EFFECTS OF WORKFORCE DIVERSITY ON PERFORMANCE OF DEPOSIT TAKING SACCOS IN MOMBASA COUNTY

¹Margaret Gathoni Waweru, ²Mary Ibua, ³Peter Sasaka

¹ Candidate, Master of Business Administration (Human Resource Management)

^{2, 3} Lecturer, Department of Business Administration

Technical University of Mombasa, Mombasa, Kenya

Abstract: The general objective of this study was to determine the effects of workforce diversity on performance of deposit taking SACCOs in Mombasa County. The specific objectives were to determine the effect of special needs diversity on the performance of SACCOs, to investigate the effect of gender diversity on the performance of SACCOs and to examine the effect of age diversity on the performance of SACCOs in Mombasa County. The population of the study comprised of 64 employees in the three levels of management in all the SACCOs under study. For this study, 55 respondents were selected from 16 deposit taking SACCOs in Mombasa County. Data was collected using questionnaires. Responses were analyzed descriptively using tables, pie charts and graphs. Pearson correlation coefficient was used to test hypothesis while regression was computed to establish the overall effect of the independent variables on the dependent variable. The study concluded that there exists a positive and significant relationship between special needs diversity, age diversity and organizational performance while the relationship between gender diversity and organizational performance was weak and statistically insignificant.

Keywords: Special Needs Diversity, Gender Diversity, Age Diversity, Organization Performance.

1. INTRODUCTION

Various research findings have demonstrated that organizations with high levels of well managed workforce diversity are effective and promote positive organizational performance. For instance, Kyalo (2015), argues that employee diversity is positively associated with creativity, innovation, problem-solving skills, pioneering capabilities and fresh ideas necessary to survive in a competitive platform. Beardwell & Claydon (2007) on other hand argued that well managed workforce diversity can provide the organization with a powerful competitive edge which stimulates creativity and instills flexibility into the company. In a study on relationship between diversity and organizational performance of state corporations in the coastal region, Okello (2015) concluded that valuing and recognizing workforce diversity is vital to maintain competitive advantage to the rapidly industrializing and globalizing economy.

The tremendous growth of SACCOs in Kenya has played a key role in economic empowerment and poverty reduction. However, they encounter significant challenges in relation to their relatively small sizes, low resource base, technical incompetent boards who carry out operational functions, lowly qualified employees and inadequate information processing systems (Owen 2007). Therefore, it is important to assess the performance of these organizations with a view of isolating those factors that contribute to good organizational performance. Performance measuring plays a vital role in determining the effectiveness of an organization. However, the measurement parameters vary from organization to organization guided by the different core activities and objectives (Pearce & Robinson, 2005). It can be both qualitative and quantitative which involves an analysis of financial and operational performance in firm (David, 2009).

Several other studies (Kochan et al, 2003, Mudanya 2014; Okwoma 2014; Maingi 2015) have been done focusing on different aspects of work force diversity. However, none of them focused on the special interest group (SIGs) and their influence on the equality and inclusion agenda in relation to employment. Hence this study seeks to investigate the effects of persons with disabilities, women, and youth on performance of deposit taking SACCOs in Mombasa County.

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

2. LITERATURE REVIEW

2.1 Theoretical Framework:

This study is based on capability approach, social identity theory and stereotype embodiment theory.

2.1.1 Capability approach:

The Capability Approach was first articulated by the Indian economist and philosopher Amartya Sen (1980). The Capability Approach focuses directly on the quality of life that individuals are actually able to achieve. This quality of life is analyzed in terms of the core concepts of 'functioning' and 'capability'.

When evaluating well-being, the most important thing is to consider what people are actually able to be and do despite the distribution of resources. Further, this approach urges that individuals can differ greatly in their abilities to convert same resources into valuable functioning ('beings' and 'doings'). For example, those with physical disabilities may need specific goods to achieve mobility unlike people without any physical disability. The approach states that people with disability are disadvantaged as their abilities are regularly hindered due to the physical, mental, and social impediments forced by their weaknesses. Yet significant intercessions can be composed such as adjusting buildings and enhance the lives of people with handicap. However, the approach acknowledges that although the distribution of resources should not be the direct concern in evaluating how well people are doing, it is very relevant to considerations of procedural fairness of resource distribution among individuals. This approach facilitated understanding of the first study variable and objective to examine the effect of special needs diversity on organization performance.

2.1.2 Social Identity Theory:

Henri Tajfel and John Turner originally formulated social identity theory in the 1970s and 1980s. The theory introduced the concept of social identity as a way to explain inter-grouping behavior. The theory embraces the concept of identity. It focuses on how one perceives him/herself in a social set up by which he/she relates. Members in a group usually have some common characteristics. According to Ely et al (2001), people classify themselves into social groups that they can easily identify with. This determines the way by which an individual interacts and mingles with others, from own identity group and other groups. The theory focuses more on the meaning associated with being a member of a social group. In this kind of grouping members seek to achieve positive self-esteem by trying to outwit other groups. Membership in these identity groups are formed in respect to age set, gender, ethnicity among others. In addition, Tajfel et al. (2004) argued that people could also define themselves in terms of their social role in a group. However, this act of individual grouping can lead to favoritism of some kind.

The social identity theory is relevant to this study because it tries to explain why people form groups and how they are categorized in a social set up for identity purposes. It shows the connection that exists between social structures and individuals with similar characteristics such age same age bracket, gender. The theory recognizes that people's individual characteristics and their group memberships play a significant role in managing diversity in organization by changing employees' attitudes, values, beliefs, and behavior towards each other. Individuals are suggested to classify themselves into certain groups on the basis of dimensions that are personally relevant for them according to social identity theory (Kunze et al, 2009). The above theory facilitated understanding of the first study variable and objective to examine the effect of gender diversity on organization performance.

2.1.3 Stereotype Embodiment Theory:

It is a theory first posited by a psychologist Levy (2009) to explain the process by which age stereotype influence the health of an older worker. It examines the psychosocial influences of aging on individual health and well-being. The theory explains the mechanisms by which self-perceptions of aging and age stereotype affects both cognitive and physical health of an individual. The theory states that people are more vulnerable to the inculcation of ageist paradigms unlike other discriminatory dimensions like racism and sexism. The individual is brainwashed to the belief system at a time when it is not self-relevant (Levy,2009). This theory proposes that a much more fundamental and less changing process occurs when ageism is adopted. It is triggered by unspoken messages that operate outside of conscious awareness (aka, implicit ageism) thus the person experiencing embodied ageism is not aware of, or defensive against its presence.

Levy, (2009) stated that the idea of the stereotype embodiment theory was to show that people personify themselves according to their surrounding culture. This can lead to one developing self-definition which affects mental and physical health. The theory is used to explain the effects of negative stereotype throughout one's life span. It shows effects of

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

negative stereotype that may represent short-term benefits in form of greater social and economic resources. The theory is used to explain the internalization of stereotypes throughout one's life span, unconscious operation of stereotypes, salience from self-relevance and multiple pathways of stereotyping. The theory was selected because it was relevant to the study's examination of demographic diversity and the effect of age-based stereotypes among employees with an organization. Furthermore, this theory was relevant because its core message is that ageing is a process and a social construct where stereotypes based on age can be considered. This theory instigated the third study variable and objective to establish the effect of age diversity on employee performance in organizations.

2.2 Conceptual Framework:

The framework acts as a platform for research and subsequently helps researcher to interpret findings and develop awareness and understanding of the situation under study. It is a starting point for reflection about research and its context. The researcher seeks to explain the dependent variable, also referred to as predictor variable (Kothari, 2004). The propositions used in this framework seek to summarize and offer explanations and indications for empirical observations.

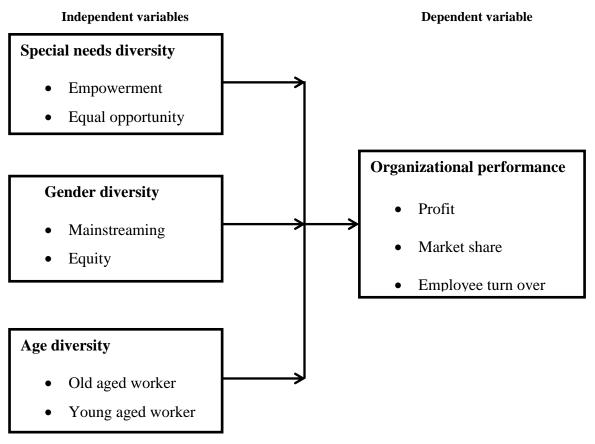


Figure 2.1: Conceptual Framework

2.2.1 Special Needs Diversity and Organization Performance:

People with special needs can either be physically or psychological, the term people with special needs and people with disability are used interchangeably. They may have a physical disability, sensory, intellectual or mental disability. High unemployment among disabled people is so alarming that the international communities such as United Nation, Non-Governmental Organizations (NGOs), WHO do accept and recognize thus advocate for a solution (Maina, 2016). In addition, unemployment rate among the disabled people is higher than the non-disabled people there still remain a high rate of unemployment and inactivity among the working-age individuals in Kenya. Furthermore, working people with disability tend to face direct or indirect discrimination, they are underpaid and have fewer opportunities for upward movement other challenges include substantial physical barriers, unfavorable working condition, harassment by humiliating them, making them feel offended or degraded. This could result to demoralizing and lowering their self-esteem (Wangare *et al*, 2013).

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

Significant intercessions can be composed such as: reasonable accommodation for people with disabilities; avoiding unfair discrimination; and achieving employment equity during the employment cycle from recruitment to termination as well as employment benefits and employment equity planning to curb discrimination of people with disability (ILO report, 2006). In the Kenyan Constitution (2010) requires the state to provide for the representation of minorities and marginalized groups in governance, employment and special opportunities in educational and economic fields. Whereby addresses the grievances of marginalized groups, by ensuring that a third of elective bodies are made up of marginalized groups. This foresees the formulation of an act to promote the representation of women, persons with disabilities, ethnic and other marginalized groups in the Parliament (Hanappi-Eggar *et al*, 2011). Conversely, with the tremendous growth of SACCOs and now in the vision 2030 blueprint as one of the mobilized of savings and investments some of the role played by SACCOs is the improvement of the welfare of the members whereby having employees with special need diversity improve the organization image. This benefits employees as well as members derive from belonging to a SACCO hence yielding a positive individual and organizational performance.

2.2.2 Gender Diversity and Organization Performance:

Gender-based inequities in organizations are reinforced and justified by stereotypes and biases that describe positive characteristics giving a higher status to the males as compared to females. (Leonard & Levine, 2003). However, proportion of women entering the workforce has increased over the years, despite the fact that they face many obstacles such as gender bias, sexual harassment, work life imbalance, ego clashes, salaries disparities, less promotion opportunities. There are three dimension of gender discrimination; hiring, promotion and provision of goods and facilities, (Abbas & Hameed ,2010). While women are good in obeying rules and following instructions, men on the other hand are more aggressive and aim at seeing the results quickly (Andoh et al., 2011). The differences are however minor and might not be universally adopted as an explanation as to why men and women attain different performance standards (Murray, 2002). Despite the fact that people all over are fighting for an alleviation of the position of women, this has not yet been achieved and therefore women are still being denied leadership positions which are full of challenges that can be used to measure their ability to outperform men (Kuya, 2013). According to Kochan et al. (2002), providing an equal job opportunity to women is vital to improve performance of employees in an organization. The Constitution of Kenya, 2010 has however, been gender conscious as it stipulates strategies of affirmative action to bring women into the limelight by established a 1/3 rule where it requires that at least that portion of the workforce be of the opposite gender (Kaimenyi et al., 2013). In organization with dividend payout policy such as SACCOs and other organization board gender diversity is paramount. Lückerath-Rovers, (2011) confirmed the positive relationship between women's presence on diverse board's membership and dividend payment by applying an enhanced methodology of the popular membership. Robert et al., (2016) ascertain that one woman on the board is a token, two is a presence, and three is a voice. In fact, research shows that having three or more women on a board makes it more effective hence high dividend payment. Based on the research from Joshi & Jackson (2003), team gender diversity was positively related to team performance bringing about team gender diversity and intra-team cooperation. Therefore, gender diversity at workplace is a healthy venture that is worth pursuing.

2.2.3 Age Diversity and Organization Performance:

The composition in the 21st Century is unique and consists of at least three or four generations at workplace such as, older workers aged 60-80 years, middle workers aged 35-50 years and young workers aged 24-34, all these workers bring different ideologies, experiences and strengths to the modern workplace. Andoh *et al.* (2011), point out that the idea of age is looked at from different points of view by different people. Some relate old age to wearing out, tiredness, increased family and other social responsibilities and vulnerability to diseases which are contributory factors to low work. Contrary old aged employees are related with accumulation of experience and knowledge hence a contributory factor to the ability to perform better. On the other hand, younger generation is seen to be better technocrats on the subject of online business and social networking. However, new innovations and inventions leading to production of unique products and services have been noted due to diversities in the age structure of employees in developing nations (Burlacu, 2012). Barrington & Troske (2001), ascertain the benefits of age heterogeneity which yield additional productivity due to interaction among individuals of different ages with differing skill profiles, differing perspectives and perhaps also different personality traits. These values complement each other and tend to achieve better organization performance.

A study conducted by Wegge et al. (2008) found out that in SACCOs board age heterogeneity improved the ability of directors to solve tasks with high complexity such as issues of debt and equity financing. However, age heterogeneity

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

increased the number of self-reported health problems which in turn indicates that board of diverse ages should be utilized particularly for innovation or solving complex problems. Expansion of age diversity in the board of directors, debt policy and equity ownership ideas are maximized since it yield potentiality to enhance board performance, as they have different backgrounds, skills, experiences and social networks (Robert *et al.*, 2016). In addition, Wegge *et al* (2008) concluded that today's younger generations have grown up with computers and internet at home, and may be better informed and more experienced on the subject of online business and better ideas on debt and equity financing. The older generation may, however, be more experienced dealing with the business offline, as they have greater experience in this field through their career. Today more and more businesses have both online and offline services, so experience of both types of business is of importance to many organizations.

Many researchers have identified the human resource practices important in facilitating programs to eradicate age discrimination and promote equality (Walker, 2005). Organizations management needs to implement practices that may maximize the role of work values and styles arising from each generational side towards organizational performance since each has unique positive work-related attributes. To ensure that future workforce is composed of both older and younger workforce.

3. RESEARCH METHODOLOGY

3.1 Research Design:

In assessing the management of diverse workforce as the independent variable and organizational performance as the dependent variable, quantitative research design was used for this study. This design was used to obtain information describing the characteristics of the population, and explain the current environment of the population. It provides information that was useful for generating research questions. Quantitative research design was used because it allows the researcher to develop a study that collects, summarizes and presents information (Orodho & Kombo, 2002). The researcher used quantitative research design whereby structured questionnaire were used to obtain information and to describe the existing status of the variables, given the different conditions of the problem under study.

3.2 Target population:

The population of this research comprised of 64 employees from the three level of management in all 16 deposit taking SACCOs in Mombasa County. The respondents were selected from the three levels of management in every SACCO and stratified into three strata. The top-level management, the middle level management and lower level management from each of the 16 deposit taking SACCOS. Stratified sampling helps to achieve desired representation off various subject population (Kothari,2009).

3.3 Sample and Sampling Techniques:

The researcher used stratified sampling technique, which gives proportional representation to the population. The population was stratified into three strata according to levels of management. Categorized into top level management, middle level management and lower level management in every SACCO then Slovin (2009), sample size formula adopted from each of the strata. Stratified sampling generates results which are more representative of the whole population.

3.4 Data Analysis and Presentation:

The multiple linear regression model below was used to measure the relationship between the independent variables and dependent variable. The regression model helped to explain the magnitude and direction of relationship between the variables of the study through the use of coefficient like the correlation, coefficient of determination and the level of significance. Regression analysis was used to determine the effects of workforce diversity on organizational performance among deposit taking SACCOS in Mombasa County. The multiple linear regression model employed was as follows:

$$Y = \beta 0 + \beta 1 X1 + \beta 2 X2 + \beta 3 X3 + \epsilon$$

Where:

Y = Organizational performance

 $\beta 0$ = constant or y-intercept

 $\beta 1 - \beta 3 = Regression coefficients$

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

X1 =Special needs diversity

X2 = Gender diversity

X3 = Age diversity

 $\varepsilon = Error term$

4. FINDINGS

4.1 Correlation Matrix:

The study sought to establish the relationship between independent and dependent variables of the study. From the literature reviewed, three hypotheses were formulated. All the hypotheses were tested using Pearson correlation coefficient at 95 percent confidence interval (error margin of 0.05).

| | | Special Needs Diversity | Gender Diversity | Age Diversity | Organizational Performance |
|-----------------------------------|---------------------|--------------------------------|---------------------|------------------|-------------------------------|
| | Pearson Correlation | n 1 | .089 | .163 | .522** |
| Special Needs Diversity | Sig. (2-tailed) | | .558 | .280 | .000 |
| | N | 46 | 46 | 46 | 46 |
| | Pearson Correlation | n.089 | 1 | .644** | .252 |
| Gender Diversity | Sig. (2-tailed) | .558 | | .000 | .091 |
| | N | 46 | 46 | 46 | 46 |
| | Pearson Correlation | n.163 | .644** | 1 | .367* |
| Age Diversity | Sig. (2-tailed) | .280 | .000 | | .012 |
| | N | 46 | 46 | 46 | 46 |
| | Pearson Correlation | n.522** | .252 | .367* | 1 |
| Organizational Performance | Sig. (2-tailed) | .000 | .091 | .012 | |
| | N | 46 | 46 | 46 | 46 |

^{**.} Correlation is significant at the 0.01 level (2-tailed).

From the table above, special needs diversity had a positive significant correlation with organizational performance in deposit taking SACCOs in Mombasa county (p-value = 0.000) at 0.01 significance level. Gender diversity had a positive insignificant effect on organizational performance in deposit taking SACCOs in Mombasa county (p-value = 0.91) while age diversity had a positive correlation with organizational performance in deposit taking SACCOs in Mombasa county results of Pearson correlation coefficient between special needs diversity and organizational performance show that special needs diversity is significantly correlated with organizational performance. The results of the regression analysis indicate that special needs diversity is a significant predictor of organizational commitment. (p-value = 0.012) at 0.05 significance level.

The study used Pearson correlation coefficient to establish the linear statistical effect of independent variables on dependent variable of this study. The three null hypotheses as mentioned in chapter one of this study was tested using Pearson Correlation. There was a strong positive relationship between special needs diversity and organizational performance in conclusion special needs diversity determined performance of deposit taking SACCOs Mombasa County. However, there was a weak positive relationship between gender diversity and organizational and the study concluded that gender diversity did not determine performance of deposit taking SACCOs Mombasa County which represented an average positive relationship between age diversity and organizational performance. Therefore, the study concluded that age diversity determined organizational performance of deposit taking SACCOs Mombasa County.

4.2 Regression Analysis:

The study was set out to evaluate the overall effect of all independent variables, that is, special needs diversity, gender diversity and age diversity on performance of corporate social responsibility linked with market positioning and performance of deposit taking SACCOs in Mombasa County. The mean scores of special needs diversity, gender diversity and age diversity were collectively regressed against the mean score of performance.

^{*.} Correlation is significant at the 0.05 level (2-tailed).

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

Multiple linear regression was computed at 95 percent confidence interval (0.05 margin error). Based on the model summary, the coefficient of determination (R squared) shows the proportion of variance in the dependent variable that can be explained by in the independent variables. It is the overall measure of strength of association between independent and dependent variable.

Table 2: Model Summary

| Model R R Square | | R Square | Adjusted Square | R Std. Error of the Estimation | | |
|------------------|------------|--------------------|----------------------------|--------------------------------|--|--|
| 1 | .596ª | .355 | .309 | 2.443689 | | |
| a | Predictors | s: (Constant), Age | Diversity, Special Needs D | iversity, Gender Diversity | | |

The coefficient of determination R between workforce diversity and organizational performance was 0.596 indicating a strong positive association between the independent and dependent variable. The coefficient of determination (R squared) of 0.355 indicated that 35.5% of the variance in organizational performance could be explained by workforce diversity. The adjusted R square was 0.309 meant that on an adjusted basis, the independent variables were collectively 30.9 percent effective on dependent variable (performance of deposit taking SACCOs in Mombasa County). The remaining 64.5 percent could be explained by other factors not captured in the model. The Table 4.7 shows the findings of the study.

Table 3: Anova

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|-------|-------------------|
| | Regression | 137.543 | 3 | 45.848 | 7.721 | .000 ^b |
| 1 | Residual | 249.414 | 42 | 5.938 | | |
| | Total | 386.957 | 45 | | | |

- a. Dependent Variable: Organizational Performance
- b. Predictors: (Constant), Age Diversity, Special Needs Diversity, Gender Diversity

The ANOVA test was done to test the significance of the models and to test the existence of variable variations within the models. Table 3 shows the analysis of variance (ANOVA) of the regression model. The p-value was found to be 0.000, which is less than 0.05 at 3 degrees of freedoms. This indicates that, the overall regression model statistically significantly predicts the outcome variable and all the model coefficients are significantly different from 0.0. Therefore, the study concluded that workforce diversity significantly affects organizational performance.

Table 4: Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients t | | Sig. |
|-------|-------------------------|-----------------------------|------------|-----------------------------|-------|------|
| | | В | Std. Error | Beta | | |
| | (Constant) | 5.686 | 3.081 | | 1.846 | .072 |
| 1 | Special Needs Diversity | .345 | .091 | .476 | 3.786 | .000 |
| 1 | Gender Diversity | .042 | .173 | .040 | .244 | .808 |
| | Age Diversity | .242 | .149 | .265 | 1.618 | .113 |

Dependent Variable: Organizational Performance Since the general objective of the study was to determine the effect of workforce diversity on performance of deposit taking SACCOs in Mombasa County, the multiple linear regression models were used to assess the overall effect of independent variables on dependent variable.

The findings of the study were regressed on a linear model to establish the relationship between the dependent and independent variable as shown on table 4.9. Based on the findings of the study, the regression equation model for the study is:

Organisational Performance = 5.686 + 0.345 Special Needs Diversity

Coefficients for the following variables; Gender Diversity and Age Diversity were found to be insignificant variables since their significant values 0.808 and 0.113 respectively were more than the p-value (0.05). When the members of a work group are very diverse, they may have dissimilar belief structures (Wiersema & Bantel, 1992), i.e., priorities, assumptions about future events, and understandings of alternatives (Hambrick & Mason, 1984), based on previous training and experiences. Such distinct perspectives may stem, in part, from resource allocation and reward disparities (Donnellon, 1993), which encourage contrasting views of what is important. Due to their respective belief structures,

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

group members with different demographic backgrounds may have divergent preferences and interpretations of tasks (Waller, Huber, & Glick, 1995). These divergences are likely to manifest themselves as intra-group task conflict, which affects performance negatively. As diversity within a work group increases, such task conflict is likely to increase. Members are more likely to hear views that diverge from their own, so intra-group task conflict may become more pronounced.

However, coefficients for Special Needs Diversity were found to be significant since its significant values 0.000 were found to be less that the p-value (0.05). From the model, a 0.345 point increase in Special Needs Diversity led to a 1 point increase in performance, a 0.042 increase in Gender Diversity led to a 1 point increase in performance while a 0.242 point increase in Age Diversity led to a 1 point increase in performance.

5. DISCUSSION OF FINDINGS

The key objective of the study was to assess the effect of workplace diversity on organizational performance. The variables under considerations were special needs diversity, gender diversity and age diversity. Below is the discussion on the findings, which correspond with the research objectives.

5.1 Special Needs Diversity and Organizational Performance:

The first objective sought to examine whether special needs diversity had an effect on organizational performance. Special needs diversity had a mean of 3.54 which implied that most of the respondents agreed that there was special needs diversity in their organizations. To empirically test whether special needs diversity had a significant effect or otherwise on performance, the study applied Pearson correlation coefficient of the independent variable against the dependent variable. The results of Pearson correlation coefficient revealed that special needs diversity has a strong positive correlation with performance (p-value = 0.000, r-value = 0.522).

These findings are in consistency with the findings of Tsang *et al.*, (2010) who asserts that when employees with disabilities have access to social support, they can rely on the help of their social environment, including job coaches, supervisors, and colleagues. This provides them with a supporting network in case they need help, for instance, when encountering challenging situations at work. Having the possibility to seek out for instrumental help, they avoid making mistakes or being stuck in a work-related problem for a longer time without finding an appropriate solution. Thus, they tend to be more efficient and productive in what they are doing and can focus on performance-relevant behaviors (Burns *et al.*, 2007; Gutman *et al.*, 2009).

5.2 Gender Diversity and Organizational Performance:

The second objective sought to examine whether gender diversity had an effect on organizational performance. Gender diversity had a mean of 4.10 which implied that most of the respondents agreed that there was gender diversity in their organizations. To empirically test whether gender diversity had a significant effect or otherwise on performance, the study applied Pearson correlation coefficient of the independent variable against the dependent variable. The results of Pearson correlation coefficient revealed that gender diversity had a positive weak correlation with performance. The coefficient analysis between gender diversity and organizational performance show that gender diversity is slightly significant correlated with organizational performance. Gender diversity as a factor, when regressed together with other factors against organizational performance was not however, found to be a significant predictor of organizational performance. (p-value = 0.091, r-value = 0.252).

These findings are consistent with the finding of Kirton & Greene (2015) argued that most organizations do not realize these benefits as gender-based imbalances persist in organizations. Kirton & Green (2015); Kochan *et al.*, (2002) further noted that when equal employment opportunities are provided to women then employee performance in organizations can be improved. However, Jehn & Bezrukova, (2004) urged that gender diversity enables a team to make better and innovative decisions, in addition Mwatumwa (2016) established that there is a positive link between gender diversity and organizational performance. In concurrence with Weiliang (2011) who used a resource based-view of a firm, stating that gender diversity at the management can provide a firm with better competitive advantage.

5.3 Age Diversity and Organizational Performance:

The third objective sought to examine whether age diversity had an effect on organizational performance. Age diversity had a mean of 3.90 which implied that most of the respondents agreed that there was age diversity in their organizations. To empirically test whether age diversity had a significant effect or otherwise on performance, the study applied Pearson

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

correlation coefficient of the independent variable against the dependent variable. The results of Pearson correlation coefficient revealed that age diversity has a significant positive average correlation with performance. The coefficient analysis between age diversity and organizational performance show that age diversity is significantly correlated with organizational performance. Age diversity as a factor, when regressed together with other factors against organizational performance was not however, found to be a significant predictor of organizational performance. p-value = 0.012, r-value = 0.367).

These findings are consistent with the findings of Kravitz and Yueling (2011) who researched business organizations and the age-diversity of their employees. They observed that business organizations that attract a diverse group of workers and create an inclusive work environment that supports all workers' needs regardless of their age or stage of life tend to benefit more from their diversity. Further, an age-diverse workforce displays a host of different values, preferences and experiences, which make it very likely that employees will also express differing opinions and approach problems in different ways. In comparison, within a homogeneous workforce, there is the risk that only highly similar ways of looking at and approaching problems will emerge, which tends to engender more of an innovation-inhibiting culture (Mas & Moretti, 2006). Page (2007) argues that the different perspectives, interpretations, heuristics and mental models within a relatively heterogeneous group represent a collection of cognitive tools that is enhanced by group diversity. This enlarged "tool box", in turn, enhances the group's flexibility and creativity, which ultimately leads to more creative, faster and flexible problem-solving processes with better outcomes (Canella *et al.*, 2008).

6. CONCLUSION AND RECOMMENDATIONS

Several reasons were advanced as a justification of the significance of the proposed findings of this study. These form the basis for the recommendations of this study. First, Performance of an organization is dependent upon the sum total of performance of all its employees. Therefore, employees with disability form part of the workforce and their performance management need to be effectively, efficiently and accurately measured. Organizations should therefore, have a culture where line managers are adequately trained to equip them with necessary skills that will enable them to help employees deal with stigma and enhance coaching and increase the likelihood of differentiating disability and choice-based behavior. Organizations should introduce practices of a dynamic system which caters for the nature and severity of disability. More studies should de be done on the efficacy of workplace adjustments and accommodation provided to employees with disabilities.

Secondly, the study recommends that all organizations should ensure that they give both male and female staff equal opportunities during recruitment and in other areas like growth and opportunities.

Thirdly, the study established that the older generation has a culture of doing things out of experience irrespective of technological advances while the young tucks are over ambitious and fail to see the future of their organization. The study therefore recommends that workplace diversity management practices to bring together the work experience of the old and the technological capabilities of the young to improve employee performance.

REFERENCES

- [1] Abbas, Q. & Hameed, A. (2010). Gender Discrimination and Its Effect on Employee Performance or Productivity. Applied Human Resource Management. Research, 6(12), 75-76.
- [2] Alserhan, B. A., Forstenlechner, I. & Al-Nakeeb, A. (2010). Employees' attitudes towards diversity in a nonwestern context. Employee Relations Journal, 32(1), 23-27.
- [3] Andoh, P.K., Bosiakoh, A.,& Afranie, S. (2012). Motivation and Career Aspirations of Female Students Studying Science, Achimota school in Accra, Ghana. Educational research and reviews.
- [4] Aronson, S. A., & Reeves, J. (2002). Corporate Responsibility in the Global Village: The role of public policy. Washington, DC: National Policy Association.
- [5] Barrington, L. & Troske, K. (2001). Workforce Diversity and Productivity: An Analysis of Employee Matched Data. Strategic Management Journal, 10, 107–124.
- [6] Beardwell J. & Claydon T., 2007. Human Resource Management A Contemporary Approach, Prentice Hall, Essex
- [7] Burlacu, G. (2012). Employee Age Differences in Formal Performance Feedback Reactions: Examining the Effects of Perceived Valence, Content, and Delivery. Portland: Biblio Bazaar

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

- [8] Christian, J., Porter, L. W. & Moffitt, G. (2006). Workplace diversity and group relations: An overview. Group Processes & Intergroup Relations, 9(4), 459-466.
- [9] Cooper, D. R., & Schindler, P. S. (2006). Business Research Methods. New Delhi: Tata McGraw Hill.
- [10] David, R. F. (2009). Strategic Management: Concepts and Cases. 12th edition. Pearson prentice hall.
- [11] Diversity (2010 Dec). Diversity, Involvement Culture and Performance of Commercial Banks in Kenya. Retrieved from Merriam Webster: http://www.merriam-webster.com/dictionary/diversity.
- [12] Eckel, C.A., & Grossman, P. J. (2005). Managing Diversity by Creating Team Identity. Journal of Economic Behaviour and Organization, 28, 371-392.
- [13] Ely, R.T., and Thomas, D.A. (2001). Cultural Diversity at Work: The Effects of Diversity Perspectives on Work Group Process and Outcomes. Administrative Science Quarterly, 5:229-273.
- [14] Erasmus. L. (2007). The Management of Workforce Diversity and the Implications for Leadership at Financial Asset Services. Retrieved from https://ujdigispace.uj.ac.za/handle/10210/356
- [15] Hambrick, D. C., & Mason, P. A. (2002). Upper echelons: The organization as a reflection of its top managers. Academy of Management Review, 9(2), 193-206.
- [16] Hanappi-Egger, E. & Ukur, G. (2011). Challenging Diversity Management: on the meaning of cultural context: the Case of Kenya. 7th Critical Management Studies Conference, Nepal, Italian, 11(7).
- [17] ILO (2004). Employment of People with Disabilities: The Impact of Legislation (East Africa). Geneva: ILO.
- [18] Jackson, S., & Joshi, A. (2004). Diversity in a Social Context: A Multi-attribute, Multi-level Analysis of Team Diversity and Sales Performance. Journal of Organizational Behavior, 25, 675-702.
- [19] Jackson, S. E. (2011). Managing Human Resources. South-Western: Cengage Learning.
- [20] Jehn, K. A., & Bezrukova, K. (2004). A field study of group diversity: Workgroup context and performance. Journal of Organizational Behavior, 25(6), 703-729.
- [21] Jehn, K. A., Northcraft, G. B., & Neale, M. A. (1999). Why Differences Make a Difference: A Field Study of Diversity, Conflict, and Performance in Workgroups. Administrative Science Quarterly, 44, 741-763.
- [22] Kaimenyi, T. A. (2013). An Analysis of Affirmative Action: The Two-Thirds Gender Rule in Kenya. International Journal of Business, Humanities and Technology.
- [23] Kenya (2011Oct 20). Draft National Cohesion and Integration Policy: Ministry of Justice, National Cohesion and Constitutional Affairs.
- [24] Kochan, T., Bezrukova, K., Ely, R. Jackson, S. Joshi, A., Jehn, K. Leonard, J., Levine, D., &Thomas, D. (2003). The Effects of Diversity on Business Performance: Report of the Diversity Research Network. Sloan Management Review, 42(1), 3-21.
- [25] Kossek, E.E., Lobel, S.A. & Brown, A.J. (2005). Human Resource Strategies to Manage Workforce Diversity, "in Handbook of Workplace Diversity. Pringle: Thousand Oaks.
- [26] Kothari, C.R. (2004). Research Methodology; Methods and Techniques (2nded). New Delhi: Wishwa Prakashan.
- [27] Kyallo, J., M. (2015). Effect of Diversity in Workplace on Employee Performance in the Banking Industry in Kenya. Journal of management, 2 (53), 145-181.
- [28] Kyambi, J. (2015). Influence of Human Resource Diversity Management Practices on Performance of Non-commercial Government Agencies in Kenya Thesis, JKUAT
- [29] Kunze, F., Boehm, S. & Bruch H. (2009). Age Diversity, Age Discrimination, and Performance Consequences A Cross Organizational Study. International Journal of Humanities and Social Science, 3(30), 187-19.
- [30] Levy, B. (2009). Stereotype Embodiment: A Psychosocial Approach to Aging Current Directions in Psychological Science, 18(6), 332-336.

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

- [31] Mudanya, R. (2014). Effects of Diversity Management on Performance at TUM, Kenya MBA research project, University of Nairobi.
- [32] Magoshi, E. & Chang, E. (2009). Diversity Management and the Effects on Employees' Organizational Commitment: Evidence from Japan and Korea. Journal of World Business, 44, 31–40
- [33] Mugenda, O.M. & Mugenda, A. G. (2003). Research Methods: Qualitative and Quantitative Approaches. Nairobi: ACT Press.
- [34] Murray, G. (2002). Work and Employment Relations in the High-Performance Workplace. New York: Cengage Learning.
- [35] Mutuku, C. (2003). A Survey of Managers' Attitudes and Responses to Workforce Diversity in the Telecommunications Sector in Nairobi, Kenya. Unpublished MBA Project UoN
- [36] Mwangi, E. (2015). Factors Influencing Performance in Kenya, a case study of Unaitas SACCOmanagement university of Africa.
- [37] Nel P.S., Van Dyk P.S., Haasbroek G.D., Sono, T. & Werner A., (2004). Human Resource Management. (6th ed). Cape Town: Oxford University Press.
- [38] Nickson, M., Anwar, H. & Moses, K. (2015). Role Played by SACCOs in Financial Intermediation in the Improvement of the Welfare of Members, a case study of Fundilima SACCO: Journal of Scientific and Research Publications, 5, 2250-3153.
- [39] Okello, E., (2015). Relationship Between Diversity and Organizational Performance of State Corporation in the Coastal Region of Kenya. unpublished MBA research project, University of Nairobi.
- [40] Okwoma, L. (2014). Diversity Management Practices in the Ministry of Transport and Infrastructure, Kenya. MBA research project. University of Nairobi.
- [41] Orodho, J.A., & Kombo (2002). Techniques of Writing Research Proposals and Reports. Nairobi: Masola publishers.
- [42] Pfeffer, J. (1994). Competitive Advantages Through People. Harvard School Press, Boston.
- [43] Pfeffer, J. (1995). Producing Sustainable Competitive Advantage Through the Effective Republic of Kenya. Analytical Report. Central Bureau of statistics, Nairobi.
- [44] Rynes, S., & Rosen, B. (1995). A field Survey of Factors Affecting the Adoption and Perceived Success of Diversity Training. Personnel Psychology, 48, .247-270.
- [45] Robert, A., & Florence, M. (2016). Effects of Corporate Governance on Dividend Payment among Savings and Credit Cooperative Societies in Kenya, Journal of Business and Change, 16, 289-302,
- [46] Shume, H. (2013). Diversity Management Practices Adopted by Non-governmental Organizations in Kenya Universities, unpublished MBA Project University of Nairobi.
- [47] Tajfel, H. & Turner J. C. (2004). The Social Identity Theory of Inter-group Behavior. Psychology of Intergroup relations. Chicago: Nelson Hall.
- [48] Tajfel, H. (1981). Social Stereotypes and Social Groups. In J. C. Turner & H. Giles (Eds.), Intergroup Behavior, 144–167.
- [49] The Constitution of Kenya. (2010 Aug 27). National Council for Law Reporting with the Authority of the Attorney-General, www.kenyalaw.org
- [50] Thomas, R. (1990). From Affirmative Action to Affirming Diversity. Harvard Business Review, March/April, p. 108.
- [51] Unger, D. (2002). Employers" attitudes toward persons with disabilities in the workforce: Myths or realities? Focus on Autism and Other Developmental Disabilities, 17, 2-10.

Vol. 6, Issue 1, pp: (2099-2110), Month: April - September 2018, Available at: www.researchpublish.com

- [52] Walker, A. (2005) The Emergence of Age Management in Europe, International Journal of Organizational Behaviour, Vol. 10, No. 1, 685-697
- [53] Wambari, M. N. (2014). Workplace Diversity Management Effects on Implementation of Human Resource Management Practices in the Ministry of Health, Kenya. Retrieved from http://irlibrary.ku.ac.ke/handle/123456789/ 10164
- [54] Wambui, T. W., Boit J. & Magero, J. (2011). Affirmative Action: A Kenyan Case. Germany, Lambert Academic Publishers.
- [55] Wangare, T. (2013). Affirmative Action; A Kenyan Case. Master's Thesis, Moi University.
- [56] Wegge, J., Roth, C., Neubach, B., Schmidt, K. H. & Kanfer, R. (2008). Age and Gender Diversity as Determinants of Performance and Health in a Public Organization: The role of task complexity and group size'. Journal of Applied Psychology, 93, 1301–13.
- [57] World Health Organization (2002). Towards a Common Language for Functioning, Disability and Health.ICF. In compendium- special needs education- education for all (SNE4110). Universities in Oslo.