimally. Further on, John (1997) conducted a study where the findings exhibited that relationship conflicts, which consist of tensions between team members, can have a detrimental effect on team performance. However, task conflicts which usually consist of disagreements over the process of how the objective should be completed correctly, may have a positive effect on the outcome of the team performance. He further emphasises the importance of managing conflict in such settings.

Ultimately, while resource diversity may improve team performance (Jackson & Ruderman, 1999; Horwitz & Horwitz, 2007), it is critical for teams and organisations to be aware of and
handle possible negative aspects, such as conflicts or communication difficulties, in order to reap the benefits of diversity.
2.4.4 Conflict resolution theory

The multidisciplinary discipline of conflict resolution theory aims to comprehend and control conflict in a variety of contexts, including interpersonal interactions, organisational settings, and international conflicts. Afzalur Rahim (2002) highlights the reasons why conflict occurs as well as methods for resolving it by utilising findings from a variety of disciplines, including psychology, sociology, political science, and communication. Fundamentally, conflict resolution theory acknowledges that disagreements arise naturally in human interactions and that they can have both favourable and unfavourable effects. Conflict can spur growth and change, but it can also result in negative and harmful habits. According to Fisher and Ury (2011), the secret to good conflict management is to comprehend its dynamics and means of causes and to adopt conflict resolution techniques that encourage cooperation and understanding.

Furthermore, Carnevale and Pruitt (1992) state that conflict styles, power and interests, communication, negotiation, and mediation are a few of the theory's core ideas. Conflict styles, such as avoidance, competition, collaboration, or compromise, vary widely among people and civilisations. Conflict resolution theory acknowledges the need to comprehend these approaches and tailor one's strategy to the particular circumstance. Conflict frequently results from disparities in power and interests. In order to effectively resolve conflict, conflict resolution theory emphasises the significance of pinpointing and resolving these underlying issues.

In addition, Deutsch (1973) explained that in order to come to a mutually agreeable solution, conflict resolution theory emphasises the value of forethought, comprehension of each party's interests and objectives, and finding common ground. In order to foster communication and negotiation between opposing parties, mediation entails the involvement of a neutral third party. The significance of mediation is in fostering understanding and arriving at a resolution that is agreeable to both parties (Carnevale & Pruitt, 1992; Deutsch, 1973).
According to both Azalufar Rahim (2002) & Fisher and Ury (2011), the benefits of conflict resolution theory are numerous, as it provides a framework for understanding and managing conflicts in various settings, including interpersonal relationships, organisational settings, and international conflicts. Some of the critical benefits of conflict resolution theory include improved communication, reduced hostility, and enhanced problem-solving. Conflict resolution theory emphasises the importance of effective communication in managing and resolving conflicts. By promoting active listening, empathy, and respectful communication, conflict resolution theory can help improve communication and understanding between conflicting parties. Conflict resolution theory provides strategies for managing conflicts that can help reduce hostility and aggression. By focusing on constructive conflict resolution strategies, such as problem-solving and compromise, conflict resolution theory can help de-escalate conflicts and prevent violence (Afzalur Rahim, 2002; Fisher & Ury, 2011).

However, conflict resolution theory does come with some difficulties. Power disparities, cultural variances, intense emotions, and cultural differences are a few of the main difficulties. The idea emphasises the need to deal with power disparities while resolving conflicts, although this can be extremely difficult, especially when there are significant power disparities between the people involved. Conflict resolution efforts may become more challenging because diverse cultures and people may have distinct conflict styles. The significance of comprehending and accommodating these differences is emphasised in conflict resolution theory, yet doing so can be difficult in actuality (Afzalur Rahim, 2002; Deutsch, 1973; Fisher & Ury, 2011).
3. Methodology

3.1 Research Philosophy

Before learning new information, it is vital to consider our philosophical stances, which represent our core concepts and values. Our stance regarding the knowledge will guide us into the most appropriate design for our research in this study. The outcome of the research will be influenced by elements such as ontology and epistemology. Thus, it is critical to understand how we as researchers approach these issues if we are to make significant contributions to the current literature. To understand the context of why we have to approach these issues, we need to understand the basic meaning of ontology and epistemology in order to choose the right element appropriate for our research and what we want to contribute. Epistemology is concerned with the nature of the world and the best approach for scholars to reflect on this. In contrast, Ontology is concerned with the perception of the nature of existence and reality (Easterby-Smith et al., 2018; Saunders et al., 2007)

We, as researchers, are interested in gaining knowledge and depth regarding the relationship between workplace diversity and team performance, focusing on the setting in Swedish banks. Further, we want to analyse which aspects of team performance are related to diversity and how diversity enhances the workplace or if it contributes to anything significant for the banks. We have concluded that this issue is very complex and is not a single-sided coin. It requires further elaboration and can consist of numerous truths from various individuals. Because the study will be conducted on several individuals who most likely have different views, opinions, and experiences regarding the topic, it will consequently give several different truths and viewpoints regarding the relationship diversity has on team performance. As a result, we determined that this is consistent with relativism, which is our ontological position. We have also accepted the subjectivist epistemological perspective because we believe that truth is generated by individuals and their experiences. We acknowledge that every individual will have their own perception of reality and will react to situations differently.
In addition, their actions and interaction with the external world will differ depending on their life experiences (Saunders et al., 2007). Therefore, the topic will be best understood by the individuals integrated into the subject we are trying to understand and research. Finally, as our responders and researchers converse in the interview, we will generate the empirical findings that we need from the dialogue conducted with each other (Cohen et al., 2007; Guba & Lincoln, 1994).

3.2 Research Design
The study's design is being undertaken with our research philosophy in mind to efficiently conduct the research and answer the study's research question. The gap in the literature was due to a need for studies and an understanding of how diversity affects team performance in the banking sector in Sweden and other Western countries. Also, the vast majority of studies on this topic have been quantitative studies. We decided to do qualitative research, which will offer a distinct viewpoint on the topic. We will carry out an exploratory research design to find and explain any patterns and common characteristics in the research (Easterby-Smith et al., 2018).

Further exploring this issue, the aim of this study is to investigate how diversity and team performance relates in the context of Swedish banks. This study also intends to close a research gap in the body of earlier work by gaining a complete understanding of the specific features of diversity that relate to team performance in Swedish banks. This study's primary goal is to understand the diversity management techniques used by Swedish banks fully. As a result, basing our research on comparative methods is the most suitable method, as we want to investigate and analyse our findings to seek any parallels or contrasts (Easterby-Smith et al., 2018).
3.3 Research Approach

When performing a study, two primary research methodologies are most frequently utilised. These are either deductive approaches or abductive approaches. You must have a thorough knowledge of the contribution that your study is expected to make as well as how the strategy fits within the kind of study you intend to undertake in order to select the most appropriate approach. There exists comprehensive research on the effect of diversity on team performance; therefore, we could use a deductive approach. However, there has yet to exist any study similarly done in the setting of Swedish banks. In addition, those studies that research the effect of team diversity on team performance are usually quantitative studies; our study is a qualitative study (Saunders et al., 2007; Cohen et al., 2007).

Therefore, it has been discussed that a deductive approach where the testing of theories is conducted is not suitable for this research. Instead, an abductive approach will let us analyse the primary findings that we will collect from the banks in order to develop a new theory. Most studies with similar topics are conducted as quantitative studies, analysing the findings and measures often only financial numbers. However, we have concluded that there are additional performance factors that might lead to long-term business success, and it can therefore be claimed that new theories and features can emerge during and after the empirical findings (Saunders et al., 2007; Cohen et al., 2007).

In conclusion, adopting an abductive approach will assist us in our discovery and create an open playground for our research and minds. Throughout the study, we will draw on literature and existing theories. This, however, does not contradict the abductive approach but instead allows us to employ an interaction process between empirical findings and theory (Easterby-Smith et al., 2018; Saunders et al., 2007).
3.4 Literature Review

The goal of the review of the literature is to gather and combine information and knowledge about team performance, diversity, and the Swedish banking sector. The literature review also sheds light on the methods used in earlier investigations and the results they came to. We learned broad information about the subjects as well as how they relate to one another with the aid of literature study. Hence, a gap in the literature was identified, and this served as the basis for our study's goal (Easterby-Smith et al., 2018).

The process began with a discussion between the researchers and the tutor about the types of studies we should pursue and the subjects on which we should concentrate. As a result of the conversation, the study's eventual topics were diversity, team performance, and the Swedish banking industry. The authors chose to include social identity theory, Conflict resolution theory, Resource diversity theory, and Group diversity theory as they came across these theories often during the research on the set-out topics in the beginning. Finally, the authors decided to include diversity management because it was thought to be pertinent to the study.

To gain a general overview of the subject, we first searched Google Scholar for "The influence of workplace diversity on team performance in the banking sector." The search yielded 80,000 studies that had some relation to our subject. We discussed the subject matter we ought to concentrate on while also identifying a recurring theme in our research. Twenty studies were left, and they were the ones we regarded relevant to our research. Thereafter we started to select the subjects for our literature review. By looking for pertinent terms on Google Scholar, such as "Diversity," "Team performance," "diversity management," etc., we started to go deeper into each of them. For our analysis, we also used pre-existing research sources that we considered to be useful.

To ensure the high calibre of our research, we decided to use peer-reviewed studies and articles predominantly. To accomplish this, we verified every source on JU Primo to see if it had
received a peer review credential, and in the event that the study needed to be included, we used Google Scholar to assess the source's status.

3.5 Empirical Collection
To provide a summary of the body of literature, there are a number of approaches to gathering qualitative findings (Easterby-Smith et al., 2018). Interview transcripts and answer shortlists are two types of qualitative findings, also referred to as non-numeric findings or empirical findings that have yet to be quantified (Saunders et al., 2007). Empirical findings are often obtained with the help of the researcher, and by understanding people's perspectives, thoughts, and attitudes through their natural language, information can be gained (Easterby-Smith et al., 2018). The kind of information gathering that is most suitable for our research purpose and the one we employed is semi-structured interviews. This is so that we learn about varied perspectives and experiences from the interviews, which were semi-structured. Also, semi-structured interviews provide us with more freedom in how each one is performed. In response to the conversation, more questions could be asked, and less-relevant ones could be dropped (Saunders et al., 2007).

3.5.1 Qualitative Interview
Qualitative interviews, widely used in exploratory studies, enable researchers to delve into the attitudes and opinions of participants and examine relationships between variables (Saunders et al., 2007). Given the exploratory nature of our study, qualitative interviews are crucial and well-suited. There are specific needs for the effective use of qualitative interviews. They are appropriate for understanding respondents' reality and the basis of their ideas, mainly when the subject or findings are sensitive or confidential, as participants tend to be more honest in interview settings (Easterby-Smith et al., 2018). Our study aims to gain a comprehensive understanding of the relationship between workplace diversity, team performance, and management in the Swedish banking industry, fulfilling these criteria. Semi-structured interviews, also known as qualitative research interviews, are characterised by flexibility and a sequence of open-ended questions (Easterby-Smith et al., 2018). The order of
questions can be adjusted based on the flow of conversation, and new questions may be introduced to enhance the researcher's responsiveness to the study's inquiries (Saunders et al., 2007). In our study, as we focused on qualitative research without collecting quantitative data, we employed semi-structured interviews. Furthermore, we needed to compare responses from different participants. Predetermined questions, while remaining open-ended, were necessary to grasp the topic and participants' opinions fully. These predetermined questions were organised into three themes derived from the literature, which later became the main themes in our empirical findings: Diversity, Team, and Performance.

### 3.5.2 Interview Schedule

Interview plans are typically focused on a specific topic or set of questions that need to be addressed throughout the interview, according to topic guides and interview schedules. The interview schedule includes a script of questions with a predetermined sequence. Topic guides, on the other hand, lack a predefined order and are perceived as being more casual. We first developed an interview schedule with open-ended questions that we utilised as a general framework rather than as a tight structure before conducting any interviews. This allows us to discuss the subject's primary themes while also allowing for the emergence of new subjects during the interview (Harvey-Jordan & Long, 2001).

Moreover, to define the goal of our interviews, we first reviewed our research objectives, sampling technique, and study design before creating our interview schedule (Easterby-Smith et al., 2018). We created a series of interview questions based on the themes for our interview schedule since we wanted the interviews to have more organisation. The questions were designed so that we asked introduction questions first, during which the respondents identified themselves and the organisations they worked for. We then moved on to discuss how the teams function at the bank and how they are formed. We then went into greater detail and spoke about how the team's performance is evaluated and whether any predetermined goals exist. Finally, we talked about how diversity relates to both team and performance.
We created open-ended questions that allowed our respondents to freely express themselves because the goal of this study is to comprehend the relationship between workplace diversity and team performance, in contrast to earlier factor-oriented studies or quantitative studies on diversity and team performance. However, if we believed that the conversation had veered too far from the focus of our study, we urged the respondents to return to it with a question that was more specifically worded. We conducted a few practice interviews before beginning the actual interviews so that we would feel more at ease and confident during the interviewing process. In addition to helping us feel at ease in our roles as interviewers, the pre-tests served to check the quality of our questions and determine whether anything needed to be adjusted (Harvey-Jordan & Long, 2001).

<table>
<thead>
<tr>
<th>Participant</th>
<th>Job Title</th>
<th>Interview Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Private Advisor</td>
<td>40 min 13s</td>
</tr>
<tr>
<td>#2</td>
<td>Business Advisor</td>
<td>55 min 37s</td>
</tr>
<tr>
<td>#3</td>
<td>Capital Specialist</td>
<td>1h 15 min 22s</td>
</tr>
<tr>
<td>#4</td>
<td>Private Advisor</td>
<td>57 min 45s</td>
</tr>
<tr>
<td>#5</td>
<td>Capital Specialist</td>
<td>59 min 33s</td>
</tr>
<tr>
<td>#6</td>
<td>Business Advisor</td>
<td>54 min 52s</td>
</tr>
<tr>
<td>#7</td>
<td>Business Advisor</td>
<td>1h 9 min 28s</td>
</tr>
<tr>
<td>#8</td>
<td>Private Advisor</td>
<td>49 min 47s</td>
</tr>
</tbody>
</table>

*Table 1 List of participants*
3.5.4 Transcription

After finishing all interviews, we started manually transcribing our findings. We opted to transcribe the interviews as soon as possible after the interview in order to avoid having much work to do all at once and a stack of interviews at the end, which was helpful (Saunders et al., 2007). Doing the interview in Swedish would be ideal for all sides because all of our interviewees and the study's researchers are Swedish. We did, however, rigorously, and correctly translate it from Swedish to English when transcribing it because our research is in English. The transcription, which included 8 interviews, ended up being 62 pages. When we contacted possible participants, we stressed the significance of confidentiality, which means that no personal information would be included in the transcribed findings and that other personal experiences were anonymised. We carefully safeguarded the confidentiality of the interviews by recording them thereafter and storing the recordings on local hard drives. We destroyed the recordings once our study was complete, as agreed upon with the participants.

3.6 Empirical Analysis

The direction of our empirical result depends on an appropriate examination of the empirical findings (Saunders et al., 2007). We began the analysis after compiling 7 hours, 42 minutes, and 33 seconds of interview findings and 62 pages of transcription. According to Attride-Stirling (2001), it is essential to be explicit about the sort of assessment of the findings being done in order to evaluate and compare the study with relevant studies. We initially thought about methods that would be acceptable for our data analysis and decided that thematic analysis would be the best choice to begin this section. Finding and examining data patterns is done using this strategy. These patterns help to address the difficulties raised by the research by explaining the events that were under investigation. However, since the purpose of this study is to investigate and understand the connection between workplace diversity and team performance, we need a more grounded analysis. We employed a thematic analysis strategy to examine the data from our study. When conducting a thematic analysis, Braun and Clarke (2006) outline a six-phase process (Table 2) that starts with the researcher looking for patterns of meaning in the findings and concludes with presenting the study's findings and the
significance of the patterns. This manual was helpful to us when completing our assessment of the findings since it gave us a framework while being adaptable and ensuring that we addressed our research questions.

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description of the process</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Familiarizing yourself</td>
<td>Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.</td>
</tr>
<tr>
<td>with your data:</td>
<td></td>
</tr>
<tr>
<td>2. Generating initial codes:</td>
<td>Coding interesting features of the data in a systematic fashion across the entire data set,</td>
</tr>
<tr>
<td></td>
<td>collating data relevant to each code.</td>
</tr>
<tr>
<td>3. Searching for themes:</td>
<td>Collating codes into potential themes, gathering all data relevant to each potential theme.</td>
</tr>
<tr>
<td>4. Reviewing themes:</td>
<td>Checking if the themes work in relation to the coded extracts (Level 1) and the entire data</td>
</tr>
<tr>
<td></td>
<td>set (Level 2), generating a thematic ‘map’ of the analysis.</td>
</tr>
<tr>
<td>5. Defining and naming</td>
<td>Ongoing analysis to refine the specifics of each theme, and the overall story the analysis</td>
</tr>
<tr>
<td>themes:</td>
<td>tells, generating clear definitions and names for each theme.</td>
</tr>
<tr>
<td>6. Producing the report:</td>
<td>The final opportunity for analysis. Selection of vivid, compelling extract examples, final</td>
</tr>
<tr>
<td></td>
<td>analysis of selected extracts, relating back of the analysis to the research question and</td>
</tr>
<tr>
<td></td>
<td>literature, producing a scholarly report of the analysis.</td>
</tr>
</tbody>
</table>

Table 2 Thematic Analysis (Braun & Clarke, 2006)

Moreover, we finished the first step of familiarisation when the interviews were transcribed and began to evaluate any patterns and varied themes that had arisen. At this point, we took notes on how the answers to our interview questions could address them. Following it was the first round of data coding. To be as thorough as possible, we went through the whole data set independently, generating first-level codes as comments in the transcript so that we could later compare our codes. We needed to tie the first-level codes and categories to the themes because we already had three predefined themes. The first-level codes were obtained directly from the transcript to ensure that the analysis was as close to the actual empirical source as possible. We picked brief words and terminology that accurately described the occurrences we studied. Following the initial round of coding, we checked the transcript to verify that we had caught everything, resulting in 30 first-level codes. We subdivided the 30 first-level codes into 9
categories and came up with three primary themes and one emerging theme. These themes are team, diversity, performance, and client-based teams.

3.7 Research Ethics

It is evident that researchers must abide by specific ethical rules when conducting studies, with the most crucial one being to avoid doing anything to the study's participants that might be harmful financially or in any other aspect (Easterby-Smith et al., 2018). It is crucial that you are ethically conscious in every part of the process when researching. As it is something that will affect your participants long-term if done incorrectly. From the formulation of the research topic to the analysis and conclusion from the empirical findings, it is essential that you consider the ethical parts involved in all of the details (Saunders et al., 2007). During the whole research and to all individuals involved, the authors emphasise the significance of the research being methodologically sound and morally justifiable. As a result of this, the ethical consciousness for every detail was highly elevated for us, and we had the ethical consequences in the back of our minds throughout the whole study, ensuring that no one would be harmed from participating in our study and contributing to our research. You have in mind that we needed to conduct this study in a responsible way and correctly in order to be perceived as legitimate and professional by all external parties.

The banking and finance sector may want to keep any further details or information regarding this topic private due to the negative feedback which has been received regarding the lack of diversity. Nevertheless, in the realisation of how sensitive this topic would be to the individuals participating and contributing to this study, we choose to be very ethical and careful regarding all information and every step of the process in order to avoid any unnecessary conflict. We acknowledged the sensitivity of this topic and that not all banks would maybe want to make this information public, therefore we provided all participants with the alternative of being anonymous and even proposed that it would be the best option in order to enhance the quality
of the study and receive a more objective interview. We were subsequently giving us more unbiased and objective findings of information.

Furthermore, we implemented another ethical rule which was the measurement and assuring the consent of the participants in the study. In order to follow through with this promise, we drafted a paper of consent which included all the rights that the participants had regarding the findings they were contributing with and which protection laws we were following, aligning the purpose with the study and giving them a complete overview of what they were contributing with and which rights they had (Bell & Bryman, 2007). As part of preparation before the interview, a paper of consent form was delivered ahead to all contributing interviewees as they needed to accept the rights and obligations which were included in the paper. This was done in order for us to hold the interview and avoid ethical consequences correctly.

Before the interview took place, we approached the participants and explained that the contribution to our study was completely voluntary and that if they felt that their integrity was bothered or uncomfortable disclosing any further details and information regarding the subject, they could end the interviews without any further questioning. This was heavily emphasised by us as we understood the sensitivity of this topic, and we were grateful from the start that they even gave us a chance to interview them (Bell & Bryman, 2007).

Finally, we constructed the interview in a way that was unbiased regarding the subject, and we made sure that the questions that were included in the script were not negatively loaded or with a hidden agenda. Further, in order to ensure an unbiased and objective interview script, we gained insight from our tutor on how to construct the interview and which questions were most suitable for the interview. Consequently, we offered the choice to decline to answer any further questions to every participant and even gave them the offer to end the dialogue if they were bothered by the topic.
3.8 Research Quality

The quality of a qualitative study is paramount to its reliability, credibility, and trustworthiness, as emphasised by Guba (1981). This ensures that the study's findings are accurate, reliable, and capable of revealing the true nature of the phenomenon under investigation. By employing diverse methodologies, this study has enhanced the accuracy and dependability of its findings, thereby establishing a solid foundation based on relevant and trustworthy sources. It is imperative to maintain high standards and implement quality control measures to uphold these principles (Easterby-Smith et al., 2018; Guba, 1981).

To assess the validity of this study, four key factors, credibility, transferability, dependability, and confirmability, will be examined (Easterby-Smith et al., 2018; Guba, 1981). Credibility, the first criterion, evaluates the alignment between the research objective and findings (Guba, 1981; Shenton, 2004). In order to ensure the trustworthiness of our study, we utilised follow-up questions to clarify ambiguous or unclear responses from participants. This approach aimed to present an accurate representation of participants' perceptions, minimise errors and misunderstandings, avoid inferring meaning from statements, and maintain transparency in data collection and methodological presentation.

Next, transferability addresses the generalizability and external validity of the research (Guba, 1981; Shenton, 2004). To ensure applicability, we provided comprehensive information about our participants without compromising their anonymity. Additionally, we described the boundaries of the study and detailed the data collection method employed (Shenton, 2004). Dependability, the third criterion, focuses on the reliability and significance of research results. Given the inherent variability in human-generated data, establishing dependability is challenging (Guba, 1981). To enhance the dependability of our study, we presented the research design and methodology, ensuring coherence and consistency across interviews (Shenton, 2004).
Confirmability, the final criterion, addresses objectivity and the potential influence of the researcher on the results (Guba, 1981). To safeguard confirmability and mitigate researcher biases, triangulation was employed (Guba, 1981; Shenton, 2004). To account for variability within the Swedish banking sector, we interviewed individuals from different positions and bank representatives from various locations, ensuring the validity of our study. Additionally, the presence of two researchers facilitated mutual support and objectivity throughout the interview process.
4. Findings

In this chapter, our empirical findings will be presented with the help of several different categories and themes. A short introduction regarding every theme will be presented, and thereafter, their categories will be explained to that the relevancy and the relationship between these will make sense to the reader. Ultimately, these findings will be used to present the analysis drawn from these in the next chapter.

4.1 Primary Themes

The empirical findings created 9 categories, which were drawn from our three primary themes. Each theme is summarised in the table below (Table 3). The upcoming sections will go into greater detail about these topics and their underlying categories.

<table>
<thead>
<tr>
<th>Themes</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team</td>
<td>Team environments and the formations of the team, how the team processes and communication work in the context of working in a Swedish Bank</td>
</tr>
<tr>
<td>Diversity</td>
<td>How diversity relates to different outcomes and how it affects team environment and performance. Different diversity aspects have an effect on the team’s performance.</td>
</tr>
<tr>
<td>Performance</td>
<td>Different performance measurements and how performance is perceived by team members. Performance in context to diversity and how the outcome is affected by diversity.</td>
</tr>
</tbody>
</table>

Table 3. Description of Primary themes.
4.2 Team

Figure 7. Underlying categories for the theme Team.

In the following section, we will discuss the following categories related to the theme of the *team*. These are the formation of the team, team collaboration, and individual. Formation of teams is a rather varied process in Swedish banks; it can differ depending on the case or the division. Therefore, it has been highlighted as an essential category in this theme. In addition, team collaboration was found to be an essential aspect of the comprehensive meaning of "team". Therefore, it can be argued that this category has profound importance relating to teams. Ultimately, it was found that the individual has a considerable involvement regarding teams, both in the individual independence that everyone has and also in the significant responsibilities that come with it.

4.2.1 Formation of Team

While examining how teams were created, it was found that all of the respondents agreed that the team was primarily dependent on the case and the client. The team assembled to handle a case is modest or can even be managed by a single person if the case or client is minor or the
issue revolves around a duty that does not require the expertise of any specialist. Yet when it comes to more prominent cases or customers, the team that is assembled around them is typically chosen at the discretion of the person in charge, who can enlist the assistance of anybody they choose to have on the team for the client. Participant #2 said that they would "choose someone that I know very well and that matches nicely with that client. For me, it's crucial that I get along with my coworker and that they work well with the client." The other participant also mentioned the primary criteria they used to choose team members. "It will be simpler and less complicated for me and the client to choose the one with whom you get along", according to Participant #4. Both participants #5 and #6 described that "for every case, you become sort of a project manager that assembles the right tools (people) to finish the job successfully". Participant #6 would further state that "the bigger the case is, the more people you have to have around it; with that said, it depends very much on how big the team is on the cases."

The only time that they could not choose freely as if the case/client is dependent on a specialist, then they are redundant to choose a specialist that has time to be part of the team. According to Participant #1, "You are free to choose whomever you like to, but when it comes to cases where you need the help of a specialist, then you need to take the first one available."

4.2.2 Team Collaboration

Team collaboration was described as being based on collaboration between bank divisions and collaboration with specialists. When it came to team collaboration across the different divisions, it primarily depended on what the customer needed; thus, if it were a situation that required aid from other divisions, then collaboration between those divisions would be required. As previously stated, the team was chosen freely, which meant that when collaborating with various departments, the person assigned the case had to choose someone who they thought was the best fit for the assignment. Participant #4 mentioned, "... I would say there are two divisions, private and business, but it is much work between each division. Sometimes I help people in private, and people from private help me when it is
needed." Moreover, Participant #1 would say that they "see the whole office as a team and that the team is divided into two parts, private and business."

4.2.3 Individual

Finally, when it came to function in a team, the individuals were seen to have a strong focus. It was clear that teamwork was more of an individual task for each member of the team and that power was spread evenly among all members. Participant #7 mentioned, "When we are working in a team, it is often divided into what we feel we are good at and what we feel more comfortable on, then we work individually on it and get together when it is finished. We, of course, also help each other out if they do not know what to do." describing that a team in work is often individual and that they rely on each other to get the work done by a deadline and that they are always there for each other when help is needed. Further, participant #5 mentioned that "... in our office, we focus on decentralising power when we are working in a team, making sure that everyone feels involved and that their opinion matters." participant #5 further explained that "self-leadership" is an essential aspect at the office and that each employee has to seek to evolve by themselves and to seek help from coworkers to get better.
4.3 Diversity

Equality, background and experience, and working environment are the three categories that make up this section. These categories will highlight the main characteristics and influences of Swedish banks' diversity, as well as how they relate to and have an impact on those banks' performance aspects. The empirical findings regarding this part will showcase the different factors and characteristics in which diversity has influenced a team's performance and other connecting parts. Diversity can influence several aspects and also include various viewpoints. Furthermore, diversity can have a wide range of meanings, but this paper's empirical findings have connected various factors that diversity has an impact on and other related aspects. In addition, we will dive further into the related categories of diversity and how they coexist with each other, ultimately affecting one another in a way that either creates an enhanced outcome or, conversely, an adverse effect.

4.3.1 Equality

Equality was found to be an essential aspect when dealing with diversity in the setting of Swedish Banks. As Participant #1 mentioned, "It is essential that there is equality among colleagues critical." Other participants also discussed the importance of equality in diversity, both in the context of gender equality and ethnic equality. However, ethnic equality was mentioned, and it needed improvement concerning specific diversity criteria. Participant #1
further answered, "younger guys from different backgrounds," when specifically asked about any diversity that needed improvement and if there was a need for improvement.

Therefore, we could find a pattern that regards equality as an essential factor when talking about diversity. It was also further discussed that even though equality between genders has improved a lot these recent years. According to Participant #8, the department which was responsible for company clients had a significant proportion of men to women, and the department which was responsible for private clients had a majority of women in proportion to men. When asked about the reason behind this proportion, the participants could not give any concrete answers. Ultimately, it was discussed from the analysis of the findings that equality was still a concerning topic in the Swedish banks, both in terms of gender and ethnic diversity.

4.3.2 Background and Experience

Background and experience were found to be a relevant topics to diversity, as different backgrounds and experiences were found to be of colossal boost both in terms of giving a broader view regarding solutions and different perspectives on topics; it gave the perception that both these would be beneficial to integrate in a workplace in order to enhance the working environment both socially and in the light of developing better performances. Participant #2 said, "Building a team that has different backgrounds and experiences can be beneficial in reflecting the market, as some customers may be better suited to some employees, so having diversity within it can be a huge advantage. Some customers fit better with other colleagues."

It can therefore be discussed that integrating a team that has much diversity regarding different backgrounds and experiences can be beneficial for the bank; other participants mentioned that some specific customers would instead be assisted in their errands by an employee that fit their needs, these needs could differ but as participant #4 mentioned "You have to reflect society a bit, a mix of different cultures and backgrounds can be beneficial in a workplace where you meet many customers from different cultures. You also get a different kind of understanding of
certain cultures. I myself know from my own background that banks are seen in one way, and from another culture, it can be seen in a completely different way; you have to take that into account when you help the customer and understand how they relate to the bank before you help them with their cases, it is important to have an understanding of our customers”.

4.3.3 Working Environment

The working environment in a bank can differ significantly depending on which offices you, as a customer, decide to have your errands dealt with. Having a positive and satisfying working environment could affect the way customer satisfaction is perceived at the bank, and it could even be debated to have negative or positive consequences on the performance of the bank. When asked about the improvements that diversity brought to the workplace, participant #3 answered, "Yes, improvements are one thing, but also a lot of the social aspects, that adds something, it makes it a bit more interesting. Everyone can sit and say the same thing during the coffee break, and that's not much fun. It can easily become boring if everyone is too similar."

Implementing diversity in the working environment can improve social aspects, which could lead to a happier working staff that is more satisfied. In addition, when people are satisfied in their workplace, it could elicit a more unconscious intrinsic motivation for the employees to work harder, and this is only based on the personal experience of the participants. Ultimately, there could be links between diversity and an improved working environment.
4.4 Performance

The sections’ designated categories are as follows: Measurements, goals and divisions. These will ultimately be explained in further detail and how they relate to the theme. Performance is something that is measured thoroughly in Swedish banks, however, mainly in financial terms. This section will develop a body of knowledge regarding which different performance measurements are used in the banks and what importance they have. Thereafter, the paper will investigate if there are any divisional differences in how performance is perceived and measured. Ultimately, this section will reveal which measurements regarding performance are used by the Swedish banks and how it is perceived by the team members.

4.4.1 Measurement
Performance can be measured in different aspects. However, this study aims to capture those performance measures that are either related to financial, social or creative factors. Although some of these factors may be viewed as intangible assets or impossible to quantify in clear
statistics, measuring them can be pretty challenging. Yet there are some standard measurements that the participants from various banks were talking about.

One standard measurement that was heavily discussed by many participants was customer satisfaction. When asked about which performance aspects they examine, excluding the financial aspects, participant #3 answered, "We look very much at customer satisfaction; we do. This is one thing we follow because if we can see that customer satisfaction for corporate customers has improved or deteriorated, we can compare ourselves with other banks and other branches of the bank." The participant further goes on to state that this performance aspect is measured between departments in the banks in order to compare with order departments in other banks.

In addition, participant #5 and Participant #6 both mentioned that customer satisfaction is something that they try to look at every activity they do. When asked about how they evaluate team performance, participant #5 answered,"Yes, we do set goals, but we are very cautious that it should never be a "sales" goal and so on, but it should be more of a customer focus." Participant #6 goes further on to state, when asked about the same question, "Customers themselves are asked to respond to surveys that are for all banks, and the results are then used to see how satisfied they are with our actions in relation to our competitors, and it can be said that it can be a winning concept to always focus on the customer in all activities."

4.4.2 Goals

When looking at how goals are put up in the banking industry, it is clear that they are created individually but also for the entire office. When it comes to client satisfaction, the entire office has a specific goal that they compare to other offices across the country. Moreover, individual goals are often set out with the nearest manager, and those goals are focused only on the individual. Participant #3 mentioned that "we do not have any group goals, for what I know, but we have individual goals where my nearest boss at the beginning of the year and I set out goals for me to develop in my role and position. During the year, we will have 3-4 meetings to
follow up and see if the goals are feasible or not." This was also mentioned by the other participants showing that this type of individual goal is a common theme in the banking sector. The set-out goals that they had with their nearest boss were usually goals that would improve their job, as well as become more efficient and challenge themselves to be in an uncomfortable position where they wanted to develop their talents and learn new skills.

When it comes to client satisfaction, the whole office is being handed a set-out goal, which means they are not dividing it into different divisions. Participant #6 mentioned, "When it comes to how we are towards our client and each other, it is the office that is measured and handed goals and then compared to other offices, it's Eriksberg's office or Eriksberg's team that can compete against another office." Participant #2 said, "we often get measured based on the office when it comes to customer satisfaction. Therefore, the goals are set up for the whole office and not on any specific division."

4.4.3 Division

Work processes in Swedish banks are divided up into different divisions or departments. In order to ensure the highest quality for client cases, banks have formed their work processes such that there exist different divisions, and usually, co-collaboration between these divisions can exist. Examples of different divisions are, for instance, the division for private clients or the divisions for company clients; there also exist many specialists in different topics which are used by the teams in order to enhance the quality of the errand and guarantee accuracy in the case. Some cases need to be handled by the collaboration of a specialist and departments. However, private client cases are usually relatively relaxed and can therefore be handled by a single individual.

When asked about to explain how they work in teams in the banks, participant #1 answered" It is specialist oriented; if there is any matter that needs to be handled and concerns companies, then the company department will handle it. Vice versa, if it's a private customer, it's the private
department that handles it; it's mostly specialist in nature. When asked about the same question, participant #2 gave a developed answer and said."

*Here at the office, we benefit from each other, we collaborate with each other, and we also have our own counties. We are divided into counties, so we have a county division in our bank. We have our designated specialists in, for example, cash management, whom you connect with and pull in for such issues or insurance specialists; we have a specialist for that, so we have designated specialists for the counties that support us in our cases.*

### 4.5 Emerging Theme
#### 4.5.1 Client-Based Teams

The empirical finding showed that there was a common theme regarding how teams were formed and the centrality of how clients were handled by teams in Swedish banks. It was brought to light that teams were formed based on the clients. Instead of permanent teams, there were departments, and when clients proposed projects or cases, teams were formed specifically for those projects, which were frequently vastly different from one another. Therefore, the client received a tailor-made solution based on the needs of their case. Hence a team of individuals was formed to fit the case.

Participant #2 said, "*We work quite a lot in teams on the business side; you could say that you are a bit of a spider in the web, so that I have contact with the customer, I have the ultimate customer responsibility, but I involve specialists very much.*" So, it can be seen that teams are more often created in reaction to a case, and there aren't many permanent teams in banks that are expressly in charge of doing some errands while other teams are in charge of others. When asked about how teams are formed in the bank, participant #2 stated that "*You are divided into teams according to what you need; I would say that it's kind of up to each other, we are not divided specifically into teams, but it's a bit up to each individual to bring in the members that you feel like you need in your team. You pretty much create it yourself, I would say.*" Participant 3# continued with a similar answer "*Usually, the main person in charge of a client forms the team, so it's up to the person in charge of the team to choose the people whom you want to*
work with, such as Ann-Katherine or Jon. You think about personal chemistry when you form teams.

This way of creating client and project-based teams seemed to be a prevalent incurring theme that many of the participants interviewed mentioned and told about; Participant 4# also stated, "How to work with teams in the bank? The important thing is that we have the same way of working in the team so that no matter whom the customer meets, we work in the same way and then it is not directly that we have project work and work in teams, but it is more that you have to collaborate between different departments sometimes you can meet a customer who is an entrepreneur then we need, for example, the competence from companies and strengthen the competence and such pieces, for example when granting a loan commitment so there is a lot between the departments like this when the case appears but not a team or a group that only focuses on these cases" This citation from the study's interview shows a clear explanation and a common theme on how teams are formed and how clients errands are handled in a way that permits teams to be temporal, and it does not appear that there are many permanent teams. Participant #7 explained further, "It depends on what the case is about. Suppose you get a case that is a bit complicated, such as fraud or so. Then you go to the person whom you feel has knowledge about it, so then we have slightly different areas of responsibility, so if I'm responsible for something together with two others, then you're a team in that particular issue, but then next week I may not work with them. So, we have no fixed teams as you presume, I think."

Ultimately, the empirical findings showed that there is a correlating theme between banks on how to handle cases and projects. According to the participants in the interviews, assembling teams relied heavily on characteristics like personal compatibility and subject-matter competence, with the client's primary contact bearing the burden of doing so. It also emphasised how important it was for departments to work together and that even if there were no set teams, people would form teams to tackle particular problems.
5. Analysis and Discussion

In this chapter, the results of the study’s empirical findings will be analysed in correlation to the thesis's theoretical framework, problem formulation, and purpose. Furthermore, a framework based on the empirical findings and the analysis drawn from it will be presented to give a better overview of how the elements coexist in the same dimension, affecting and complementing each other.

5.1 Diversity, Team, Performance

After many hours of tough interviewing with the participants, transcribing the records thoroughly and coding the information into three prevalent primary themes. We were finally getting a better insight into how the processes of the bank really worked and how many themes were interconnected in an abstract way that could not be described by mere financial numbers. Three primary themes took the light, diversity, team and performance. We were then able to create our reference frame as a base from these. As we saw many connections from our empirical findings between these themes, we decided that these would be the ones that would create a better understanding of how the effects of these would be.

After reviewing and reading much previous literature regarding this topic, we quickly managed to create a predisposed image of this subject. However, much of the previous literature, such as Horwitz (2005) and Hunt et al. (2018), needed to include many aspects that could not be reviewed in only financial matters. Managing any organisation means managing people in the current globalised market in which they operate. Consequently, this means having a business and being successful nowadays is much more complicated than it was in previous years because there are so many aspects to have in consideration and being able to be successful in such an important sector as the banking sector is, therefore, vital. Therefore, it was found that there were three primary themes that were interconnected when looking at previous research on this topic.
Finally, many participants mentioned that they would sometimes work in teams. These were then asked consequently about how they experienced working in a team with a diverse group of individuals, subsequently, how they perceived the team's performance in different aspects than only the financial side of it. When analysing the transcription of the dialogues that were recorded in the means of this study, it could quickly be found that there were a couple of themes that emerged more than others. When putting together the dots between these primary themes, we found that there was one undiscovered theme that emerged as a standard pillar between these, and this was *client-based teams*.

### 5.2 The client-based Team, Performance and Diversity relationship

Based on the empirical findings and the themes, this study has drawn conclusions and analyses based on these (see Figure 10). This constructed framework helps analyse the different aspects and elements between diversity and team performance, specifically in the context of Swedish Banks. In addition, this framework helps create an understanding of how diversity affects performance and how the outcomes differentiate when having a rather diverse workforce than a workforce that has a more homogenous workforce. Diversity, which has been linked by various studies to many positive links to performance, will therefore be further explained by this framework. Moreover, links will be developed between performance and team, more specifically, how the quality of performance is affected when working in teams. The reasoning behind the link of higher quality between Team and Performance originates from our central idea that the clients, which are the main point of this framework, could potentially have their errands affected based on how the case is handled if it is individually handled or a team effort. Ultimately, the study will also develop an understanding of how knowledge and understanding are broadened by the links of team and diversity. A more heterogeneous workforce may contribute to more angles and perspectives on how things should be managed and resolved.
5.2.1 Broader knowledge and understanding

Having the correct competence and knowledge in a bank is critical in order to serve and help clients accurately and with the proper specialised knowledge. As the banking industry becomes increasingly complex, it is critical that they have the necessary tools and knowledge to serve their clients' demands adequately. In addition, understanding the market and the people of the market is an essential aspect to the banks in order to keep up with the development of society and stay caught up. Sweden has recently become a multicultural society, which complicates the understanding of customers for Swedish banks (Guild et al., 2015). As mentioned by a previous participant in our interview. Many cultures view banks differently; some have a negative perceive men of the Banks, others are neutral etc.

Furthermore, it makes it harder to comprehend customers' wants as a result, which complicates the process further. A diversified staff may be beneficial in enabling a better grasp of what the customer requires and how to manage them, as explained by Bunderson & Sutcliffe (2003) of the resource diversity theory. Several respondents mentioned that some customers would prefer
to have their errands handled by someone that fits their criteria more, which Bunderson and Sutcliffe (2003) and Ancona and Caldwell (1992) support in their respective studies. A diverse workforce brings different options for both the customers and for colleagues to be more adaptable and flexible.

This could be seen as a straight example from one of this study's presented theories, the social identity theory. As the theory explains, individuals with different ethnicities, cultures and other diversity factors can have a present liking towards some colleagues if they feel that they have some relevant common factor to the individual that is handling their errand. Brown (2000) explained that, for example, an older man would prefer to have a male colleague handle their errands, and this statement can also be supported when analysing this study's interview, where several female participants mentioned that they had experienced this favourable liking of colleagues from some customers. Moreover, Van Knippenberg (2000) further supports the statement that having a workforce that is reasonably diverse in order to adequately assist and handle all kinds of errands from all kinds of cultures more smoothly could be beneficial for the banks. This would provide the customers with more alternatives even with a predisposed perceived image of the banks and predisposed criteria of who their errands should be handled by.

Furthermore, a diverse team consists of individuals who carry different backgrounds, cultures, experiences and expertise. That consequently brings a different perspective of thinking and ideas to the working environment, which corresponds with Horwitz & Horwitz (2007). As explained earlier, the market in which banks operate is getting more complex, not only because globalisation is going at a rapid rate but also because of the changing consumer market which Swedish banks are experiencing, a multicultural society which demands more specialised expertise and a broader understanding and knowledge of their end customer. When a team has a diverse background and consists of heterogeneous individuals, it allows them to see the problems from a whole new angle. Perspectives, which may have yet to be introduced by a team in the bank, consist of a very homogenous group of individuals with similar backgrounds.
Additionally, the diverse perspectives which are brought by a diverse workforce can broaden the understanding of a particular problem or a specific situation at hand. Due to the changing demographics of the end customer, situations that may not have been common in the industry 20 years ago are now relevant to consider. This diversity of perspective can be detrimental for teams looking to increase their creativity and find new innovative ways to solve complex problems that have arisen these recent years. An excellent example of this is if a team is working on a case that involves different global markets; having a team that consists of individuals who are from different countries could provide beneficial insight into the local customs or practices that the global market has. Something which is easier for a non-diverse individual to comprehend if they have insight from experience in this country. Therefore, the banks could tailor the team to be more compatible with their approach to their expected market.

Lastly, as mentioned by several participants in the study's interview, a diverse team could bring a broader range of skills and expertise, and individuals who have a diverse backgrounds could bring unique experiences, sets, and skills that could be beneficial for the team. Especially when working on a project that requires a diverse set of skills or an understanding of different cultures; subsequently, this could improve the team’s overall performance and efficiency. Having a team that could deal with all kinds of errands and projects at hand could give the bank a competitive edge, as it could be perceived as a more competent and better-informed bank by the customers. Ultimately, having a diverse team can provide considerable benefits to the team's overall performance and broaden the knowledge and understanding of different customer segments and enhance the perceived competency of the bank.

### 5.2.2 Enhanced Outcome

In order to obtain high-quality work output, it is essential for coworkers to work in symbiosis, which indicates that the team should benefit from one another in order to grow more effectively and improve the outcome. In remarkably homogeneous teams, team members tend to have similar thought patterns and ideas, which could lead to less creative and diverse work. Also,
the value of having a variety of viewpoints and ideas in a matter produces several versions of outcomes on the issue at hand and gives the team a chance to select the one that may provide them with a superior end rather than having just one.

Furthermore, as an interviewee stated, having a more diverse workforce and team in banks encourages reflection on the status of the market and gives the knowledge needed for the teams to learn from one another's backgrounds and apply it later to the client. This might be a valuable tool for attracting customers and gaining a general overview of the market. By attracting a more extensive client base and allowing for the growth of both the workforce and the business, having a workforce that both reflects and understands the market can be beneficial both for the company and the individuals in the workforce.

The advantages of having a workforce that reflects the market can result in improved outcomes from various consumers who choose the bank since they can become familiar with the workforce and choose the one where they feel more similar rather than the other banks. This could be connected to the social identity theory, where Hogg (2016) explains the theory by proposing that similar people are more prone to do their shopping and other errands at a place where they relate to the people who work there, both in terms of personality, but also ethnicity, gender and other diversity factors. Also, having a more diversified workforce and teams prevents the similarity and groupthink that most homogeneous workforces tend to develop. By bucking the trend, new ideas, options, and solutions to issues are generated from the various viewpoints that diverse groups bring to the table. This could lead to having more customers and, with that, a better outcome with more customers choosing your bank. This goes in line with what scholars such as Cox et al. (1991) have stated that a diverse workforce can lead to improved strategic decision-making, increased creativity, and more significant innovation. This results in the capacity and advantage of reaching out to more and various sorts of clients, which is essential in the Swedish banking sector as society has trended towards increased multiculturalism and the generous acceptance of asylums in recent years (Guild et al., 2015).
Moreover, young talent who sees people who resemble them working in banks and in higher positions may be attracted to the bank. As a result, the bank may attract young talent who sees a diverse workforce that gives people who resemble their opportunities. A diverse team is made up of people with various backgrounds, cultures, experiences, and skill sets. As a result, the working environment is exposed to new ideas and ways of thinking. As previously stated, the market in which banks operate is becoming more complex due to a number of factors, including the rapid pace of globalisation, the changing consumer market that Swedish banks are experiencing, and a multicultural society that calls for a greater level of specialised knowledge and a broader understanding of their end customer (Guild et al., 2015; Allen, 2015). A team with diverse backgrounds and diversified members might approach problems from a completely different perspective. Perspectives may have yet to be presented by a relatively small and homogenous team at the bank.

Additionally, working in a diverse workforce gives each individual a broader perspective from the different gender, backgrounds, and ethnicities that the team consists of. This can lead to a significant boost in knowledge, understanding, and skills in the market and could become useful when dealing with customers that do not have similar ages, gender, background, views or understanding. Gaining this skill could lead to a boost in the outcome of every employee and more understanding when dealing with different customers. Further, this can be connected to another one of our theoretical frameworks, the resource diversity theory, where Bundersson and Sutcliffe (2003) state that teams with greater diversity can also have access to a wider variety of resources as a result of their workforce diversity.

Lastly, building a team with expertise in various consumer segments can improve the bank's outcomes. But finding more innovative, adaptable, and well-rounded solutions to problems can significantly improve outcomes for not just each employee but also for the business as a whole. This could lead to an opening for getting a foot in more market segments which attract and build a broader customer base. Internally, this could lead to an attraction of more and more diverse talent that seeks to join the workforce and become a part of the team.
5.2.3 Higher Quality

As mentioned, several times previously, the business environments that the Swedish Banks operate in are getting increasingly more dynamic and complex to many various contemporary issues. Therefore, diversity and inclusion are values essential in order to enable banks to be successful in their pursuit of growth and success. Many companies have acknowledged the need to embrace these values in order to leverage the unique perspectives and viewpoints that their diverse employees bring to the table. These unique and creative ways of thinking enable employees to create services or products that enhance the experience of going to a specific bank and give the bank a competitive edge against other competitors, something that is salient in today’s dynamic business environment. In connection, our theory of group diversity which is explained by Jackson et al., (1995) and Page (2008), implies that variety within a group can produce superior results in problem-solving and decision-making. However, there are also other problematic implications of having a diverse workforce, such as communication barriers which could lead to challenges and misunderstandings. In spite of that, it is of tremendous importance to also manage diversity in a way that creates symbiosis for the team.

As a result, this gives the customers the feeling of heightened engagement from the bank, leading to higher performance from the employees, which is beneficial for the clients in order to give them higher quality in their errands and services.

Banks are usually perceived as something sincere and formal. Therefore, the expectations from a customer when going to a bank to get their business in order are very high and demanding. A bank's client usually expects high-quality services, especially when it concerns financial topics and needs. From opening a new checking account, dealing with the interest rate of their house loan or any other issues, all customers expect to receive a high-value and high-quality service from the bank. Their demands need to be valued and respected as financial matters are often something very delicate. Something that a diverse workforce can assist as banks' errands are getting more complex due to many different factors; the diverse skills, experiences and
perspectives that are brought in by the heterogeneous team can enable banks to increase the quality of their services and consequently help their clients' demanding and diverse needs. A better understanding of the end customer, which is mentioned previously, is an essential matter.

Additionally, banks that have a very diverse team can help to evolve better insight regarding different customer segments, creating personalised financial products or services for a specific cultural or demographic customer base. As mentioned by the interviewees, a workforce that consists of individuals with many contrasting backgrounds and experiences can give viewpoints and perspectives regarding the financial needs or the perceived men of the banks of the different customer segments—subsequently giving the bank a better insight into how to tailor the needs and create solutions for different markets. Giving the clientele a higher feeling of satisfaction and understanding from the banks and, ultimately, a better quality of their performance on client cases.

In addition, when having a diverse team at the bank can elevate relationship-building with clients that have different backgrounds. An excellent example of this is because Sweden is becoming a multicultural society, many languages will be used, and Swedish is only sometimes easy to comprehend or use for all individuals (Guild et al., 2015; Allen, 2015). Therefore, language skills that diverse individuals of a team possess are much needed when there are clients who need to be more fluent in the local language. This will be of great advantage when trying to minimise misunderstanding and improve communication for all clients, including those who need to be fluent in Swedish. This will improve the overall service quality that the bank provides and may be significantly appreciated by individuals with different backgrounds.

Also, as mentioned by a participant that was interviewed, it can be greatly appreciated both by clients and other stakeholders to see that a bank values diversity and is inclusive towards all individuals. This can create a sense of trust between the bank and its clients, making them feel more comfortable and prone to do their errands at their banks. This will eventually give the bank an advantageous perceived image of a higher-quality organisation. The reputation
regarding their diversity and inclusion will spread by recommendations of satisfied customers, consequently leading to more and better business and ultimately increased growth in the business, something that all CEOs strive to achieve.

Ultimately, there exist comprehensive studies on team performance and how diversity can enhance team performance, mainly in financial matters. However, diversity does not only enhance the financial aspects of an enterprise; there exists a deeper understanding and a much more complex world than only financials. In addition, literature on team performance needs to take into consideration how teams in such settings operate if there are permanent teams or temporal teams if the teams are based around the client or around a project. There are many dimensions that need to be taken into consideration when conducting such studies, something that the existing literature needs to include.
6. Conclusion

This final part of the study will first describe the initial purpose of this study; thereafter, the research questions will be presented and answered according to the empirical findings and the analysis. Hence, the conclusion will be drawn from the analysis of the empirical findings and also according to the research questions in order to link the whole study and create a clear picture of what has been done and found. Finally, this section will also discuss the theoretical, practical, and ethical implications of this study. Also, the limitations of the study will be highlighted, in addition to suggestions for future research.

6.1 Purpose and Research Questions

The purpose of this study was to investigate the relationship between diversity and team performance in the context of Swedish banks. Through this study, we aimed to address a gap in the previously existing literature by gaining an in-depth understanding of how performance is measured in banks and how diversity is perceived in Swedish banks. Our ultimate goal was to gain a thorough understanding of the team practices used by Swedish banks and their impact on team performance. By examining these factors, we sought to provide insights and recommendations for Swedish banks to optimise their team performance through diversity and team practices. In this concluding chapter, we will summarise the key findings of our study and discuss their implications for future research and practice in this field.

Two research questions were designed to lead the research in order to achieve this goal:

A. How is diversity managed in the Swedish banking sector?

B. How is diversity and team performance related in the Swedish banking sector?

Q1: How is diversity managed in the Swedish banking sector?

Diversity is a relevant topic in the Swedish Banking Sector. Banks such as Handelsbanken and Swedbank have emphasised implementing diversity as a part of their inclusivity programmes, both in terms of gender and ethnicity. Handelsbanken HR-department sent a document answering some of our questions regarding diversity and how they look at it. A measurement
that they especially looked at was the 40/60 rule, where at least 40% of the employees at an office needed to be women, a quota that they have implemented in order to have a workforce competent enough and give the team a better chance of adequately handling client errands.

However, the management of diversity is quite an area for improvement in the Swedish banking sector. When asking the interviewees questions regarding diversity and how the bank manages it, they needed to be made aware of the policies and quotas that the banks have in order. In addition, one of the interviewees stated that the diversity topic is more relevant at banks that operate in big cities and that smaller offices are too decentralised in order to take part in the inclusivity programs and the policies that the HQ goes out within their statements regarding these topics. Diversity management and diversity policies are more relevant topics in more prominent bank offices which operate in bigger cities, such as Stockholm or Gothenburg. We had the chance to interview participants from two different cities, Jönköping and Gothenburg, the recognition regarding the awareness of these topics and how different they were could quickly be made. In offices such as Gothenburg, inclusivity programs were of greater importance than in offices such as those in Jönköping. A conclusion that could be made is that the message of the importance of diversity and its benefits is harder to communicate down to smaller cities and smaller offices. Further, an interviewee stated that this topic should not be taken lightly or regarded as a trend; rather, it should be a focus of the banks that continuously improve and focus.

Diversity management is essential in order to manage diversity correctly. Having a team full of diversity does not automatically give the team a competitive edge and benefits that could be sourced from the differences of the team members. Having the proper diversity management is crucial in making the team avoid conflicts which could arise when there are several personal differences between the team members, both in terms of experiences and opinions.

Additionally, the future topic of diversity management is of significant importance as the Swedish consumer market is experiencing a shift due to the recent generous acceptance of
asylum into Swedish society. Therefore, due to this shift in the consumer market, the banks have to emphasise the topic of diversity management. One of our interviewees stated that during these last decades, the banks have been very "stiff" compared to other market sectors in the country. Hence, there may be a great need to adapt the banking sector in accordance with the shift that is happening in the Swedish consumer market, but also due to the rapid globalisation rate that has put tremendous pressure on businesses to stay competitive in order to survive in this volatile and dynamic global market.

Q2: How are diversity and team performance related in the Swedish banking sector?

Diversity and team performance are intrinsically linked. As businesses increasingly recognise the advantages of having a diverse team, it becomes clear that diversity can be a powerful tool for optimising team performance. Many sources cite the benefits of a diverse team, including increased creativity, access to a broader range of resources and networks, and a better understanding of different consumer segments on a national and international level. However, this study focused on intangible factors rather than tangible financial outcomes, which are typically the focus of similar studies. As a result, some interview questions took time to quantify or give a clear answer.

Moreover, the interviews revealed that banks do not have permanent teams but rather operate through divisions and departments. Tasks are assigned based on clients' needs, similar to how projects are managed. For example, if a client requires assistance with insurance-related tasks, they will initially be connected with an individual in that department who will then assemble a team based on their preferences and the availability of other team members. In exceptional cases which were of a complex magnitude, specialists would be called into the case, and these specialists were divided up into regions so many banks could have the same individuals working on different cases. Rather than having a permanent team, banks work in a project-based type of team, where the client needs to determine how the project will look like. There could be errands which only need a few individuals involved and be solved very quickly and
easily, but also, there could be cases which were of a more complex magnitude. Thereafter, the project-based team would be assembled accordingly.

Additionally, the participants that were significantly interviewed appreciated a diverse team and a diverse work environment. Many interviewees stated that it enhanced the social aspects of working at a job. The conversations and the dialogues that were made during the coffee breaks were much more exciting and dynamic than in a working environment that only consisted of homozygous individuals. Further, many made positive remarks about the benefits of having a diverse team, such as enhanced social environments, greater resource-sharing, and greater knowledge-sharing. When there were clients of different ethnicities or different genders that would need their errands handled, a participant stated that they greatly appreciated the diverse team members because everyone could contribute to something, sometimes there were clients who would rather have their errands handled by specific individuals at the bank, and because they had a diverse workforce, this could be adequately done, and the needs of the clients were completed. Overall, the study highlights the importance of diversity in optimising team performance and the positive impact it can have on social dynamics and client satisfaction.

To conclude, there is a relevant link to be made between higher quality and the performance of the team. Having a diverse workforce in the bank can elevate the overall performance of the bank, which in turn is a result of higher quality services that the business provides. Possessing a broader understanding and knowledge is essential for the organisation in order to adequately and sufficiently service the continuation of complex errands that they have to deal with on a daily basis.

6.2 Implications
6.2.1 Theoretical Implications
This study investigated the effects of diversity and team performance on a Swedish bank's functioning in a rapidly globalising world. Over the years, the emergence and focus on
workplaces with a diverse and inclusive work environment have put pressure on businesses all over the world to adjust and adapt to this trend. Previous research focused on obtaining financial performance from teams and how diverse teams and workforces outperformed those with more homogeneous teams. However, the study revealed that teams in the banking industry were formed primarily around the client and that it is up to the individual that is responsible for the case to form their team around the client. The team was more of a project built around the customer and was not predetermined but rather selected by the person in charge of the case at hand.

Furthermore, the study revealed that while diversity among bank employees is commonly recognised, it is rarely spoken about or addressed in the workplace. According to the empirical findings, the topic of diversity and inclusion is well-educated in the workplace, but it is only included in some areas other than comprehending the subject and why it is vital. This study provides valuable insight to bank policymakers regarding the need for diversity and inclusion initiatives to become more applicable in banks. This might range from concentrating on diversity and inclusion in their recruiting and retention to providing training and assistance to help teams manage potential diversity-related difficulties. This validates Sutcliffe's (2003) and Horwitz and Horwitz's (2007) statements on resource diversity theory. The broader the workforce's knowledge of diversity and inclusion, the more resourceful the workforce is because it can handle the more different issues that might develop while working in a multinational setting such as banking.

Given the scarcity of research focusing on the intangible performance component and the relationship diversity has to it, this study has the potential to be a game changer and eye-opener for future studies focusing on banks in the Western world. The majority of earlier research was performed in Asian or African banks, which we worked against by performing the study on Swedish banks. Lastly, prior research was quantitative and primarily focused on obtaining financial performance aspects, but this study focused on recognising more intangible
performance aspects, such as creativity. This was accomplished through a qualitative investigation in which we were able to extract more intangible replies through interviews.

6.2.2 Managerial Implications

This study also provides valuable insight for policymakers who work with these topics in the Swedish banking sector and also for the CEOs of big banks. Since diversity is something that all banks need to manage and reflect on, the findings and the suggested framework developed by this study can be of great help when trying to optimise team performance and manage diversity accordingly. Since the consumer market is shifting and the globalisation rate is only operating at a faster rate, banks should emphasise the importance of team performance and the relationship to diversity. They should put their collective effort into trying to optimise diversity management in order to create a more profitable business and keep up with the increasingly complex business world. Policymakers and Bank CEOs should use diversity management as a tool to optimise business profits and build an organisation that supports an inclusive work culture, which will subsequently benefit the organisation itself. As our findings show, having a robust and diverse workforce will help the business increase overall customer satisfaction and overall employee satisfaction—something which all businesses strive to develop.

Furthermore, having a diverse team can eventually develop more creative thinking, which can be beneficial for banks seeking to develop a competitive edge. Having a more diverse workforce consequently means having many more different backgrounds, experiences and ultimately contrasting ways of thinking and different ways to approach a problem. There are many external factors which have put increased pressure on the banks.

Therefore, these findings can be of monumental assistance, as the pressure that the banks are experiencing demands them to rethink their strategy regarding how their organisation should work in order to survive and even thrive in such environments sufficiently. The transformation in the Swedish consumer market is something that all banks must take into account. Banks must adjust to these developments as a result of this and globalisation. As a result, it is crucial
to manage diversity and create diverse teams with the necessary skills to handle these transformations. If you do, you can retain clients and be more competitive.

6.2.3 Societal and Ethical Implications
In accordance with this study, banks should be active in issues that concern not only money or bank-related tasks but also social issues. Banks need to take their societal participation more seriously because they are the foundation of society, have a wide range of stakeholders, and frequently engage everyone who wants to be a part of society (Elliot, 2016; Flux, 1910).

Furthermore, it is debatable how successfully banks genuinely engage in social issues; this study reveals that on a bigger scale, societal issues such as diversity and gender equality have difficulty integrating into all offices. These concerns primarily concern larger offices that operate in larger cities; offices in smaller locations are frequently too decentralised from the HQ to be concerned to the same degree that they openly speak about on their official homepage. The fact that employees at smaller offices made such remarks in our interviews makes us wonder if they are genuinely working on these issues on a large scale or if they are trying to make the business appear to care about these issues.

Another ethical implication is the consequence of implementing diversity. As Munjuri & Maina (2013) stated, a diverse workforce creates a more inclusive workplace and creative environment where individuals feel encouraged to contribute more. If this is the reality, then all offices should be implementing diversity, especially if it is under the same organisation name. It may create an ethical dilemma for the people working for the organisation if they expect that their workplace is going to be diverse but instead is entirely homogenous.

Ultimately, it is essential that an organisation that encourages diversity and talks heavily about the topic that it also shows in real life and not only in theory in order to avoid disappointment from the employees which can consequently lead to an unmotivated workforce.
6.3 Limitations

Like every study, this one has certain limitations. Even while we provide sophisticated expertise and profound insight into the field of team performance and diversity in the setting of a Swedish bank, our study has its limitations. First off, because this was a qualitative study, the findings cannot be generalised to the public. Instead, they provide insight into the relationship between team performance and diversity and how it is viewed in the Swedish banking sector.

The interviews that were conducted in this study were primarily held in person, but there were two interviews that were held as digital interviews through tools such as Zoom and Teams. The reasoning is the long distance for these meetings, and a digital meeting was sufficient for both parties. However, with this kind of interview, it took a lot of work to create a personal atmosphere and analyse the participant’s body language and personality, which was more easily caught in face-to-face interviews.

Furthermore, all the interviews were held in our native language, which was Swedish; this was because it was all the participant's native language and allowed them to express themselves in a way which is not always possible when talking in any other language than their native one. Thereafter, our transcription was translated from Swedish to English; however, with the translation between languages, there are always errors that are created, small or big, and it only sometimes guarantees 100% accuracy of the translation. Because there are some words and phrases that need to be directly translatable to English, it can create an inaccurate translation.

Additionally, because of the sensitivity of the topic we were exploring, it could create an uncomfortable environment to share their honest thoughts about a particular topic. Most of the participants did not have a different ethnic background, and when asked about a topic such as diversity regarding ethnicity and background, it could feel uncomfortable for someone that has a native Swedish background to make remarks about this issue. In addition, when talking about gender diversity, could also be seen as a sensitive topic because the Swedish Banking sector
has been perceived as a very homogenous organisation, and participants who were in this "homogenous" category could feel insecure and uncomfortable sharing their honest views about specific issues. These factors may have influenced the quality of the results of these interviews.

6.4 Suggestions for Future Research

The limitations that this study has can function as a starting point for potential future research. To build further on this study, a quantitative study on the relationship between diversity and team performance in the context of Swedish Banks would be exciting and complement existing literature to generalise these findings to a larger population.

This study investigated the relationship between diversity and team performance. However, there were only two diversity factors that were included in order to sufficiently make a quality study with the time that was given. In future research, several diversity factors could be included in order to give a better overview of which diversity factors really are essential. There are several other diversity factors which could be included, such as tenure, religion, marital status etc. But these factors are hard to measure and take more time and effort, time which we did not have or else the effort could have been put in.

Additionally, the banks which were interviewed were only in two different locations and two different Bank organisations. For future research, we recommend taking into consideration that several bank organisations and several other locations should be included in the study in order to give a fair and accurate picture of how it really is. The more banks which are included in the study would give more credibility to the study, but as we did not have any contact in the banking sector and only received possibilities to interview banks because of the mass emails that we sent out to every bank asking for help and assistance to our study. We worked with what we had, but there could have been a more comprehensive study by including more banks and locations.
Ultimately, in our study, we have provided a suggested framework that future researchers could use in their study. Every part of the framework can be further explored and has the potential to be developed into a more comprehensive framework. By using our framework as a starting point for future research, it can create a more developed framework with additional connections that can be established between the different elements of the framework. It would also be interesting to see if this framework would be applicable to other business sectors than the banking sector.
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Appendix 1 Consent Form

GDPR Thesis Study Consent Form

This is a *template* to assist thesis students in the design of their GDPR consent form. You may adapt this template to the requirements of your particular project, using the notes and suggestions provided. The below information should always be included in any GDPR consent form on paper and as text in a web survey *when personal data is processed* within the framework of thesis work at JIBS. When using a web survey, add a box to the survey and a hyperlink to the survey, followed by this text: *I choose to take part in the thesis study and consent to JIBS processing my personal data in accordance with current data protection legislation and the data delivered.*

*Required by European Union General Data Protection Regulation 2016/679*

The GDPR consent form should always be accompanied by a Participant Information Sheet

[see JIBS’ guidelines at the end of this template]

GDPR Consent for “Diversity and Team Performance in Banks”

Please tick the appropriate boxes

Taking part in the study
I consent to JIBS processing my personal data in accordance with current data protection legislation and the data delivered.

I consent voluntarily to be a participant in this study and understand that I can refuse to answer questions and I can withdraw from the study at any time, without having to give a reason.

Yes ☐ No ☐

Yes ☐ No ☐
My signature below indicates that I choose to take part in the thesis study and consent to JIBS treating my personal data in accordance with current data protection legislation and the data delivered.

Name of participant [IN CAPITALS]          Signature          Date

Thesis contact details for further information
Idiris Abiib, 070-7874268, abid19xr@student.ju.se
Richardo Mezher, 072-8811154, meri19eq@student.ju.se
Participant Information Sheet Template

This is for guidance only, You MUST, however, include contact details and the Data Protection Privacy Notice.

Invitation paragraph

For example: ‘You are being invited to take part in a thesis study. Before you decide whether or not to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.’

What is the purpose of the study collecting personal data?
The background aims and duration of the study should be described briefly and that it contributes to student learning, particularly methodology. You should say how the [interview/questionnaire] will contribute; and indicate if it is a Bachelor, Masters or Civilekonom thesis study.

Please always add the following parts:

‘It is entirely up to you to decide whether or not to take part. If you decide to do so, you will be given this information sheet to keep and will be asked to give your consent.’ All the information that we collect about you during the course of the research will be kept strictly confidential. You will not be able to be identified in any ensuing reports or publications.’

Under GDPR you have the following rights over your personal data:

- **The right to be informed.** You must be informed if your personal data is being used.
- **The right of access.** You can ask for a copy of your data by making a ‘subject access request’.
- **The right to rectification.** You can ask for your data held to be corrected.
- **The right to erasure.** You can ask for your data to be deleted.
- **The right to restrict processing.** You can limit the way an organisation uses your personal data if you are concerned about the accuracy of the data or how it is being used.
- **The right to data portability.** You have the right to get your personal data from an organisation in a way that is accessible and machine-readable. You also have the right to ask an organisation to transfer your data to another organisation.
• **The right to object.** You have the right to object to the use of your personal data in some circumstances. You have an absolute right to object to an organisation using your data for direct marketing.

• **How your data is processed using automated decision making and profiling.** You have the right not to be subject to a decision that is based solely on automated processing if the decision affects your legal rights or other equally important matters; to understand the reasons behind decisions made about you by automated processing and the possible consequences of the decisions, and to object to profiling in certain situations, including for direct marketing purposes.

You should also know that you may contact the data protection officer if you are unhappy about the way your data or your participation in this study are being treated at dpo@ju.se

Thank you for reading this information sheet and for considering whether to take part in this research study.

Contact details for further information!

Thesis supervisor Anna Larsson anna.larsson2@ju.se
Thesis student Idiris Abilb Abid19xr@student.ju.se
Thesis student Richardo Mezher meri19eq@student.ju.se
Appendix 2 Interview Guide

– Hej! Skulle du kunna berätta vad din arbetsposition är för tillfället?
– Vad jobbar du med för frågor?
– Hur ser beslutsprocessen ut för dig?
– Jobbar du mestadels självständigt eller i team?
– Hur ser beslutsprocessen ut om du sköter det självständigt gentemot i ett team?
– År mångfald något som förekommer som en vanlig dialog inom banken?
– Har ni kvoteringar gällande kön?
– Har ni kvoteringar gällande etnicitet?
– Hur jobbar ni för att förbättra team performance?
– Vilka performance aspekter kollar ni på?
– Har du någon erfarenhet med mångfald på jobbplats?
– Skulle du säga att det finns några fördelar med att ha ett diverse team?
– Hur har du upplevt förbättringar på grund av detta?
– Har du någon insikt på hur banker jobbar för att främja mångfald?
– Hur skulle du definiera mångfald i din organisations sammanhang?
– Finns det några specifika policys eller praxis som din organisation har implementerat för att stödja mångfald?
– Hur stödjer din organisation utvecklingen och tillväxten av olika talanger?
– Finns det några områden där du känner att din organisation skulle kunna göra mer för att främja mångfald och förbättra teamets prestation?
– Om du ser på framtiden, hur ser du på mångfalden utvecklas inom banksektorn och hur planerar ni att ligga före kurvan?