

**Influence of Human Resource Diversity Management Practices on  
Performance of Non-Commercial Government Agencies in Kenya**

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**A Thesis Submitted in Partial Fulfilment of Requirement for the  
Doctor of Philosophy Degree in Human Resource Management of  
Jomo Kenyatta University of Agriculture and Technology.**

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## DECLARATION

This thesis is my original work and has not been presented for a degree in any other University

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## **DEDICATION**

This work is specifically dedicated to my beloved wife Lennah Syowasya, my children Mutheu, Mwendu, Kyambi, and Munene. My children let this body of knowledge work be an inspiration to you. Aspire to set goals and strive beyond measure to accomplish them bearing in mind that you can do all things through Christ who strengthens you (Philippians 4:13). He gives power to the faint; and to them that have no might He increases strength (Isaiah 40:29). Behold, He that keeps Israel shall neither slumber nor sleep (Psalms 121: 4).

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## **ABBREVIATION AND ACRONYMS**

<b>ABS</b>	Australian Bureau of Statistics
<b>CBC</b>	Conference Board of Canada
<b>CEO</b>	Chief Executive Officer
<b>CFU</b>	Cross-cultural Foundation of Uganda
<b>CLC</b>	Corporate Leadership Council
<b>EEOC</b>	Equal Employment Opportunity Commission
<b>GOK</b>	Government of Kenya
<b>HRI</b>	Human Resource Institute
<b>LIS</b>	Library and Information Science
<b>ROI</b>	Return on Investment
<b>RoK</b>	Republic of Kenya
<b>SHRM</b>	Society of Human Resource Management
<b>UK</b>	United Kingdom
<b>US</b>	United States
<b>USGAO</b>	United States Government Accountability Office

## OPERATIONAL DEFINITION OF TERMS

- Accountability:** Accountability entails conveying an image of transparency and holds the premises of fair and equitable governance to a diverse workforce (Dubnick, 2007).
- Diversity management:** On-going process that unleashes the various talents and capabilities which a diverse group of employees bring to an organization to create a wholesome, inclusive environment that is safe for differences and enables people to reject rejection, and maximize the full potential of all so as to achieve organizations competitive advantage (Ramirez, 2011).
- Diversity recruitment:** Employing people from a diverse environment to add value to organizational diversity fabric through diverse knowledge, skills, and talents (Balogun, 2008).
- Diversity Retention:** Systematic effort by employers to create and foster an environment that encourages current employees to remain at the same employer having policies and practices in place that address their diverse needs (Cota, Dion & Evans, 2008 ).
- Diversity training:** Distinct set of programs aimed at facilitating positive inter-group interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse co-workers and customers (Pendry, Driscoll & Field, 2007).

- Diversity:** Similarities and differences among employees in terms of age, cultural background, physical abilities and disabilities, race, religion, sex, and sexual orientation, and education (Lyness, 2002).
- Government Agency:** Administrative units of government that are tasked with specific responsibilities. They are entities distinct from government departments or ministries, but they often work closely with and report to one or more departments or ministries. Others operate independently, especially those with oversight or regulatory responsibilities (GOK, 2010).
- Institutionalization of diversity:** Comprehensive diversity initiatives designed to create welcoming environment for people of all backgrounds (Cota, Evans, Dion, Kilik & Longman, 2010).
- Organizational performance:** Organizational performance comprises the actual output or results of an organization as measured against its intended outputs or goals or objectives (Richard, 2010).
- Performance:** The accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed (Borman & Motowidlo, 2000).
- Team cohesion:** Tendency for a group to be in unity while working towards a goal or to satisfy the emotional needs of its members. The term can as well mean task commitment and interpersonal attraction to the group (Carron & Brawley, 2000).

**Workforce demographics:** Workforce demographics are the characteristics of a workforce population in terms of sex, age, education level, ethnicity, disability and any other personal differences (Thomas, 2003).



## **ABSTRACT**

The shifting demographics, advances in knowledge and technology, and advent of a global economy have brought in diverse workforce in organisations in Kenya. This has paused new challenges in managing the complex human resource in terms of diversity. In more recent years, the view of workforce diversity management practices has changed to a more strategic concept of organizational performance. This prompted a study to investigate the influence of human resource diversity management practices on performance of non-commercial government agencies in Kenya. The human resource diversity management practices discussed were diversity recruitment, diversity training, diversity retention, and institutionalization of diversity. Senior management accountability was studied as a moderator variable. The study was of descriptive nature with a target population of 132 human resource managers drawn from the 132 non-commercial government agencies in Kenya. A pre-test was done with eleven respondents and the full study carried out using census of 132 human resource managers. The data was collected from the primary source using questionnaires. The study used both qualitative and quantitative analytical techniques for data analysis. The findings of the study were presented and discussed guided by the study hypothesis. Descriptive statistics indicated that performance in non-commercial government agencies in Kenya was influenced by diversity recruitment, diversity training, diversity retention, and institutionalization of diversity. Inferential statistics confirmed that performance was highly predicted by human resource diversity management practices. Senior management accountability was found to moderate the relationship between human resource diversity management practices and organisational performance. The study concluded that diversity recruitment, diversity training, diversity retention, and institutionalization of diversity were key human resource diversity practices which if fully utilized could improve performance of non-commercial government agencies in Kenya. The study recommended that the sector should advance its diversity goals by creating all inclusive work environment to enhance performance.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background**

Diverse workforce composition and diverse customer populations, combined with globalized markets and international competition are increasing the amount of diversity organizations are managing thus challenging the existing diversity management practices. In more recent years, the view of diversity has changed to a more strategic concept where many business leaders believe that diversity has important performance benefits. This has called upon human resource practitioners to modify and align diversity management practices with organisational business requirements (Richard & Johnson, 2001).

Workforce diversity management practices alignment with organisational goals enables the organisation to utilize workforce diversity as a competitive advantage. Different viewpoints facilitate unique and creative approaches to problem solving thereby increasing creativity and innovation leading to better organizational performance (Robbins, Odendaal & Roodt, 2003). According to Basset-Jones (2005) the most sophisticated and effective diversity management practices have been identified as diversity training, diversity recruitment and inclusion, diversity motivation and retention, and institutionalization of diversity.

#### **1.1.1. The Concept of Diversity Management and Organizational Performance**

Diversity management is the recognition of individual differences encompassing acceptance and respect. It means understanding that each individual is unique, and recognizing their individual differences in terms of race, ethnicity, gender, sexual orientation, socioeconomic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies (Dobbin & Kaler, 2007). It is the exploration of these differences in a safe, positive, and nurturing environment that gives meaning to the concept of diversity management. Diversity management goes beyond simple tolerance to embracing human resource diversity management practices to exploit rich dimensions of diversity in each individual (Klarsfeld, 2010).

Performance at its basic meaning encompasses the accomplishment of a given task which is measured against pre-set known standards of accuracy, completeness, cost, and speed (Borman & Motowidlo, 2000). According to Balogun (2008) performance can be pursued either by task or context. Task Performance refers to an individual's proficiency with which he or she performs activities which contribute to the organization's technical areas either directly (production workers) or indirectly (managers and staff personnel). Contextual performance refers to activities which do not contribute to the technical, but which support the organizational, social, and psychological environment in which organizational goals are pursued (behaviours e.g. helping co-workers, being reliable member of the organization, and making suggestions on how to improve work procedures). The combination of the two facets of performance comprises the organizational performance (Shipton, West, Patterson & Birdi, 2006).

In diversity management, the key outputs may be: diversity staff development plan produced and the number of days training per staff member; the quality measurement may be the percentage diverse staff satisfied or dissatisfied with appraisal system (based on annual staff survey); the outcomes may be gender breakdown by grade level, and impact on job on diversity training from post-course survey of trainees and their managers (Lauring & Ross, 2004). On policy issue: the output key measurements will be the number of diversity programs completed and number of diversity negotiation meetings attended; quality key measurements include percentage of diversity programs rated satisfactory against checklist (HRI, 2003).

According to Mayer and Gavin (2005) measures of workforce diversity management could include better relationships among diverse staff members, fewer grievances and complaints, improved labour relations; reduction of noose, graffiti, and hate incidents; more diverse hiring; increased representation of minorities at different levels of firm; more career development over time for underrepresented group members; more innovation and creativity; better retention (save hiring costs); decrease in pay disparities; inclusion of diversity in corporate social responsibility efforts; higher ranking of the organization in terms of best places to work; more

positive responses on exit interviews, decreased social distancing; less prejudiced thinking and unconscious bias, and reductions in absenteeism for underrepresented groups. Fulfilment of an affirmative action plan, change in minority representation, return on investment (ROI) for diversity initiatives, and engagement ratings for employees from different affinity groups in annual engagement surveys could also be used to measure workforce diversity management (Smart,2005).

### **1.1.2. Global Perspective of Diversity Management**

Organizations worldwide are still repositioning themselves to create work environment where individuals with vastly different backgrounds have the right skills and support to execute corporate strategies (Ramirez, 2011). Evidence of the movement toward inclusion as a diversity strategy in U.S. from Human Resource Institute (2003) report findings from a 2001 survey of 1000 private and public companies depicted the following responses: 56% of respondents said they provide diversity training on race, 68% on gender, 45% on ethnicity, 35% on age, 54% on disability, 57% on sexual orientation, and 24% on religion. This attempt raised the performance index of the organizations on average by only 7% with the public sector taking its share of 2%. The public organizations registered lower performance index due to its laxity in elevating diversity inclusion in its management systems. Boyle (2005) pointed out that diversity management in U.S. organizations was a real challenge and far from being realized.

Diversity management in UK featured as a central tenet since 1970s where a series of diversity policies were instituted; formalize standard procedures for recruitment, run diversity awareness training, outline workplace diversity into the organization's strategic plan, and motivate minority groups (Moreau, Osgood & Halsau, 2008; Kirton & Greene, 2010). According to Ozbilgin (2005) automobile manufacturing companies in Japan revealed two global challenges in the industry in relation to diversity management. First, there was increased competition to capture markets that might have been traditionally under exploited, non-customer groups such as female, and minority ethnic customers. These groups have now increased the purchasing power due to their accession to employment as well as management jobs in the last

three decades. The second issue was that workplaces are still dominated by workers from a limited spectrum of demographics such as gender, ethnicity, age, disability among many others.

Over the last few decades Australia has witnessed the settlement of various diverse groups (Australian Bureau of Statistics, 2003). The influx of immigrants and growing Australian service sector has attracted scholarly interest. The two have developed independently and provide limited consideration to the growth of intercultural service encounters. Despite growing awareness of the purchasing power of ethnic minorities, service encounters as experienced by diverse customers is a challenge and remains under investigated (Pires & Stanton, 2004).

The Canadian labour market faces a major challenge of diversity workforce in maintaining its high momentum of economic growth. Shortage of skills and an aging workforce have slackened the productivity levels resulting to decrease in the levels of economic activity (Corporate Leadership Council, 2007). Although many organizations have utilized the migrants influx to compensate the shortage, they have yet to effectively manage issues of gender, race, culture, languages, religion, different age levels and skills.

In Africa diversity seems to have been embraced much more in South Africa due to its unique apartheid system where equity policies were laid down in the constitution in 1998. Despite the advent of a democratic order, the South African workplace is still characterized by discrimination and inequality. One of the clearest indications of the perverseness of systematic inequality is the lack of representation of black people and women in senior positions in the public sector and the almost total lack of representation of disabled people. More than 80% of the population is black people made up of only 4% of senior management in corporations; women constitute 56% of the population but only 12% of senior management. People with disabilities are estimated to constitute about 12% but invisible and exploited in the workplace (Nel, Van Dyk, Haasbroek, Sono & Werner, 2004).

According to Cross-Cultural Foundation of Uganda (2010), ethnic, political and religious diversity is posing a threat to diversity management in public organizations in Uganda. Diversity is manifested and perceived as a challenge to the workforce management; pluralism enhanced by environmental changes, individual and community initiatives, and intermarriages. The dilemma is how diversity can be integrated into the public organizations management fabric. There is also need to lobby for implementation of Equal Opportunities Act, diversity educational institutions, political parties and cultural institutions championing diversity management.

### **1.1.3. Diversity Management in Kenya**

Kenya has a population of 39 million and a total of 42 ethnic groups each with its different self-cultural understanding and this poses a real challenge to diversity management (GOK, 2010; Kiura, 2010). The large ethnic groups have dominated the smaller tribes, an issue which has infiltrated organizations especially the public sector causing inequality and discrimination. Although the challenge of diversity in the public sector and especially non-commercial government agencies is mostly perceived through ethnicity, gender, age, social status, levels of education, religion, and disability, personal morality is also coming into full play as far as diversity challenge is concerned (Balogun, 2008).

Non-commercial government agencies in Kenya has not established a precise measurement tool for human resource diversity management practices. However some key elements have been categorized in the performance contracting guidelines under equity and corruption in commercial and non-commercial state corporations. This is in line with Ethics and Anti-Corruption Commission Act No. 22 of 2011 and the Leadership and Integrity Act of 2012 that aims to combat and prevent corruption and unethical practices and promote fair and equitable work standards and best practices in ethics, integrity and anti-corruption. The subject of human resource diversity management practices and their influence on performance has not been studied adequately in Kenya.

Although there is limited research work on the general diversity discourse in organizations in Kenya, no research has strongly investigated the influence of human resource diversity management practices on organizational performance particularly in non-commercial government agencies in Kenya.

## **1.2. Statement of the Problem**

Non-commercial government agencies are part of a country's economy that advance its performance by providing basic government services to achieve policy and mission outcomes, optimize costs, meet quality expectations for citizen service, and maintain the diverse public's trust (Lane, 2009). According to Mayer and Gavin (2005) performance in any sector is a product of better relationships among diverse workforce with minimal work grievances and complaints. A successfully addressed and embraced workforce diversity in the organization leads to a healthier and happier organizational culture with new talents emerging, improved customer service, revenue growth, and employee retention.

Non-commercial government agencies in Kenya have a workforce of over ten thousand employees from diverse backgrounds in terms of ethnicity, gender, disability, religion and education just to mention a few. It is estimated that the sector's contribution to the country's gross domestic product is about 20 % (Kiura, 2010). The World Bank in 2001 indicated that as early as 1990s, serious efforts were made to reform and transform the sector to enhance its service delivery and performance making it to be seen as one of the best in sub-Saharan Africa. Like any other African countries, the transformation efforts in Kenya have been driven primarily by the fact that the sector has been underperforming and public service delivery has not been serving the public interest within its most optimal capability (Lienert, 2003). Various studies (Kobia, & Mohammed, 2006; Mkoji, 2009) identified lack of transparency and accountability, and failure to institute clear diversity management practices as the key issues challenging performance in the Kenya government agencies.

Institutions, whether formal or informal, create a framework that influences not only human interactions but also organizations and their appearance. Within this framework, the diverse workforce in the workplace calls for optimal utilization of clear human resource diversity management practices to achieve the organization's performance (Kiura, 2010). The potential of non-commercial government agencies in Kenya lies in its diverse workforce and its performance will depend on utilization of human resource diversity management practices. Despite the rich diversity, the dismal growth in productivity as a result of under managed diverse workforce in the sector is a subject that contradicts most of the workforce diversity management empirical studies. The study therefore sought to investigate the influence of human resource diversity management practices on performance of non-commercial government agencies in Kenya.

### **1.3. General Objective of the Study**

The broad objective of the study was to establish the influence of human resource diversity management practices on performance of non-commercial government agencies in Kenya.

#### **1.3.1. The Specific Objective**

The study aimed to achieve the following specific objectives:

1. To establish the influence of diversity recruitment on performance of non-commercial government agencies in Kenya.
2. To determine the influence of diversity training on performance of non-commercial government agencies in Kenya.
3. To determine the effect of diversity retention on performance of non-commercial government agencies in Kenya.
4. To assess the effect of institutionalization of diversity on performance of non-commercial government agencies in Kenya.



5. To determine the moderating effect of senior management accountability on the relationship between human resource diversity management practices and performance of non-commercial government agencies in Kenya.

#### **1.4. Research Hypotheses**

The study was guided by the following research hypotheses:

Hypothesis 1:

H<sub>01</sub>: Diversity recruitment has no significant influence on performance of non-commercial government agencies in Kenya.

H<sub>a1</sub>: Diversity recruitment has significant influence on performance of non-commercial government agencies in Kenya.

Hypothesis 2:

H<sub>02</sub>: Diversity training has no significant influence on performance of non-commercial government agencies in Kenya.

H<sub>a2</sub>: Diversity training has significant influence on performance of non-commercial government agencies in Kenya.

Hypothesis 3:

H<sub>03</sub>: Diversity retention has no significant effect on performance of non-commercial government agencies in Kenya.

H<sub>a3</sub>: Diversity retention has significant effect on performance of non-commercial government agencies in Kenya.

Hypothesis 4:

H<sub>o4</sub>: Institutionalization of diversity has no significant effect on performance of non-commercial government agencies in Kenya.

H<sub>a4</sub>: Institutionalization of diversity has significant effect on performance of non-commercial government agencies in Kenya.

Hypothesis 5:

H<sub>o5</sub>: Senior management accountability has no significant moderating effect on the relationship between human resource diversity management practices and performance of non-commercial government agencies in Kenya.

H<sub>a5</sub>: Senior management accountability has significant moderating effect on the relationship between human resource diversity management practices and performance of non-commercial government agencies in Kenya.

### **1.5. Significance of the Study**

The world's increasing globalization requires more interactions among people from diverse cultures, beliefs, and backgrounds than ever before. Maximizing and capitalizing on workplace diversity has become an important issue for management today. This study will help organizations in Kenya to utilize diversity to enhance marketing opportunities, recruitment, develop and maintain a positive public image, avoid discrimination-based legal actions, create a healthier work environment, enhance innovative problem solving, support local community and economy, develop and maintain a global competitive advantage, and effectively manage change. In an era when flexibility and creativity are prime to competitiveness, diversity is critical in both private and public sectors to achieve threshold in organizational performance. This study sought to integrate human resource diversity management practices with organizational performance to enable managers, human resource practitioners, and management scholars to have an insight on the potential of diverse workforce towards achieving organization's competitive advantage.

## **1.6. Scope of the Study**

The study confined itself to the investigation of utilization of human resource diversity management practices in achieving performance of non-commercial government agencies in Kenya. The study in its effort to determine the effect of human resource diversity management practices on organisational performance discussed four key independent variables namely diversity recruitment, diversity training, diversity retention, and institutionalization of diversity. These variables were found to bear the greatest influence on organisational performance which was discussed as a dependent variable. Senior management accountability was identified to a great extent to moderate the relationship between human resource diversity management practices and organisational performance.

The study focus on diversity management and especially in the public sector in non-commercial government agencies was because diversity issues in the public sector are pertinent as previously raised in past studies and regularly in print and electronic media. The study was carried out in the entire parts where the organizations had their headquarters.

## **1.7. Assumptions of the Study**

There were several assumptions associated with this study: The respondents in the study were assumed to be affected by workforce diversity and this directly correlates with organizational performance; Employees who participated in the study would provide candid and truthful responses about diversity awareness and organizational performance; The human resource diversity management practices questionnaire was the instrument for data collection; and the question items were not biased.

### **1.8. Limitations of the Study.**

Diversity in organizations being a pertinent issue amongst the employees would lead to some respondent especially the minority and the disadvantaged not willing to give information in fear of intimidation. In such a case, the study established various contacts to reach the respondents and assure them of confidentiality. The assistant researchers were trained on how to approach the respondents. The study was limited by the fact that it was carried out in only 132 non-commercial government agencies. The measurements relied on the response of respondents but not their real actions.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1. Introduction**

This chapter reviewed theoretical and empirical literature relevant to the influence of human resource diversity management practices on organizational performance. The conceptual framework was discussed to show the relationship between diversity recruitment, diversity training, retention, and institutionalization of diversity (independent variables) and organisational performance (dependent variable). Senior management accountability was discussed to determine its moderating effect on the relationship between human resource diversity management practices and organisational performance. Lastly research gaps were depicted to show the need to manage diversity in non-commercial government agencies to achieve performance.

#### **2.2. Theoretical Review/Conceptual Review**

The discipline of diversity management in its effort to streamline the interactions of diverse workforce and annex its potential in organizations has borrowed a number of theories. Diversity recruitment was supported by human capital theory and LIS recruitment model, diversity training was explained by theory of reasoned action and theory of planned behaviour, diversity retention used hierarchy of needs theory, institutionalization of diversity was explained by institutional theory and Self-categorization theory/social identity theory while senior management accountability was explained by upper echelon theory and deontological theory. The completeness of the theories was achieved by discussing the main criticisms in each theory. Lastly the conceptual frame work and its components were discussed.

### **2.2.1. Theoretical Review**

#### **Diversity Recruitment**

Diversity recruitment encompasses employing people from diverse environment to add value to organizational diversity fabric through diverse knowledge, skills, and talents (Balogun, 2008). Diversity recruitment uses open and inclusive recruitment processes where employers have a greater choice of talent from which to choose from. This is the premise in the human capital theory which underlines that people possess innate abilities, behaviour and personal energy and these elements make up the human capital they bring to their work (Armstrong, 2009). It is indeed the knowledge, skills and abilities of individuals that create organisational value. That is why the core focus in the organisation has to be on the means of attracting, retaining and developing diverse human capital (Goodman, Fields & Blum, 2003).

Armstrong explains that, individuals generate, retain and use knowledge and skill (human capital) and create intellectual capital. Their knowledge is further enhanced by the interactions between them (social capital) and generates the institutionalized knowledge which organizations possess (organizational capital). People from diverse backgrounds possess innate abilities, behaviours' and personal energy and these elements make up the human capital they bring to the work and consequently decide when, how and where they will contribute it (Wiesema & Bantee, 2006). Quality diverse human capital finds rest in a conducive and all inclusive environment free of discrimination (Eyles, Leydon, Lewith & Brien, 2011). This unique diverse workforce leads to better staff retention, a great understanding of different markets, and a more creative mix of people. Diversity recruitment is not only good reflection to the society but also good for business (Shipton, West, Patterson & Birdi, 2006).

Though human capital theory has enormously contributed to diversity recruitment, it lacks basis on how to determine precise contribution of investment in human resources over the other factors of production (Sami, 2007). Marxists proponents perceive human capital as labour power which is individuals' capacity to contribute to production process in its current technical and organisational form. It is a concept

which relies on human physical and mental capabilities, and skills which have behavioural and potential impact on performance. The theory fails to address the challenge of selection for better workers to realise maximum level of performance which is the market aspect of worker to a capitalist (Crook, Todd, Combs, Woehr & Ketchen, 2011).

Library and Information Science (LIS) in Valdosta State University constructed LIS Recruitment Model which supported diversity recruitment. LIS recruitment model provides a basis for identifying the inputs that impact on the decisions of choosing individuals for recruitment (Kirton & Greene, 2010). The model was built on the premise that organization's need for diversity is necessitated by diverse client's expectations. According to Yang (2005), this calls for organizations to create diversity in their strategy approaches. If the organization wants to satisfy different clients' expectations, it must create internal systems where the structure should follow the strategy. The diversity of client expectations should be mirrored within the established diversity recruitment processes where diversity should not be considered as a liability but an asset.

LIS diversity management process is guided by the following diversity recruitment inputs: diversity recruitment treated as a business necessity with clearly defined objectives and measurements; diversity recruitment tied to business; the diversity recruiting plan to receive input from all the stakeholders; develop techniques to attract and sell diversity candidates to your company; target talented diversity candidates; best and most respected leaders with past track records on diversity related matters to manage the recruiting projects; target a wider diverse environment (Balogun, 2008).

LIS recruitment model was appreciated for its contribution in enriching client attraction strategy however scholars such as Noeth, Engen, and Noeth (2010) criticized the model due to its inability to explore diversity beyond client attraction. The critics argued that diversity discourse should first focus on attracting the required diverse workforce with well managed all inclusive work environment free

from diversity injustices and then proceed to make a plan of action on how to build client base. According to Buttlar and Caynon (2009), any effort to approach diversity in terms of client strategy would jeopardize employee diversity management process. The best way to achieve diversity equilibrium is to recruit people who bring the required diversity skills and traits in the organisation. The above theory and model informed the choice of research hypothesis number one which sought to find out whether diversity recruitment influences organizational performance.

### **Diversity Training**

Diversity training aims at increasing participants' diversity awareness, knowledge, and skills in order to benefit an organization by protecting against diversity violations. It enriches the environment of inclusion of different identity groups, and builds skills that promote harmonious and productive interactions across group lines leading to better teamwork (Bendict, Egan & Lofhjelm, 2001). Diversity training focuses on building awareness about one's own diversity in terms of culture, values, beliefs, biases, historical context and the impact of those on an individual's behaviour and how he or she views the world. Participants learn about the diversity around them and the dangers of stereotypes. Knowledge and awareness are the cornerstones on which a respectful and inclusive workplace can be built (Barker & Itartel, 2004).

According to Makower (2001), the overall goal of diversity training is to ensure that staff from diverse backgrounds, working in a variety of settings develops skills and competencies for behaviour change. This premise is supported by Theory of Reasoned Action which posit that if people evaluate the suggested behaviour as positive (attitude), and if they think their significant others want them to perform the behaviour (subjective norm), this results in a higher intention (motivation) and they are more likely to do so (Fishbein & Ajzen, 2000). Diversity training differs from other types of training (e.g., job skills training) because it often aims at changing entrenched attitudes and behaviours. The topics covered in diversity training have emotional and political overtones in human behaviour, a situation which call for



positivism approach on behaviour change. The reasoned action theorists suggest that acquisition of a theoretical understanding of behaviour change through training will encourage employees to feel confident that their efforts will be successful (Pires & Stanton, 2004).

The reasoned-action approach has been criticized by Fishbein and Ajzen (2010) for being too rational. They argued that there is no element in the theory to suggest that people are rational; the theory only assumes that people have behavioral, normative and control beliefs which may be completely irrational but will determine behavior. Other critics argue that most of the behavior is not intentional and that beliefs and intention can be activated automatically. They also suggest that alternative concepts, such as willingness, are in fact measures of intentions.

Critics further assert that implicit associations are often different from explicit attitude measures, but there is little evidence to suggest that they predict behavior more adequately (Gibbons, Gerrard, Cleveland, Wills & Brody, 2004). A further criticism on the reasoned-action approach concerns the sufficiency assumption, which suggests that the theory captures all relevant determinants of intention. The theory is open to the inclusion of additional predictors if it can be shown that they capture a significant proportion of the variance in intention or behavior after the theory's current variables have been taken into account (Greenwald, Poehlman, Uhlmann & Banaji, 2009)

The Theory of Planned Behaviour was jointly used with the theory of planned action due to its relevance in diversity training. As in the original theory of reasoned action, a central factor in the Theory of Planned Behaviour is the individual's intention to perform a given behaviour. Intentions are assumed to capture the motivational factors that influence a behaviour; they are indications of how hard people are willing to try, of how much of an effort they are planning to exert, in order to perform the behaviour. As a general rule, the stronger the intention to engage in behaviour, the more likely should be its performance (Chrobot-Mason, 2004). The theory of planned behaviour has frequently been applied to predict the likelihood that

through diversity training, individuals can change their entrenched attitudes and behaviours (Budden & Sagarin, 2008).

Schulz, Nolan, Cialdini, Goldstein, and Griskevicius (2007) applied the theory of planned behaviour to predict attitude and behaviour change in diversity training initiative. Attitudes change and the perceived behavioural control explained 62% of the variation in intentions. Perceived attitude change and the extent to which participants felt is achievable, was the most pronounced determinant of intentions. The theory of planned behavior was criticized for neglecting the importance of social factors that in real life could be a determinant for individual behavior. Social factors mean all the influences of the environment surrounding the individual (such as norms) which may influence the individual behavior (Grandon, Peter & Mykytyn, 2004; Werner, 2004).

The theories above require more conceptualization, definition and additional explanatory factors. Attitudes and intentions can also be influenced by a variety of factors that are not outlined in the above theories. Specifically, these theories are largely dependent on rational processes and do not allow explicitly for the impacts of emotions or religious beliefs on behaviour, which may be relevant to stigmatized employees due to diversity related mistreatments (Johnston, 2003 ). The above theories informed the choice of research hypothesis number two which sought to find out whether diversity training influences organizational performance.

### **Diversity Retention**

Diversity retention programs focuses on the effective system of measures that lead to retention of diverse employees. It includes all activities that systematically influence the binding and degree of loyalty of staff (Sundberg, 2001). Employees in the organization need to feel that they are appreciated valued and trusted irrespective of their background. Most people in the organization want to grow and feel more competent and responsible at any level. A good company helps its diverse groups of people to manage themselves by consistently focusing on performance and results. Diversity oriented managers' focus on programs such as flexible work schedule, on

site care facilities, career opportunities, and affinity groups among others to create work environment which is all inclusive (Aronson, 2002).

According to Joshi (2002) failing to meet diverse employees' needs at any level can create lack of fulfillment in their professional lives causing them to eventually try to fulfill these needs on their own, possibly by finding a new employer who provides better opportunities. Abraham Maslow in his Hierarchy of Needs Theory places people's needs into five progressive categories, beginning with basic physical needs and progressing up to needs for self-esteem and actualization. Joshi claims that employers must meet each level of employees' needs for employees to attain personal growth and career development and truly commit themselves to workplace goals. The managers should identify the need level at which the employee is existing and then those needs can be utilized as push for motivation.

Hogg and Vanghan (2002) argues that a diverse workforce whose self-esteem needs are satisfied results in feelings of adequacy, confidence, competence and a sense of achievement enticing to stay longer in the organization. Thomas (2003) contended that growth needs of the minority and underrepresented have lasting motivational effects and help them to maintain and improve their work performance, a situation which according to Kirton and Greene (2010) strengthens employees bond with their organization. In their extensive review of research based on Maslow's theory, Cianci and Gambrel (2003) found little evidence for the ranking of needs that Maslow described or for the existence of a definite hierarchy at all. The order in which the hierarchy is arranged (with self-actualization described as the highest need) has been criticized as being ethnocentric.

Maslow's hierarchy of needs fails to illustrate and expand upon the difference between the social and intellectual needs of those raised in individualistic societies and those raised in collectivist societies. The needs and drives of those in individualistic societies tend to be more self-centered than those in collectivist societies, focusing on improvement of the self, with self-actualization being the apex of self-improvement. In collectivist societies, the needs of acceptance and

community will outweigh the needs for freedom and individuality. The term "Self-actualization" may not universally convey Maslow's observations; this motivation refers to focusing on becoming the best person that one can possibly strive for in the service of both the self and others.

Maslow's term of self-actualization might not properly portray the full extent of this level; quite often, when a person is at the level of self-actualization, much of what they accomplish in general may benefit others or, "the greater self" (Kenrick, 2010). The position and value of sex on the pyramid has also been a source of criticism regarding Maslow's hierarchy. Maslow's hierarchy places sex in the physiological needs category along with food and breathing, it lists sex solely from an individualistic perspective. For example, sex is placed with other physiological needs which must be satisfied before a person considers "higher" levels of motivation. Some critics feel this placement of sex neglects the emotional, familial, and evolutionary implications of sex within the community, although others point out that this is true of all of the basic needs (Kenrick, Griskevicius, Neuberg & Schaller, 2010). The above theory informed the choice of hypothesis number three which sought to find out whether diversity retention programs affects performance in the public organizations in Kenya.

### **Institutionalization of Diversity Management Practices**

Institutions are systems that define the behaviours within them so that certain qualities can be sustained in a routine way. Institutions work very hard to preserve their identity through programs, policies, and procedures (Kramer, 2000). Institutionalization of diversity entails establishing a standard practice or custom that affirms the importance of a diverse workforce in the organization. To institutionalize diversity management practices, organizations often require to modify their structures, policies, and the general work environment (Smith & Wolf, 2006). One of the key theories focusing on resilient aspects of social structure is referred to as Institutional Theory by Selznick. According to Scott (2004) this theory considers the processes by which structures, including schemes, rules, norms, and routines become

established as authoritative guidelines for social behaviour which in turn become driving force for inclusiveness. It inquires into how these elements are created, diffused, adopted, and adapted over space and time; and how they fall into decline and disuse.

Scott indicates that, in order to survive, organizations must conform to the rules and belief systems diversely prevailing in the environment (DiMaggio & Powel, 2005) because institutional isomorphism, both structural and procedural, will earn the organization legitimacy which increases organizational homogeneity to ensure survival. After the legitimate phase however; the organization faces increasing competitive pressures forcing them to adopt idiosyncratic strategies, which drives them towards more heterogeneity. Institutionalization of diversity was identified as one of the strategic responses to organizational performance.

Critics of institutional theory suggest that the proponents of this theory have failed to show how institutional structure can be translated into action to make it a 'social' structure (Aldrich, Howard, Fiol & Marlene, 2006). According to Stryker and Robin (2007) institutional theorists perceive access to symbol systems only through the flow of behavior but precisely overlooks social action'. The structure may establish schemes, rules, norms and routines as authoritative guidelines but may not necessarily translate into social behavior. This implies that such structures fundamentally lack normative and cognitive legitimacy and as such are not at any time real signals of underlying intention.

Within social and organizational psychology and other social sciences, the concept of identity is now widely embraced in institutions. Two theories that are increasingly being applied to help make sense of group and institutional identification are Social Identity Theory and Self-Categorization Theory (Tajfel & Turner, 2004). These theories jointly referred to as the social identity perspective; recognize that people's individual characteristics and their group memberships play a significant role in institution's diversity management by shaping employees attitudes, values, beliefs, and behaviour. Given the above focus, interest in these theories mirrors the growing

popularity of institutions capitalizing on diverse group-based management techniques to boost organizational change.

Sedikides and Marilyn (2001) criticised the two theories due to their cognitive and perceptual focus, and a consequent neglect of motivational and effective processes. Secondly constructionist themes that recognise individual and collective activity around defining identities and bringing them to life are also relatively neglected. The other criticism is the danger of reifying social categories and thus self-categorizations. Even though social categories are seen as radically tied to context and comparison, there seems little room for the agents for the agents (individuals and groups) in determining categorizations that appear to predefine comparisons (Spears, 2001). The above theories informed the choice of research hypothesis number four which sought to find out whether institutionalization of diversity management practices influences organizational performance.

### **Senior Management Accountability on Diversity**

The senior management ensures that success of diversity initiatives is achieved by making leaders to be responsible for diversity related activities. Accountability helps to ensure that everyone is on board and actively engaged in the diversity process. Without the senior management commitment and accountability on diversity, the struggle for a balanced diverse workforce will be in futile (Considine, 2002). The notion that the diverse characteristics of senior management, can influence the decisions made and practices adopted by an organization dates back to early Upper Echelon Theory. According to Peterson, Martorana, Smith, and Owens (2003) the theory holds that diverse managers' with assortments of characteristics enrich the decisions that they make resulting to influence of actions adopted by the organizations that they lead. This occurs because these diverse characteristics are associated with different cognitive bases, values, and perceptions that influence the decision making of managers.

Heterogeneity research in the organization has led to a vivid debate about the contribution of upper echelons theory in enhancement of the firm's strategic choices.

The conclusions drawn indicate that top management demographics have been identified as a major contributor of organizational performance. Critics of upper echelon theory premise that the use of assortment of characteristics which are also referred to as demographics to evaluate the potential of the top management team pose a challenge of reliability and easiness with which they can be measured (Carpenter & Sanders, 2004). The danger here is that one is not sure which aspect of the deep-level attribute is being captured or the appropriate combination of the demographics that capture a particular deep-level attribute. As a result, the mechanism through which these demographics influenced firm performance has been assumed and remained largely unexplored (Judge & Bono, 2000).

According to Nishii, Gotte, and Raver (2007) top management team demographics as identified in the theory may not be necessarily under the control of the chief executive officer and practitioners or are less amenable to manipulation by them. Thus, it is always difficult to effect changes relying on demographics based evidence without introducing another form of unanticipated variable. Consequently Peterson, Martorana, Smith, and Owens (2003) suggested that the focus should shift from the current interest in demographics into studying the factors that the demographics are construed to proxy. Such salient factors could include judgment, psychographics, and power distribution within the top management teams.

In leadership roles, accountability which is described as duty or obligation is the normative ethical position that judges the morality of an action based on the actions adherence rule or rules (Waller, 2005). Ethical Theories and principals are the foundations of ethics analysis because they are the view points from which guidance can be obtained along the pathway of accountability. According to Penslar (2001), one of the Ethical Theories which strongly support the subject of accountability is Deontological Theory which states that people should adhere to their obligations and duties in all inclusive environments. According to Horwitz (2005) managers have a duty and responsibility of ensuring that employees are fairly treated irrespective of their background and this is what is considered ethically correct for them. A manager

who follows this theory will produce non biased results since they will be based on individuals' accountability (Elischer, 2008).

Waller (2005) points out that one of the drawbacks of deontological theory is to put too much trust in authorities when it comes to following the rules. These moral absolutes may demean the subject's ability to make decisions thus undermining equity in the workplace. Waller advanced the view that deontological moral systems are, in fact, consequentialist moral systems in disguise. According to this argument, duties and obligations which set forth in deontological systems are actually those actions which have been demonstrated over long periods of time to have the best consequences. Eventually, they become enshrined in custom and law and people stop giving them or their consequences much thought as they are simply assumed to be correct.

Another criticism on deontological ethical theories is the question of just which duties qualify as those which we should all follow, regardless of the consequences. Duties which might have been valid long time ago are not necessarily valid now, but nobody to say which ones should be abandoned and which are still valid (Elischer, 2008). The above theories informed the choice of research hypothesis number five which sought to find out whether senior management accountability has a moderating effect on the relationship between human resource management practices and organizational performance.

### **2.2.2. Conceptual Framework.**

A conceptual framework is a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Reichel & Ramey, 2009). The framework is a useful tool which acts as a platform for research and subsequently helps researchers to interpret findings and develop awareness and understanding of the situation under investigation. Such a framework should be a starting point for reflection about research and its context. A conceptual framework consists of both independent and depended variables, with the independent variable presumed to occasion or cause the changes in the dependent variable. The researcher



seeks to explain the dependent variable, also referred to as the criterion or predictor variable (Kothari, 2004).

The propositions used in this framework seek to summarize and offer explanations and indications for empirical observations. This section of the literature review also provides the framework for the research and identifies the areas of knowledge that the study is intended to expand (Catherine & Gretchen, 2002). The conceptual framework in the study involved four independent variables namely; diversity recruitment, diversity training, diversity retention, and institutionalization of diversity. The dependent variable in this case is performance, whose change, with regard to changes in the independent variables being moderated by senior management accountability was the subject of investigation in the study. The framework illustrates that changes on the part of the independent variables, moderated by senior management accountability, will be reflected in increased or decreased performance in non-commercial government agencies in Kenya. This discussed relationship is diagrammatically represented below.

## Independent Variable

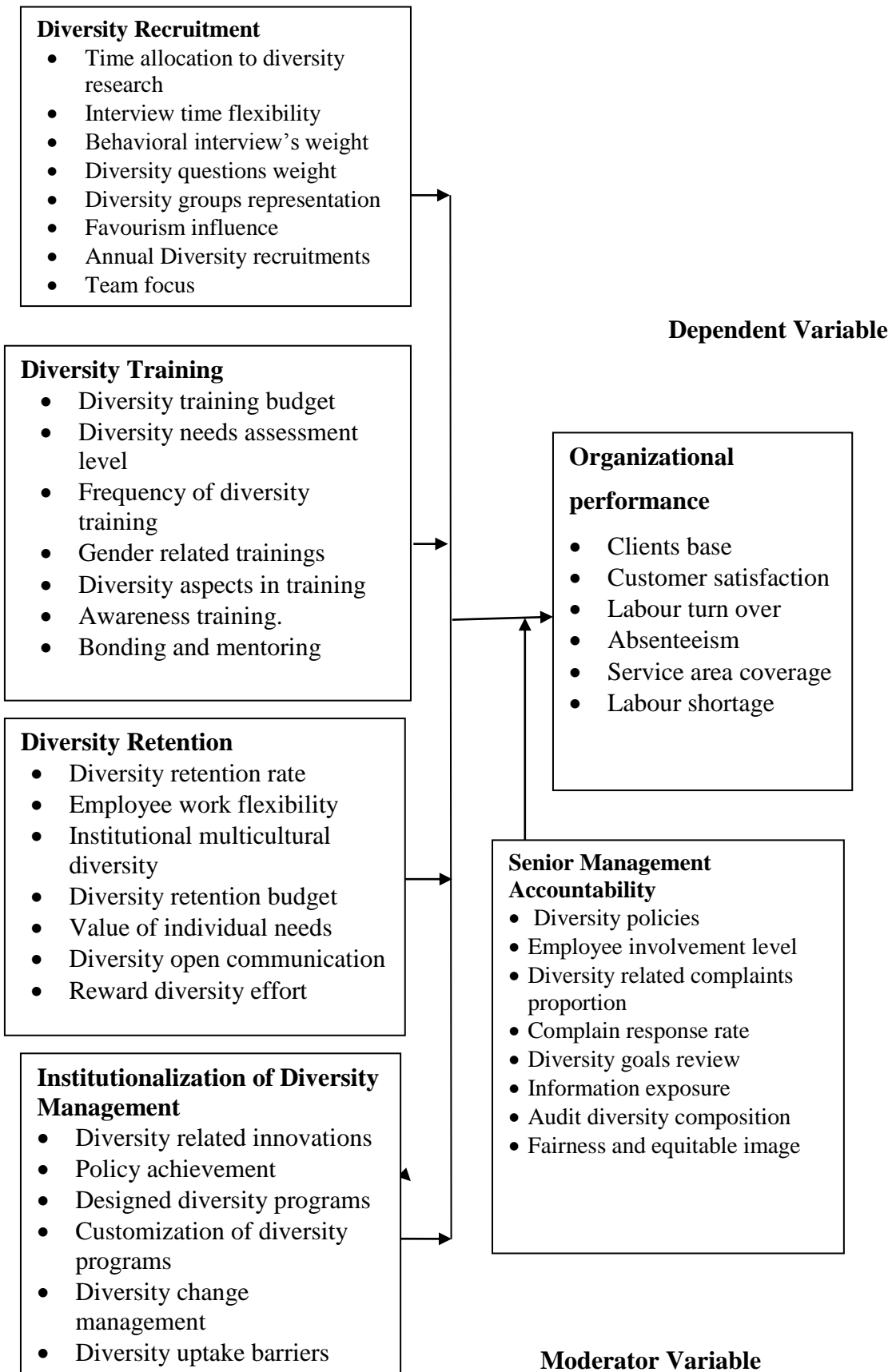


Figure 2.1: Conceptual Framework

## **General Review of Conceptual Framework Components**

The field of workforce diversity management lacks scholarly focus on particular diversity practices aimed at producing organizational desired optimum results (Coats, Goodwin & Bangs, 2000; Luring & Ross, 2004; Pits, 2006). Two core resources for workplace diversity practices are Aronson's article on managing the diversity revolution (Aronson, 2002) and U.S. Government Accountability Office (2005) report on diversity management in expert-identified leading practices. These two schools of thought and works complement each other. The U.S. Government Accountability Office nine leading diversity management practices are: top leadership commitment which involves a vision of diversity demonstrated and communicated through out organizations by top-level management; diversity as part of an organization's strategic plan which establishes a diversity strategy and plan that are developed and aligned with the organization's strategic plan; diversity linked to performance undertaking the understanding that a more diverse and inclusive work environment can yield greater productivity and help improve individual and organizational performance measurement.

According to Basset-Jones (2005) workforce diversity performance establishes a set of quantitative and qualitative measures of the impact of various aspects of an overall diversity program; accountability which involves the means to ensure that the leaders are responsible for diversity by linking their performance assessment and compensation to the progress of the diversity initiatives; succession planning which is an ongoing strategic process for identifying and developing a diverse pool of talent for an organization's potential future leaders; recruitment process involving attraction and supply of qualified diverse applicants for employment; and diversity training which involves organizational efforts to inform and educate management and staff about diversity's benefits to the organization (Elischer, 2008).

Aronson's analysis presents top level diversity management practices as observed by Morgan (2010) as follows: commitment from the senior management with a focus on communication and demonstration of diversity initiatives; bring people on board and

utilize employee involvement which is critical in building workplace diversity success; diversity audit which entails assisting the organization to assess where it stands in managing its diverse workforce; organizations development of a strategic plan to promote diversity, this involves five critical elements:- analysis of the business case identifying diversity's advantage(s) for the organization, institutionalization of diversity initiatives, clear defined goals tied to the gaps from diversity audit, diversity metrics to track progress towards the goals, and accountability metrics which hold managers responsible for meeting diversity goals (Johnson, 2003).

Society of Human Resource Management (2004) compiled several the following diversity management practices: Recruiting members of underrepresented groups which involves targeted recruiting (e.g. churches, community centres, diversity fairs and professional organizations) and recruiting messages (positive messages touting the image of the organization, inclusiveness of the organization and issues important to minority applicant); selection which involves fair and equitable procedures with person – organization fit programs accompanied by new hire orientation; training and development with a strong support from top management enriched with complementary HRM practices and customized to the organization focusing on discrimination discussions, focus on individual behaviour rather than attitudes, impact on norms, values and rewards of the organizational culture.

According to Hepple, (2010), diversity training should also be involved because it alleviates the isolation faced by discriminated groups in the organization: retention which involves positive climate for diversity and job satisfaction; partnerships which requires sharing of resources both financial and human resources; affinity groups which entails employees from underrepresented groups finding common interests in employee resource groups in terms of groundwork for networking and feedback; accountability for diversity with the strongest influence upon the effectiveness of diversity techniques and responsibility for diversity change through diversity managers and committees, and diversity institutionalization; leadership which must buy-in to the concept of diversity and show commitment to enhancing diversity.

Executive coaching should be used to develop a confidential relationship that may accommodate the exploration of sensitive areas in diversity management; and feedback where managers can be focused upon diversity, if they be assessed in their performance evaluations on their success with diversity (Konrad, 2003). Elischer (2008) observes that exit surveys and interviews should be conducted to capture the respondents' frankness and honesty about organizational diversity practices.

Diversity management programs should show real statistical increases in terms of recruitment, applications, hiring, retention, training, and promotion of employees from diverse backgrounds. In terms of qualitative measures, employee climate surveys with questions about perceptions of diversity, welcomeness, trust, and fairness should show improvements over a baseline. Employee focus groups should show the same improvement Soltani (2005). On a more psychological level, various social distancing scales should show decreased social distance and prejudiced thinking.

This is perhaps not the place to go into any detail about performance measurement in general, but suffice it to say a little that outcomes (results) and outputs (widgets you make) are two different things; and performance should generally be measured by social equity and opportunity, quantity, quality, timeliness, cost, effectiveness, efficiency, return on investment, and customer service (Muchinsky, 2012). To determine how well diversity management is doing, individual employees and the organisation as a whole need to be evaluated. This evaluation is not separate from the performance appraisal for an individual employees and general organisational performance (Muchinsky, 2006). A successfully managed diverse workforce will register organisational performance in areas such as increased output in terms of profits, customer satisfaction and high level customer satisfaction resulting to increase customer base, business expansion, and low hiring costs (Sudarsan, 2009).

### **Diversity Recruitment**

In today's global economy, buying power rests in the hands of people from all walks of life. To appeal to this large customer base, companies need to hire people from all

walks of life. Competition for the best talent requires organizations to reach out and embrace an increasingly diverse labor pool (Joshi, 2002). By empowering a diverse workforce, companies can tap into their specialized insights and knowledge about the market place. This is why it is becoming increasingly important for a company's labor makeup to reflect the makeup of their diverse customer base (Basset-Jones, 2005).

According to Elischer (2008) a successful diversity recruitment campaign starts with clear diversity goals which are tailored to the needs of the organization and its core values and priorities. The senior top management should allocate enough budget for job the recruitment exercise. The recruiting team should ensure job advertisements using all the available communication media to reach the diverse potential applicants. The senior management must show commitment to the vision to provide the organization with diverse pool of recruits. Kirton and Greene (2010) assert that organizations should allocate over 75% of time to research on diversity dynamics, market workforce trends to diagnose and improve their existing diversity recruitment campaign. This will help the recruiters to identify candidate demographics and identify job selection criteria. Understand research help an organization to understand "who" it is trying to sell to, and their basic demographics and also identify what these candidates expect in a job through the use of surveys and focus groups.

According to Dimaggio and Powel (2005), diversity recruitment entails hiring candidates who fit in with the organizations values on inclusiveness. Organizations should adopt recruitment policies which are consistent with the guidelines on fair employment practices. To build a harmonious workplace, organizations need to recruit candidates who are able to work with or lead diverse teams. Dobbs (2003) study on managing diversity in three companies and a city government in America identified diverse recruiting team as a key player in managing employee diversity aspects such as gender, disabled, religion, ethnicity or race and any other known diversity. The research findings mirror the best diversity practices emanating from

heterogeneous recruiting teams whose diversity approach reflects their diversity composition.

In 2009, the Bank of America created a diverse executive recruiting team, which actively identified prospective executives from a diverse recruiting environment and connects talent to leaders. This approach gave the organization business advantage of understanding and meeting the needs of diverse customers, clients and communities. The company's recruiting team dispenses its duties without external or internal influence. The organization ensures that diversity and inclusion is central to the company's core values, and won recognition widely for progressive workplace diversity practices and initiatives where all employees can grow and succeed. The Bank of America as of now is among the top companies in every facet of financial services, including; leading retail bank, serving one in two households, leading wealth management and global investment banking platforms and serving clients through operations in more than 40 countries.

According to Luring and Ross (2004) people in recruitment panels should have a good understanding of diversity issues and good practice in fair and equitable employment. The recruitment team should have representation from under-represented groups and use diversity experts to ensure interview questions address diversity issues. The interviews should be over 60% flexible in terms of time of day, location, nature of questions and interaction so as to make the candidates feel that the organization is really interested in them. This will avoid the 'take it or leave it' sense conveyed by a fixed arrangement. Access issues will be particularly important to disabled people. The interview questions should not be solely calibrated against a certain group(s) norms as this could adversely affect the chances of candidates from such cultural backgrounds (Dubnick, 2007).

Thomas (2003) added ability to make fair employment decisions and provide equitable opportunities; ability to adapt working styles and make work arrangements to cater for the needs of different groups of employees; ability to understand oneself and the impact that one's perceptions and attitudes have on others (self-awareness);

awareness of different generations/cultures, styles and values, the ability to understand differences in teams and help them feel valued. Build into the recruitment process a means of assessing candidates on these values/competencies. The common used measure in diversity recruitment include behavioral interview. This job interviewing technique focuses on discovering how an applicant acted in specific employment-related situations to predict a future behavior. Such interviews would determine if employees past performance in a diverse workplace would predict the future performance in a diverse workplace (Elischer, 2008).

Dubnick (2007) argued interviewers should be trained so as to effectively administer interview questions, sample recruitment interview questions addressing various diversity issues may help to prepare the interviewers; Diversity related questions such as culture sharing, working relationships with diverse employees, adaptation in a diverse work environment, communication styles to work with diverse teams, and solving diversity conflicts should consume more than a third of the interview time to make diversity recruitment a success (Polzer, Milton & Swan, 2002).

### **Diversity Training**

Diversity training is a course of instruction aimed at increasing the participants' diverse awareness, knowledge, and skills in order to benefit an organization by protecting against civil rights violations, by increasing the inclusion of different identity groups, and by promoting better teamwork (Chrobot-Mason, 2004). It is founded on the principles of integrity, respect, dignity, openness, humility, acknowledgement of bias and prejudice, and inclusion. Diversity training process like any other training starts by assessing organizations' readiness for the uptake of the program. The organization should seek to build proper level of management support. The upper-level management should be involved in the planning process because they can make valuable contributions and their support is essential. There is need for the managers to know what diversity is and its specific benefits to the organization.



Polzer, Milton, and Swan (2002) argue that a successful diversity training program requires commitment of time, energy, and resources. Diversity training budget allocation should be 40% or more of the whole training budget to elicit staff enthusiasm on realistic expectations for diversity. The management should develop a training environment that encourages employees to openly discuss diversity issues and see it as a long-term process of change. Assessing needs for diversity training should be more frequent in the organisation probably quarterly or semi-annually aim at promoting productivity and improving working conditions. If diversity training needs assessment is done based on unexamined assumptions, it may address problems that do not exist and thus fail to identify diversity related issues (Kocham, Bezrukova, Ely, Jackson, Joshi & Jehn, 2003).

Diversity training ensures that skills and perspectives are improved to enhance task performance. It is a distinct set of programs aimed at facilitating positive intergroup interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse workers and customers (Pendry, Driscoll & Field, 2007). This type of training is typically based on various adult learning models of teaching and can be conducted either as a one-time initiative or as part of broader organizational development efforts (Bendict, Egan & Lofhjelm, 2001). The programs in diversity training include; affirmative action, multicultural training (appreciate other customers), generation disparity, bonding, increasing awareness about diversity issues, reducing biases, changing behaviour to effectively manage diverse workforce and customer base. These trainings should continuously be initiated for close monitoring of diversity climate in the work place. Field suggests not less than three trainings a year. Another aspect in the program is the diversity skills training for managers, supervisors and employees, as well as diversity orientation training for the board of directors.

Diversity training differs from the other types of training (e.g. job skills training) because it often aims at changing entrenched attitudes and behaviors and the topics covered in training can use emotional and political overtones (Pendry, Driscoil & Field, 2007). Chrobot-Mason (2004) identified two types of diversity training;

awareness training and skill-building training. Awareness training focuses on promoting participant's self-awareness and diversity related issues such as stereotyping and insensitivity to differences. Skill building training educates employees on monitoring one's own actions and appropriate responses to specific differences in the workplace.

Gender training as proposed by Balogun (2008) was among the first learning models used to manage diversity in the work place. It is a practical tool for analyzing gender differentiation and provide adequate knowledge regarding major factors that influence and are responsible for maintaining or changing the structure of gender differentiation. It is also a development intervention which aims to change awareness, knowledge, skill and behavior in relation to gender. It concerns with developing skills, capacity to translate such awareness into very specific tools that can be used into practice. According to Konrad (2003) gender training should be more frequent than any other aspect diversity training. This may assume short training programs weekly or monthly. Such trainings should be seen as methodology of consciousness rising and empowerment of employees, individually or collectively, as a way of making service delivery more gender sensitive to effect institutional changes. The main aim of gender training is sensitization or awareness-raising, skill transfer in gender analysis and diagnosis, the translation of skills into planning practices, and motivational factors.

Pelled, Eisenhardt and Xin (1999) identified team training as an active ingredient in diversity management. Capitalizing on the strengths that individual members bring to the team requires knowledge and understanding of the unique contribution each member can make to the group. Facilitating the acquisition of interpersonal knowledge through training building efforts can accelerate the team's ability to draw upon and utilize the diverse skills. Team training encourages group members to share information about their unique background skills, and experiences will help teams develop a deeper understanding of the resources available to team. Chrobot-Mason (2004) argued that training on task-relevant abilities and characteristics fosters 'interpersonal congruence' among team members.

According to Joshi (2002) evidence in the industrial world suggests that effective mentoring relationships supports diversity initiatives and improves communication and knowledge transfer within an organization. Formal mentoring programs are utilized as one of the key training programs where mentors are used to help assimilated new employees into organizational culture. Mentoring process entails the tracking, monitoring of candidates from underrepresented groups which may be positioned for senior assignments. These employees are educated through an innovative development program, which culminates with an advanced diversity skills. Facilitating the acquisition of interpersonal knowledge through team-building efforts accelerates the team's ability to draw upon diverse skills (Pelled, Eisenhardt & Xin, 1999).

Team-building effort that encourages group members to share information about unique backgrounds, skills and experiences will help teams develop a deeper understanding of the sources available to the team. Sharing information about task-relevant abilities and characteristics may also foster 'interpersonal congruence' among team members (Kocham, Bezrukova, Ely, Jackson, Joshi & Jehn, 2003). Diversity training in the organization should be treated with the same seriousness as any other business activity. Recurring monthly diversity training should be mandatory for all employees, and business unit managers held accountable for timely attendance by both management and non-management employees (Pelled, Eisenhardt & Xin, 1999). Diversity training should be integrated into training that focuses on other skills or knowledge. Diversity management training is incorporated into all leadership training programs, establishing ties between diversity management and leadership, total quality management, human relations and work/life issues (Polzer, Milton & Swan, 2002).

### **Diversity Retention**

Many organizations spend time, effort, and money on recruiting a diverse workforce, few however develop sophisticated diversity retention strategies that build on their recruiting efforts (Ryan, 2006). Diversity retention is a major tool for effecting

lasting changes in the workplace and is always checked with the level of diversity retention rate which should not exceed 10% (Kezar & Eckel, 2005). Meeting the diversity challenges for retention of a diverse workforce can be difficult because of systemic obstacles such as lack of cultural knowledge, resistance to change, and acknowledged and unacknowledged intolerance.

Johnson (2003) proposed the following to overcome diversity retention challenges: Develop the cultural awareness and competence necessary to establish an institutional multicultural perspective; set aside retention budget from the motivational budget, develop incentives to encourage all employees to participate in diversity programs and events: Enrich employee orientation programs with diversity content; Establish institutional diversity perspective; Establish positive professional learning and working environments that value and support diversity as a means to meet individual and collective needs; Consider work flexibility to accommodate female employees and youth; Communicate diversity issues expectations openly and provide needed resources to accomplish the diversity objectives; institute multicultural perspectives by allowing diverse employees to participate in diversity activities employees; Reward diversity efforts and initiatives as a way that encourage innovation and participation as well as validates the institutional importance of these efforts. Regularly review all orientation programs to update and include diversity content.

A research conducted by Koppel (2005) revealed that in an effort to step up retention of the diverse workforce in the workplace, Siemens increased the proportion of women and minority group's managers to 12 or 13%. The Company also made commitment to increase the percentage of diversity retention budget from 19% to 23% as part of diversity management strategy. This move was found vital to arouse the interest and enthusiasm in the company at an early stage and appropriately influenced the choice of career and also made the disadvantaged group to stay longer in the organization. This effort translated into 25% increase of organizations output. Siemens currently offers around 1,100 childcare spaces and holds a leading position among German corporations in this respect. Further elements in the work-life

balance are, for example, flexible working hour models, working from home, vacation childcare, an online family service, and a package of measures to support employees looking after family members in need of care.

### **Institutionalization of Diversity Management**

Human resource directors face a serious challenge in institutionalizing and developing organizational diversity (Zane, 2002). Meeting this challenge takes top management commitment, the skilled training and breadth of organizational knowledge HR possesses, and shared understanding that managing diversity is not a problem to be solved but an ongoing and lengthy process (Bassett-Jones, 2005). Organisations should establish structures to sustain people's willingness to work together when they do not share values, experiences, culture, gender, religion, ability and even ways of interpreting meaning and solving problems (Zane, 2002). Diversity researchers have documented two reasons why institutionalizing diversity in the workplace is difficult (Moore, 1999; Basset- Jones, 2005). First, human beings prefer working in homogeneous groups. Secondly Human beings, and the organizations they are part of, generally avoid and resist change. Successful diversity uptake requires HR managers to possess skills in leadership, organizational development, change management, psychology, communication, measurement, and assessment. For organizations to profit from diversity low minimal levels of diversity discrimination should be maintained and consider maximising implementation of diversity related programs.

Makower (2001) posit that successful diversity is build out of the often small actions taken by people at all levels of an organization. Organizations may start diversity initiatives motivated by laws and regulations but in the end of it, not habits of compliance will seek to change it, but the habits of the heart. As Aronson (2002) argues, no firm can rely simply on changing the hearts and minds of its employees. It must develop a broad range of policies and practices to help ensure that today's workplace works for everyone. Real statistics of the achievement levels of diversity policies and practices should be established to gauge organisations diversity

management status. Al-Lamki (2002) proposed the following strategies adopted to enable an organization to embrace diversity in the workplace: to improve corporate culture, organizations need to include diversity as a cultural value in its members. This can be achieved through unleashing innovation in terms of creativity and performance; increasing employee morale by embracing functional diversity culture; giving new employees the opportunity to work in areas where they can be expected to advance; and improving relationships with clients by utilizing customized diversity programs.

The most prevalent barriers for accepting workforce diversity as identified by Johnson (2003) include discrimination, prejudice, harassment, blaming, stereotypes, backlash, and ethnocentrism. According to Knippenberg de Dreu, and Horman (2004) organizations should design and implement customized diversity programs that more precisely target the needs of individual employees, specific departments, or the organization as a whole. Organizations should design and support organizational culture that maximizes the benefit of diversity, and use that culture to manage various groups of organizational members, project teams, business start-up teams, customer service response teams, and top management. Discrimination being the most frequently encountered barrier for uptake of workplace diversity should be tackled by treating employees and applicants for employment fairly in their employment and advancement, based on their abilities, and not based on arbitrary characteristics of colour, religion, national origin, gender, age, or physical handicap (Kirton & Greene, 2006).

### **Senior Management Accountability**

According to Richard (2000) the current economic and social situation is a challenge to business. Factors such as globalization, migration, demographic trends, changing value systems, education level and competency, and changing roles and responsibilities have led to the conclusion that the welfare of an organization will become even more diverse and business clientele will become more heterogeneous and more demanding and this calls for accountable and focused top leadership.

Dubnick (2007) proposed that accountability conveys an image of transparency and holds the premises of fair and equitable recruitment for diverse workforce. Being accountable is seen as a virtue (positive feature of managers), a substantive norms of the behaviour of actors (managers). Considine (2002) an Australian scholar, squares accountability with responsibility and responsiveness. Considine pointed out that senior management accountability will navigate the proper use authority to range freely across a multi relationship terrain in search of the most advantageous path to organizational success.

Koppel (2005) distinguishes no less than five different dimensions of accountability namely transparency, liability, controllability, responsibility, and responsiveness. According to Blagescu, De Las Casas and Lloyd (2005) accountability is about the senior management engaging with, and being responsive to employees; taking into consideration their diverse needs and views and expansively involving them in decision making. Being accountable is about being open to employees, engaging with them in an ongoing dialogue exposing much of the diversity related information. Accountability can provide ownership of decisions and projects and enhance sustainability of activities. Ultimately it provides pathway to better performance. Lloyd, Oatham and Hammer (2007) operationalized the concept of diversity management accountability by identifying four core dimensions: transparency, participation, evaluation, and complaint and response mechanisms.

Transparency requires the provision of accessible and timely information about diversity to employees and opening up of organizational procedures, structures and processes to their assessments. Participation requires the active engagement of employees in decisions and activities that affect them (Schop, 2007). Evaluation requires that the senior management frequently monitors and reviews its progress against diversity goals and objectives and report the results of the process. Complaint and response mechanisms require channels developed by management that enable employees to file diversity complaints and ensure that the complaints are properly reviewed and acted upon as soon as they arise. Managers have countless opportunities to integrate beneficial aspects of diversity into day-to-day decision

making and to introduce these aspects in setting their business objectives. When fairly and competently applied, the integration of social diversity in a company results in a greater innovation potential, satisfied customers and greater financial performance (Aucoin & Heintzman, 2000).

A key element of any successful organizational intervention is senior management commitment to the diversity because organizational barriers to diversity are often systematic, subtle, and deeply ingrained in the organization. Diversity barriers could include insufficient budget allocation for diversity management, time allocation to diversity activities, and lack of goodwill from the top management. Therefore leveraging diversity for the benefit of the organization requires ongoing and consistent leadership. The top leadership should own the diversity strategy and hold managers accountable for leveraging diversity (Lyness, 2002). Holding managers accountable for addressing barriers to building a workforce that mirrors the demographic make-up of the available internal and external labor markets represents a common strategy used to build commitment (Konrad, 2003). Diversity interventions mean change for the organization, and visible active and ongoing senior management involvement and commitment are critical to the change effort.

Wiersema and Bantel (2006) suggested that the top management should incorporate diversity into its mission statements and often articulate an explicit definition of equal opportunity. The diversity management objectives should be explicitly defined in the business strategy. The strategic goal is to be met through a group-wide development and implementation of diversity management and promotion of life domain balance. Without conscientious recognition of the goals of diversity management it is entirely possible that when an open position is to be filled, managers still have a tendency to fall back on their old habits of choosing an employee of their own choice (Ancona & Cardwell, 2004). Diversity task is a leadership task that cannot be delegated. It is the manager who decides about a job, a promotion, a pay raise, an opportunity for further training or education, or new customer project.



Massey (2009) pointed out that the top leadership should champion diversity by infusing it into all organizational processes and ensuring that diversity is integrated into the core values of the organization. The best class leaders frequently audit their workforce to determine diversity status in their organisation. Carlozzi (2003) stated that diversity vision, mission and strategic direction needs to be conveyed by leaders clearly, concisely, and repeatedly to enhance awareness, promote dialogue, and remove diversity barriers. This is facilitated by effective communication which should be multidirectional within and across departments spreading the diversity message in policy statements, newsletters, meetings, speeches, training programs, websites and intranets. The top management should support, reorganize and appreciate the dedicated staff that promotes and oversees the infusion of diversity in business. The top leadership should design activities that promote and foster diversity throughout the organization such as minority and women-owned welfares, equal representation in committees and boards.

According to Carlozzi leaders accountability for diversity training initiatives advances the organisations diversity knowledge bank which corresponds to creativity and innovativeness. Responsible leaders who embrace and own diversity training process and frequently evaluate the progress and the impact such programs on job performance realises over 75% of the overall organisational performance. Poor diversity management adversely affects managers' ability to manage. One component for evaluating management performance is the ability to manage a diverse group of employees (Zane, 2002). Performance oriented managers establish diversity training assessment team to guide and oversee diversity training need assessment, and ensure the level of accountability necessary in order to achieve desired results. These team meet monthly to discuss diversity training progress and challenges.

Holding managers accountable for addressing barriers to building a workforce that mirrors the demographic makeup of the available internal and external labour market represents one of their common strategy used to build commitment (Lyness, 2002). Diversity interruption according to Brickson (2001) means change for the

organization, and visible, active and ongoing senior management involvement and commitment are aviation to the change. One of the key success factors of a committed top leadership is that its composition should have diverse leaders. Leaders shape organizational decision making, and diverse leaders are able to respond better to organizations increasingly diverse markets interims of strategy, product development, and service (Gandz, 2001). Ng (2008) argued that policies are limited in promoting workplace diversity if they do not have support from the CEO. Diverse leadership offers role models for diverse employees. Role models play a significant role in promoting the advancement of under-represented groups. Therefore, diverse leadership plays a significant role in shaping the aspirations of employees.

According to Ely and Thomas (2001) a well-managed diversity program is where diversity review and performance goals are conducted quarterly or to the worst semi-annually. A progressive report on goals and diversity initiatives is presented and discussed exhaustively to create a more balanced and inclusive workforce. The sharing of accomplishments and challenges is viewed as strengthening the commitment to diversity. Leaders need to identify diversity status and whether it reflects the community it serves.

### **2.2.3. Empirical Studies**

#### **Diversity Recruitment**

Happle (2010) conducted a study in Swiss pharmaceutical company entitled diversity management and organization's cultural change. The main objective of the study was to investigate the diversity practices factors leading to organizational performance. One of the key findings was that 60 % of the organizations increased output was linked to managers' effort to consider diversity in recruitment. The study concluded that advancing diversity goals through inclusion of diversity in recruitment was a key tool in managing organizations culture. This was enhanced by recruiting and selecting managers who have an open attitude towards diversity and can act as role models.

Research by Goodman, Fields, and Blum (2003), entitled focusing on diversity recruitment challenges and whose objective was to evaluate minority position in the workplace and organizational performance. The study came up with the findings that recruitment boards having not less than a third of minority representation with special focus talent pools, special skills and individual performance increased performance by ten percent. The conclusion was that overcoming imbalances in recruitment panels gives an organization a balanced diverse workforce for better performance.

Allen, Dawson, Wheatley and White (2004) conducted a survey of 396 employees from twenty performing public departments in Australia. The main objective of the study was to examine diversity response from the recruitment process. Ninety-three per cent of the respondents reported a zero-tolerance level of workplace discrimination in recruitment. The study concluded that fair treatment of employees during recruitment elicits their more to work and this impacts on organizational performance positively. Empirical evidence suggests that many employees and managers regard diversity management as being equal to having an equal opportunity for any person to enter the organization. Many world class organizations have been effective in hiring diverse workforce to mirror the increasingly diverse markets and win over new customers (Ted, 2005).

### **Diversity Training**

A research conducted by Mavinga (2009) entitled diversity for performance in UK whose objective was to investigate the impact of experiential diversity training on organisational performance exposed a series of workshops on diversity training with trained councillors and encouraged them to voice their concerns. These workshops resulted in a mixture of response from respondents which included willingness to participate, compliance, resistance, curiosity, fear, denial and anger. The outcome for participants in relation to their clinical practice appeared to be; gained awareness of personal identities and cultural oppressions, and overcome fears of having a

dialogue about diversity issues. These challenges had lightened opportunities for working with diverse elements.

The study findings of the above study strongly appear to demonstrate that the experiential diversity training the respondents received had a positive impact on organisational performance, and in relation to increasing their confidence in offering effective service to diverse clients. The training had the effect of increasing self-awareness regarding difference and diversity, demonstrate a clearer understanding of what human diversity actually means and its effect on practice and finally it opened-up individuals within the training group to discussion and more honest intra and interpersonal communication on human difference. A study by Dobbin and Kaler (2007) entitled diversity and organizational management whose aim was to evaluate the effects of diversity training on organizational performance across various federal government agencies in US sampled 802 private sector firms in US. Their findings indicated that there was a positive correlation between diversity training and organizational performance. The study concluded that diversity training impacts on employees' perception of success from their diversity training efforts resulting to increased organizational performance.

Another study was carried out by Kossek, Lobel, and Brown (2005) on diversity training and management in commercial organisations in South Africa. The objective of the study was to evaluate the influence of femininity managerial training on organisational performance. The monitor sample involved 137 leading South African commercial Organisations with a population of 837,331 employees where 40% of the organisations had senior women managers. The first round of training targeted both male and female managers and then women managers were more exposed to gender sensitization and position of a woman in management. The organisations were subjected into two years performance evaluation monitoring. The 40% organisations with senior women managers had a higher performance index. The study concluded that employee training with preference to women and minority had direct influence on organisational performance.

Roberson, Kulik, and Pepper (2003) studied attitude and change in diversity training in the Dutch banking sector. The sector has employed a relatively higher percentage of ethnic minorities (16%) than other sectors to attract ethnic minority customers. The study interviewed 150 ethnic minority employees who underwent a rigorous diversity awareness training aimed at integrating the diverse group members with the diverse clients. The study found out that 75% of trainees who took diversity training, left the training with positive diversity attitudes, while only 9% of trainees actually entered with favorable attitudes. Sixty eight per cent of employees were skeptical prior to training, whereas only 7% reported skepticism after training. The study concluded that awareness training builds a common understanding of the value of diversity, assisting in building social cohesion so that it improves individual and organizational outcomes. Companies should clarify diversity training objectives and systematically conduct a training needs assessment to know whether the training program seeks to raise diversity awareness (Alleyne, 2005).

### **Diversity Retention**

The proportion of ethnic minorities at LIS libraries was 11.3% (US Dept of Ed, 2005) which was significantly lower than the proportion of ethnic minorities in the US population whose estimate was 31.3% (US Census Bureau, 2003). The gap was further widening as under-representation of ethnic minorities continued to be observed over years. The management intervened by introducing diversity retention programs, an effort which was noted to narrow the existing gap. This prompted a study by Kyung-Sun Kim (2006) to investigate the efforts made by LIS schools to retain employees of colour, and the impact of this initiative to the institution performance.

The main objective of the above study was to identify effective retention strategies. The study came up with the following rated responses for retention strategies; Opportunities for career advancement (70%); Mentoring programs (60%); Opportunities for employees of colour to have flexible working hours (53); On-site care facilities (42%); Diversity affinity groups (40%); Partnership with ethnic

associations (28%); The study findings indicated that the strategies applied for diversity retention narrowed the gap between the minority and the rest of the groups in the work place and this increased the institution performance. The study concluded that diversity retention programs could be used to resolve diversity related problems and this translated into increased organisational performance.

INSEE (Institute National de la Statistique et des Etudes Economique, 2002), studied promotion trends to determine the retention rate as an indicator of diversity perceptions between male France indigenous employees and France females and non-France minority employees in France manufacturing industries. Ten industries with approximately sixty percent of the total workforce were sampled with the unit of analysis as the human resource department. Secondary data obtained from those departments revealed that indigenous French men were promoted more than French women and minority employees and this increased women and minority labor turn over. The main reason cited for the turnover was unfairness in promotion which limited financial gains.

The study concluded that a company culture that values diversity makes employees feel more comfortable in their positions and subsequently open new opportunities for upward mobility. Additionally new applicants are attracted to companies that project diversity as an important value. In a study of minority executives in journalism, Rivas-Rodriguez, Subervi-Ve´lez, Bramlett-Solomon, and Heider (2004) examined the perceived value of promoting such minorities to executive positions. The objective of the research was to evaluate minority journalists' perceptions on the impact of minority executives. The study population was 113 out of which 26 employees were minority journalists who participated in the study. The respondents pointed out that minority journalists cited racial sensitivity on the part of minority managers and the ways in which minorities in the company were generally portrayed and viewed as areas where minority executives could have a positive influence on company culture, according to other minority journalists.

The study concluded that minority journalists, regardless of ethnicity, occupation, or years in the business, believe that having minorities in executive positions enriched their bonding with the organization and wished to stay longer in the organization and this influenced performance positively. According to McMahon (2011) employees in today's culture value diversity and remain with companies that emphasize value for the diverse workforce.

### **Institutionalization of Diversity Management**

A research conducted by Nieman (2006) entitled focus on diversity and performance in institutions examined how South African school principals addressed diversity needs to improve institutional performance. The study used scientific needs analysis instrument with special focus on diversity institutionalization conducted a diversity needs assessment found that allowing staff to participate in an early stage of strategy development increased sense of belongingness which resulted to increased performance. The researcher concluded that a working environment that is truly fulfilling for each person nurtures self-esteem and self-worth of each person and creates opportunities for all to mature into independence leads to better performance. This status builds strongly the culture of diversity related innovations.

Ngema (2002) research on "Why institutions fail in diversity glue" whose main objective was to examine the link between institutions and diversity management pointed out that diversity needs identification also contributed to the identification of prevailing stereotyping, bias, prejudice and assumptions. As all staff participate, different perspectives will emerge, and a climate of openness and co-operation be established. Empowering the staff to cope with diversity through organizing workshops to allow staff to participate in group discussions with diverse representative was found to increase cohesiveness and freedom to participate.

Dexter (2010) study on conceptualizing diversity context: an organizational perspective randomly selected 110 firms from the list of 360 Fortune 500 firms that met the selection criteria of the best performing firms. The largest sector in the sample represented over 23% of the total, and is Consumer Discretionary. The main

objective of the study was to evaluate the impact of diversity policy implementation on organizational performance. Successful interview responses were obtained from 98 firms human resource managers.

The findings of the study revealed that there was a high level of agreement and presence of ready consensus among human resource managers on translating ethical principles into organizational performance. Diversity policies implementation was more an issue of actual practice than paper work. While companies remained conscious about equal opportunity, notably through legislative prerequisites, the firms placed diversity management beyond the minimal fulfillment of legal requirements. The study concluded that institutionalization of diversity called for implicit incorporation in the corporate culture, ethical leadership and open communication. Real diversity institutionalization is hinged on diversity policy achievement and customization of diversity programs which is key to organizational performance.

### **Senior Management Diversity Accountability**

The South African Department of Labour (2000) conducted a survey entitled responsive management on diversity management. The main objective was to evaluate management accountability on diversity management. The study found that an important success factor for diversity accountability in an organization is the commitment of top management which has placed a high priority on diversity retention in their objective setting. The survey concluded that the performing organizations have well established support structures on accountability to operationalize the management of employee retention such as diversity steering group (made of diverse individuals representing groups identified by the diversity audit), diversity project teams (utilizing project management principles), and mentors to assist and support employees.

Robbins, Odendaal and Roodt (2003) advanced the same study from the South African department of labour and came up with the findings that teambuilding as initiated by top management strengthened the support system, as team work was seen



to utilize high interaction group activities and increased trust and openness among staff members. The teams whose participants were divided into sub-teams or sub-groups which were more diverse performed far much better than homogeneous groups.

Kreitner and Kinicki (2001) conducted a survey on diversity and inclusion in Ford Motor Company which has over 100 plants in the United States, Brazil, Thailand, South Africa, and eighteen other countries. The study aimed at investigating the role of senior management in institutionalization of diversity towards managing the diverse workforce of over 350,000 people all over the world. The study was prompted by the fact that Ford has been one of the world leaders in workplace diversity and inclusion, which has since remained the key business strategy of the company. Ten percent of the total population was sampled for the study on the basis of different countries where the company has outlets. The study revealed that the senior management ensured diversity equality prevailed at every level of the company's operations, from the boardroom to the design studio. This was accompanied by fair and equitable wages and salaries across the diverse workforce determined from the head office. The top management was committed to the achievement of diversity targets by involving all the levels of employees in decision making. All the diversity related complaints are acted upon within a fortnight.

### **2.3. Critique**

Sidel (2006) study on faculty diversity recruitment in higher education in America suggested that proactive efforts to diversify the pool of minority and women faculty members was not bearing fruits due to lack of alignment of the practice with the corporate strategy. The discontent was that diversity was not synchronized with the other considerations during recruitment such as talent and experience. Mavingas (2009) study demonstrated that the experiential diversity training the respondents received in U.K had a positive impact on personal and professional development. However a study by Nkomo (2010) revealed that diversity training programs had suffered lack of support from the senior management despite the fact that was a

corporate arena. Kirton and Greene (2010) further assert that the overall organizational policies lack diversity training ingredients to address the issue of diversity management. It gives people a false sense of confidence since it doesn't cover every single situation thus putting team cohesion at jeopardy.

Waller (2005) observes that the diversity management progress and retention programs have been thwarted by the senior management due to lack of commitment to diversity management programs. They fail to cultivate a mindset that diversity requires a long-term cultural change. The leaders do not advocate diversity in their own ranks and strongly initiate diversity policies. The dynamics in workforce demographics has challenged the discipline of diversity management in modern organizations (Garcia & Tor, 2007). The employees needs have not been matched with the various workgroup categories thus being far from benefiting from diversity discourse. According to Kezar and Eckel (2005) organizations lack clear policies, rules and regulations or even laxity to practice and this affects the intake of diversity management practices. The institutionalization of diversity has not been strongly supported by the senior management thus a missing link with the organizational performance.

#### **2.4. Summary**

The theories reviewed directed the study to verify the assumptions made and this helped the hypotheses testing. The variable of diversity recruitment was explained by the human capital theory focusing on people possessing innate abilities, behaviour and personal energy which if brought to work would add value to the organisation. Such elements could include knowledge, skills and abilities of individuals that create organisational value. Therefore the core focus in the organisation has to be on the means of attracting, retaining and developing diverse human capital to enhance organisational performance. Library and Information Science (LIS) recruitment model also provided basis for inputs identification that impact on recruitment decisions. According to the model the need for diversity was necessitated by diverse client's expectations. Diversity recruitment should be tied to business with specific

objectives and measurements, develop techniques to attract and sell diversity, and target talents.

The basis diversity training was supported by reasoned action theory and theory of planned action which suggested that acquisition and understanding of behaviour change through training encourages employees to feel confident which forms the foundation of diversity inclusion in the organisation. The two theories have frequently been applied to predict the likelihood that through diversity training, individuals can change their entrenched attitudes and behaviours. Diversity retention was predicted by hierarchy of needs theory. It was proposed that managers should identify the diverse need level at which their employees are existing and then address them to increase the push for motivation. Institutionalization of diversity was guided by institutional theory whose focus was on the processes by which structures, including schemes, rules, norms, and routines become established as authoritative guidelines for social behaviour which in turn become driving force for inclusiveness.

The notion that the diverse characteristics of senior management can enhance accountability and influence decisions was proposed by upper echelon theory. The theory suggests that diverse managers' with assortments of characteristics enrich the decisions that they make resulting to higher accountability towards meeting the diverse needs of the workforce. Empirical studies discussed in the study to a great extent supported a positive relationship between human resource diversity management practices and organization. Happle (2010) study on Swiss pharmaceutical company study concluded that advancing diversity goals through inclusion of diversity in recruitment was a key tool in managing organizational performance culture.

Mavinga (2009) study on the impact of experiential diversity training on organisational performance demonstrated that the experiential diversity training employees received had a positive impact on organisational performance. LIS libraries study on diversity retention concluded that diversity retention programs could be used to resolve diversity related problems and this translated into increased

organisational performance. Nieman (2006) study on diversity and performance in institutions concluded that a working environment that is truly fulfilling for each person nurtures self-esteem and self-worth of each person and creates opportunities for all to mature into interdependence leading to better performance. This status builds strongly the culture of diversity related innovations. The South African department of labour (2000) survey on responsive management on diversity management survey drew the conclusion that the performing organizations have well established support structures on accountability to operationalize the management of employee retention.

The conceptual frame work presented the independent variables in this study as diversity recruitment, diversity training, diversity retention and institutionalization of diversity. The dependent variable was stated as organisational performance which was deemed to be influenced by the independent variables. Senior management accountability was presented to moderate the relationship between the independent and dependent variable. All these relationships were supported by both the theories and empirical studies and thus the study would move to the next level of data analysis to verify the assumptions.

## **2.5. Research Gaps**

Most of the research done has predominantly focused on diversity recruitment and how it can be managed to result to increased organizational performance. A research gap exists between diversity recruitment literature and its resulting effect on organizational performance (Pitts, 2006). According to Martin and Kettner (2007) studies have not shown the amount of input of diversity training in the overall skill, knowledge and behavioural requirement of the organization to yield a reasonable organizational performance. The research done in this area has not shown the specific commitment areas of senior management accountability in diversity management. Diversity management has not been infused with organizational culture through organizational learning for the organization to reap full benefits of diversity management.

There lacks institutionalization of norms and values with diversity needs as a change process. Most of the organizations have not been able to utilize the diverse organizational employee demographics to enhance organizational (Geddess & Konrad, 2003). Researcher's (Frunk, Robinson, Reithel, Arthur, Ammeter & Ferris 2001; Garci & Tor, 2007) investigation on employee cohesion and retention effects on diversity management and the resulting organizational performance indicated that a gap existed between the two set of variables due to employees preference to work in homogeneous groups and the usual nature of human beings to avoid and resist change.

Human resource directors face a serious challenge in institutionalizing and developing organizational diversity (Zane, 2002). Meeting this challenge takes top management commitment, the skilled training and breath of organizational knowledge HR possesses, and shared understanding that managing diversity is not a problem to be solved but an ongoing and lengthy process (Bassett-Jones, 2005). All three of these pieces are needed to sustain people's willingness to work together when they do not share values, experiences, culture, and ways of interpreting meaning and solving problems (Zane, 2002). Researchers have documented two reasons why institutionalizing diversity in the workplace is difficult (Moore, 1999; Basset- Jones, 2005).

First, human beings prefer working in homogeneous groups. Secondly Human beings, and the organizations they are part of, generally avoid and resist change. Successful diversity uptake requires HR managers to possess skills in leadership, organizational development, change management, psychology, communication, measurement, and assessment. For organizations to profit from diversity, the people in those organizations must change how they interact. Makower (1995) posit that successful diversity is build out of the often small actions taken by people at all levels of an organization. Organizations may start diversity initiatives motivated by laws and regulations but in the end of it, not habits of compliance will seek to change it, but the habits of the heart. As Aronson (2002) argues, no firm can rely simply on

changing the hearts and minds of its employees. It must develop a broad range of policies and practices to help ensure that today's workplace works for everyone.

Al-Lamki (2002) proposed the following strategies adopted to enable an organization to embrace diversity in the workplace: to improve corporate culture, organizations need to include diversity as a cultural value in its members. This can be achieved through unleashing creativity and performance; increasing employee morale, productivity, and retention; giving new employees the opportunity to work in areas where they can be expected to advance; and improving relationships with clients. The most prevalent barriers for accepting workforce diversity as identified by Johnson (2003) include discrimination, prejudice, harassment, blaming, stereotypes, backlash, and ethnocentrism.

According to Knippenberg de Dreu and Horman, (2004) organizations should design and implement customized diversity programs that more precisely target the needs of individual employees, specific departments, or the organization as a whole. Organizations should design and support organizational culture that maximizes the benefit of diversity, and use that culture to manage various groups of organizational members, project teams, business start-up teams, customer service response teams, and top management. Discrimination being the most frequently encountered barrier for uptake of workplace diversity should be tackled by treating employees and applicants for employment fairly in their employment and advancement, based on their abilities, and not based on arbitrary characteristics of colour, religion, national origin, gender, age, or physical handicap (Kirton & Greene, 2006).

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. Introduction**

This chapter started by focusing on the research philosophy expounding on the underlying philosophical assumptions on appropriate research. Positivists approach was used due to the measurable nature of the objectives. Research design which was descriptive in nature was discussed. Population of the study where the sample was drawn was discussed followed by sample and sampling procedure. Data from the primary source was collected using questionnaire with open and closed ended questions. The study was validated by using 11 respondents for a pre-test to determine the adequacy of the instrument and the content. This was equivalent of 8% of the sample size, collection, pilot test; data processing and analysis were all discussed.

#### **3.2. Research Design**

All research (whether quantitative or qualitative) is based on some underlying philosophical assumptions about what constitutes an appropriate research design for a particular study (Eriksson & Kovalainen, 2008). According to Saunders, Lewis and Thornhill (2007) philosophical issues in research design are important because they clarify on how data can be gathered, analyzed and interpreted to give answers to research questions. They also indicate limitations of particular approaches and know how to adapt research designs according to the constraints of different knowledge structures. Pinsonneault and Kraemer (1993) advanced two main philosophical arguments behind the choice of research design, positivist approach and phenomenological approach. Positivists approach generally assumes that reality is objectively given and can be described by measurable properties which are independent of the observer (researcher) and his or her instruments.

On the other hand, a phenomenological study focuses on descriptions of what people experience and how it is that they experience what they experience. Researchers

search for essentials, invariant structure (or essence) or the central underlying meaning of the experience and emphasize the intentionality of consciousness where experiences contain both the outward appearance and inward consciousness based on memory, image and meaning. Thus, the researcher has to be aware of his or her own experience being infused into both his engagement in the interviews and the analysis of data (Patton, 1990). This study utilized positivist approach due to the evident formal propositions, quantifiable measures of variables, testing of hypotheses, and the drawing of inferences from the sample to a stated population. If the study was to generate hypothesis or theory the researcher could have used phenomenological approach.

The study used descriptive study design. According to Creswell (2006), the descriptive method of research is used to gather information about the present existing condition where the researcher interacts freely with the respondents without undue influence; the emphasis is on describing rather than on judging. The study used this method due to its appropriateness to gather first hand data from the respondents and measure the variables. This helped to determine the influence of human resource diversity management practices on performance of non-commercial government agencies in Kenya.

The descriptive method is advantageous for the researcher due to its flexibility and can use either qualitative or quantitative data, giving the researcher greater options in selecting instruments for data gathering (Nassiuma & Mwangi, 2006). A research design is the plan and structure of the investigation so conceived as to obtain answers to research questions (Cooper & Schindler, 2003). Kombo and Tromp (2006) perceive research design as ‘glue’ that holds all the elements of research together.

### **3.3. Population**

According to Kasomo (2006), population is a group of individuals, items or objects that have at least one characteristic in common and from which samples are drawn. Sekeran (2003) defines population as a total collection of elements about which references are made and refer to all possible cases which are of interest for a study.



Mugenda and Mugenda (2003) refer to the above as a target population and further assert that a researcher should narrow down the target population to an accessible population which is a representation of the target population. Therefore the target population in this study consisted of all the 132 non-commercial government agencies in Kenya. Since the data sought in this study was precisely to be provided by the human resource managers, the accessible population was all the 132 human resource managers in the 132 organisations.

### **3.4. Sampling Frame**

A sampling frame is a list of all the items where a representative sample is drawn for a purpose of carrying out a study (Saunders, Lewis, & Thornhill, 2007). The sampling frame in this study was all the non-commercial government agencies in Kenya out of the entire public sector (see Appendix XIII). Kenya has a total of one hundred and thirty two non-commercial government agencies. These are administrative units of government that are tasked with specific non-commercial responsibilities of rendering service to the public. They are entities distinct from government departments or ministries, but they often work closely with and report to one or more departments or ministries. Others operate independently especially those with oversight or regulatory responsibilities.

### **3.5. Sample and Sampling Technique**

Sample size is the actual number of elements to be physically reached by the researcher to extract data using an appropriate data collection instruments (Webster, 2007). The study utilized census due to the fact that each human resource manager represented an organisation. According to Saunders, Lewis and Thornhill (2007) this is an attempt to collect data from every member of the population being studied rather than choosing a sample. The study used all the 132 non-commercial government agencies as the unit of analysis and the human resource managers in each organisation as unit of observation to give information on behalf of the organisation.

### **3.6. Instruments**

A standardized questionnaire was developed that captured the various variables under investigation. The information required to address the dependent and independent variables in the study was captured (see Appendix I). A questionnaire is a research instrument that gathers data over a large sample and its objective is to translate the research objectives into specific questions, and answers for each question provide the data for hypotheses testing (Mugenda & Mugenda, 2003). The advantages of questionnaire over the other instruments is that information can be collected from large samples with no opportunity for bias since it is filled by the respondent alone and confidentiality is upheld. The study questionnaire was divided into two parts; part one captured the respondents' background information while part two asked the respondents to provide information concerning the major areas of the study. The questionnaire contained both closed and open ended questions. The closed ended questions aimed at giving precise information which minimized information bias and facilitated data analysis, while the open ended questions gave respondents freedom to express themselves.

### **3.7. Data Collection Procedure**

The study used self-administered questionnaires as a research instrument to collect data from the respondents. The study targeted one human resource manager in each organization who filled the questionnaire. Those target participants were of great concern to the study because the information required needed employees with adequate knowledge and data about the organizations human resource diversity status and its contribution to performance in the organization. Prior arrangement was made on how to get the human resource managers out of their busy schedule to fill the questionnaires. Six trained research assistants engaged to assist in data collection. The study utilized 132 questionnaires to collect data for the 132 organizations since the unit of analysis was all the 132 non-commercial government agencies while the unit of observation was each human resource manager in each organization.

### **3.8. Pilot Test**

The suitability of the questionnaire for this study was tested by administering it to 11 respondents. Piloting enabled the study to ascertain validity and reliability of the instrument. The main purpose of pilot-testing is to catch potential problems before they become costly mistakes (Nueman, 1997). It is used if an instrument or method of data collection is being used for the first time with a particular group (Kombo & Tromp, 2006). It is the assessment of questions and instruments before the start of a study: an established practice for discovery of errors in questions sequencing and instructions. The respondents used for the pre-test in this study were equivalent of 8.3% of the sample size. According to Baker (1994) a sample size of 5% to 10% of the sample size is a reasonable number of participants to consider enrolling in a pilot. The process was also used to check the format of the instrument.

According to Mugenda and Mugenda (2003), 1 to 1.5% of the population sample is sufficient to conduct pilot test for a large sample size. Therefore 11 respondents were justified for a pre-test in this study. The validity of the questionnaire was analysed using factor analysis whereas reliability was analysed using Cronbach's alpha. According to Sekeran (2003) validity is the extent to which a scale or a set of measures accurately represents the concept of interest. Reliability is the extent to which the instrument consistently measures what it is intended to measure. In this regard the questionnaire was constructed in close consultation with the organisations human resource managers.

### **3.9. Data Processing and Analysis**

The study used both qualitative and quantitative analytical techniques for data analysis. The data was first edited, classified, and tabulated. According to Koul (1984), data processing is a systematic process of organizing the mass of raw data in a manner that facilitate analysis. Editing checked the raw data for accuracy, usefulness and completeness. The tabulation of the data involved recording of data in quantifiable terms using descriptive statistics. The purpose of this was to enable the researcher to meaningfully describe a distribution of scores (Nueman, 1997.

Editing was done to ensure accuracy and uniformity, check inconsistencies, and blank missing responses that could be disregarded. The study utilized Statistical Program for Social Sciences (SPSS) for data analysis to ensure speed and accuracy. This program was also convenient and user friendly.

The background information was summarized and the responses interpreted by use of tables, pie charts, and percentages. Descriptive analysis for all the variables was done by analyzing the response rates using percentages. Q-Q plot was used as a normality check for the dependent variable. Other tests performed included one-sample Kolmogorov- Smirnov test to decide if the sample came from continuous distribution, and Durbin Watson test for autocorrelation of residuals in the dependent variable. Inferential analysis was done by first carrying out correlation analysis to establish the nature of relationship between the dependent and each independent variables. Regression analysis was used to determine further the relationship between the dependent and independent variables. Lastly a multiple linear regression was used as the overall model to determine the relationship between the dependent and all the independent variables. The reduced regression model below expresses the value of predicted (dependent) variables and the predictor (independent) variables and an error term.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e: \text{Where:}$$

Y = Organizational performance (predicted variable) and the following predictor variables

X<sub>1</sub> = Diversity recruitment

X<sub>2</sub> = Diversity training

X<sub>3</sub> = Diversity retention

X<sub>4</sub> = Institutionalization of diversity management

B<sub>0</sub> ..... B<sub>4</sub> = Model co-efficient

e = error factor.

## **CHAPTER FOUR**

### **RESEARCH FINDINGS AND DISCUSSION**

#### **4.1. Introduction**

This chapter presents information on the findings and discussions of the study. The study sought to investigate the influence of human resource diversity management practices on performance of non-commercial government agencies in Kenya. The findings for the pilot study and the response rate were discussed together with the background information of the respondents and there after comprehensive findings according to the study specific objectives. The chapter provided a detailed analysis of descriptive and inferential statistics showing how each hypothesis was tested.

#### **4.2. Pilot Study Analysis**

The study used factor analysis item loadings to test the extent to which the questionnaire measured what it was supposed to measure and perform as it was designed (validity). Factors are smaller set of underlying composite dimensions of all the variables in a data set while loadings are the correlation coefficients between the variables and the factors (Mugenda & Mugenda, 2003). Factor loading assume values between zero and one of which loadings of below 0.4 are considered weak and unacceptable (Nachmias & Nachmias, 2009). The pilot study assumed factor loading of 0.4 as acceptable. Conventionally, variables that have a factor loading of 0.4 or greater within a particular factor are considered to be its major components. All the variables in the test had a factor loading greater than 0.4. Validity was also tested by expert judgement where the questionnaire was constructed in close consultation with the organisations human resource managers and other experts. Hence the questionnaire was valid and could be used to for data collection.

Reliability of the research instrument was tested by administering the instrument to the eleven respondents chosen for the pilot and the collected data analyzed using Cronbach's Alpha. According to Creswell (2002) Cronbach's alpha is the most common reliability coefficient which estimates internal consistency by determining

how all items on a test relate to all other items and to the total test for internal coherence of data. The reliability is expressed as a coefficient between zero and one. The higher the coefficient, the more reliable is the test. The Cronbach's Alpha results obtained after analyzing the pilot data showed that all the constructs depicted Cronbach's Alpha value of above 0.7. Therefore the results were found to display a strong internal consistency among measures of variables items and therefore the instrument could be relied for full throttle study.

### 4.3 Response Rate

The study population consisted of 132 non-commercial public agencies in Kenya. The study targeted the 132 human resource managers to respond to the questionnaires but only 106 organizations responded. This translated to 80.3% response rate. In a similar study Top Management Team Diversity, Group Process, and Strategic Consensus by Knight, Pearce, Smith, Olian, Sians, and Flood (2009), the responses were 40 out of the 67 CEOs targeted which posted a participation rate of 59%. Shaw, Duffy, and Scott (2003) in their study Diversity Store Performance Turnover and Human Resource Management Practices in the Grocery Industry in US targeted 898 respondents and only 320 responded which was a response rate of 36%. Another study conducted by Konrad, Maurer and Yang (2005) on Strategic Diversity and Inclusiveness Survey 2004 – 2005 had a response rate of 17.3% for the human resource managers and 74.8% for the lower cadre employees. It was therefore justifiable to work with a response rate of 80.3% which indicated a reasonable representation for the entire population (see Table 4.1).

**Table 4. 1: Response rate**

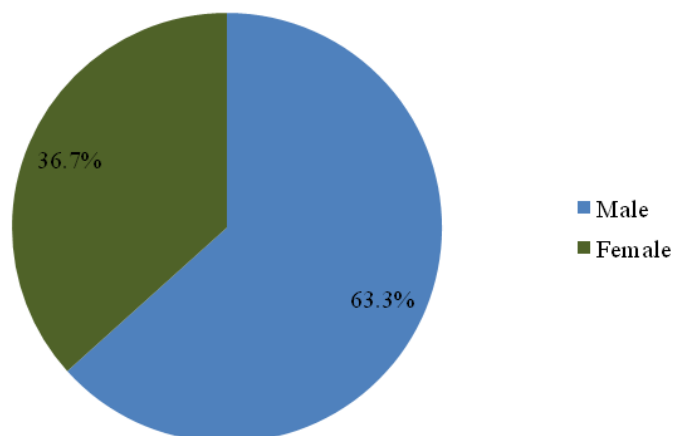
<b>Population</b>	<b>Sampled</b>	<b>Responded</b>	<b>Response rate</b>
132	132	106	80.3%

#### 4.4. Background Information

This section discussed the personal characteristics of the employees which according to the study literature were established as key diversity characteristics. Included in the background information were gender representation, age distribution, academic qualifications, and work experience in the non-commercial government agencies in Kenya.

##### 4.4.1. Gender Representation

The study established that non-commercial government agencies were male dominated (63.3%) while females were 36.7% (see figure 4.1). The study findings were in line with the findings of Kiura (2010) who posit that the sector was male dominated. The sector should invest a great deal of resources to attract and retain female employees to achieve gender balance. According to Colella and Stone (2005) gender balance strengthens overall corporate culture, enhance corporate reputations, act as a recruitment and retention tool, enhance service levels, reduce turnover, lower absenteeism rates, and improve company's global management capacity. Gender balance creates a sense of worldliness that otherwise would not be possible.



S

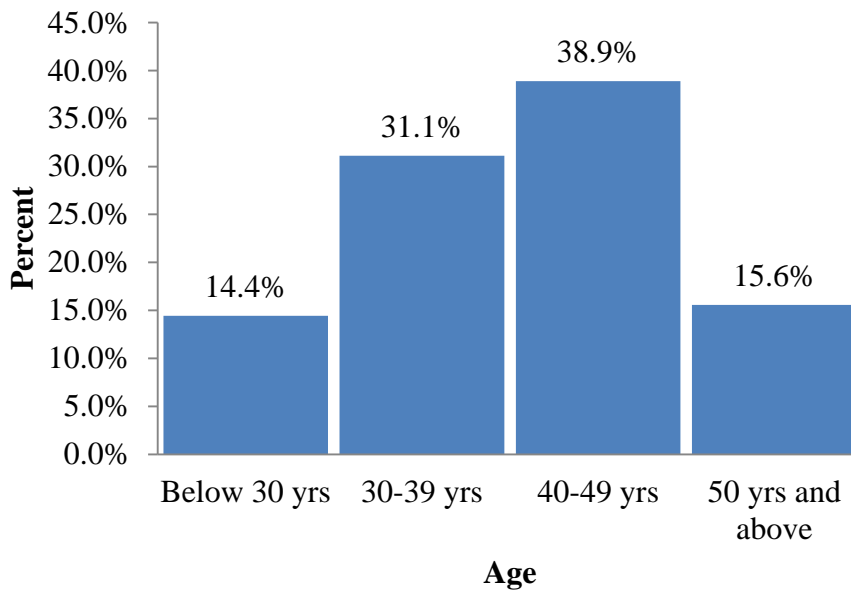
**Figure 4.1: Management gender representation**

#### **4.4.2. Age Distribution**

The analysis of age distribution showed that 14.4% of the employees were below 30 years, 31.1% were aged 30 to 39 years, 38.9% ranged from 40 to 49 years, and 15.6% were 50 years and above (see figure 4.2). The greatest numbers of employees were between 30 to 49 years which was 70% of the total population. The aging generation, 50 years and above were also few (15.6%) meaning they were exiting from the sector. The overall findings from the organisations indicated that employees were diverse in terms of age differences (see Figure 4.2).

With the different age levels in the sector, it is highly essential for the non-commercial government agencies to find effective ways to meet the challenges of age diversity which can make tremendous contributions to the organizations. Different generations have different communication styles and norms which can easily result in grudges and resentment which can translate into bitter conversational tones and filthy work-politics (Dubnick, 2007). Different age groups have different expectations which should be clearly communicated so that the team understands what the goal of working together is and that they are expected to provide output through mutual efforts. This builds a bonding environment which leads to a friendly and enjoyable work atmosphere (Sami, 2007). Forward-thinking managers take initiatives to integrate a highly diversified workforce spanning different generations into a respectful, supportive, cohesive and productive team (Considine, 2002).





**Figure 4.2 Age distribution**

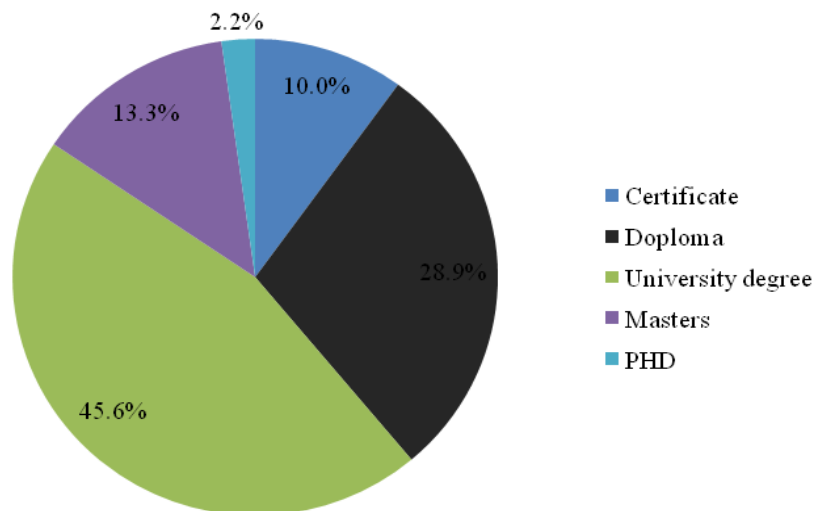
#### **4.4.3. Academic Qualifications**

The study sought to establish how the employees were distributed across the different levels of education from certificate to doctorate in non-commercial government agencies in Kenya. The results obtained were as follows; the employees who possessed certificate were 10.0%, those with diploma were 28.9%, degree holders were 45.6%, masters holders were only 13.3%, and doctor of philosophy (PHD) as little as 2.2% (see Figure 4.3).

The findings indicated that there was disparity in education levels in the government agencies in Kenya and therefore the need to open more career paths and opportunities for employees to pursue further education to bridge the gap especially between diploma holders and the degree holders. This would make the employees to be more efficient and effective in their operational areas and as well interact freely to make the work environment more conducive for organizational performance. According to Saleemi (2007) the public sector loses employees to the private sector due to lack of sufficient career related diversity retention programs such as career

opportunities. The study results however showed that all the academic levels were represented and therefore the workforce was diverse in terms of education levels.

**Figure 4.3: Academic qualifications**



#### **4.4.4. Work Experience**

The study summarized work experience for the employees in the 106 organisations. The results obtained from the analysis indicated that 10.3% of the employees had work experience of below 5 years, 16.5% had work experience of 5-9 years, 30.6% of the employees 10-14 years, 27.4% from 15-19 years, and 15.2% had 20 years and above. Majority of the employees had work experience of five years and above as this was supported by 89.7% of the total response (see Table 4.2). This level of work experience was a clear indication that the employees had reasonable experience with the organization.

According to Dobbin and Kaler (2007) a combination of fresh and experienced diverse workforce is the most powerful ammunition an organization can have in its arsenal to beat diversity injustices. The experienced acts as the mentors to the new employees who become the mentees. The more organizations focus on narrowing the diversity experience, the more the workplace creates all inclusive culture, and the

better opportunity they have to demonstrate agility in overcoming performance barriers. The idea is that there are diverse experienced people that you can interact with in order to explore your own prejudices and stereotypes. So may be the diversity you need to create in your work teams is as wide or as narrow as the kind of experience you are missing in your own life (Gandz, 2001). Therefore the diverse employees experience in non-commercial government agencies in Kenya can be utilized to further its diversity goals.

**Table 4.2: Work experience**

	<b>Percent</b>	<b>Cumulative Percent</b>
Below 5 Years	10.3	100.0
5 - 9 Years	16.5	89.7
10 - 14 Years	30.6	73.2
15 - 19 Years	27.4	42.6
20 Years and above	15.2	15.2
<b>Total</b>	<b>100.0</b>	

#### **4.5. Test of Reliability and Internal Consistency**

The items used to asses each independent variable were tested for internal consistency using factor analysis to ensure they measured the indented constructs. The items which achieved item loading of the minimum 0.4 and above were retained while those achieving below 0.4 were expunged. The results from the independent variables were as follows; eight out of the nine items used to assess diversity recruitment were retained while one item was expunged. Five of the seven items assessing diversity training were retained while two were expunged. All the items used to assess diversity retention were retained while seven out of nine items assessing institutionalization of diversity were retained ant two expunged. The items used to assess senior management accountability as a moderating variable were also tested. One item in this case was expunged while six items were retained. The items assessing the dependent variable (organizational performance) were also tested

where five of the six items were retained while one item was expunged (see Appendices II, III, IV, V, VI, and VII).

It can be observed that most of the items used to assess the variables attained above minimum factor loading of 0.4 and were retained. Therefore the variables could be relied upon for further statistical tests. This was in line with the findings of Mulaik (2009) who observed that any item used to assess a variable and attains the minimum level for item loading of 0.4 or above is reasonable test for internal consistency.

The study used Cronbach's alpha to measure the reliability of scores due to random error. The results obtained showed that the variables tested achieved Cronbach's alpha value of above 0.7. According to George and Malley (2003) a Cronbach's alpha value of 0.7 or above is accepted for reliability test (see Appendix VIII). Therefore the items used to measure the variables were reliable.

#### **4.6. Descriptive Analysis**

This section discussed the descriptive analysis of the independent variables (diversity recruitment, diversity training, diversity retention and institutionalization of diversity) and the dependent variable (organisational performance). The moderating variable (senior management accountability) results were also discussed.

##### **4.6.1. Diversity Recruitment.**

The study sought to establish the influence of diversity recruitment on organizational performance. The literature on diversity recruitment revealed that performance in any company is driven by the best talents which require an organization to reach out and embrace an increasingly diverse labour pool (Joshi, 2002). Recruiting a diverse workforce enables companies to tap their specialized insights and knowledge about the market place and compete favourably (Basset-Jones, 2005). The study measured diversity recruitment by finding out the number of persons recruited across the diversity divide for the last four years.

The average number of male employees recruited in each organisation were as follows; seven male employees in 2011, ten male employees in 2012, fourteen male employees in 2013 and fifteen male employees in 2014. The average number of female employees recruited in each organisation in 2011 were five, eight female employees in 2012, sixteen female employees in 2013 and eleven female employees in 2014. The average number of disabled employees recruited in each organisation in 2011 were three, two disabled employees in 2012, one disabled employee in 2013 and one disabled employee in 2014 (see Table 4.3). The results of the findings indicated that more males were employed than the females. The disabled number of employees recruited over the years was equally low. The non-commercial government agencies in Kenya should resolve the employment imbalances by considering the minority who are women and the disabled. According to (Mary, 2002) employment balances across the diversity divide enables the organisation to cement diversity differences making the workplace more conducive and non-discriminative.

**Table 4.3: Average number of employees recruited in each year**

	2011	2012	2013	2014
Male employees recruited	7	10	14	15
Female employees recruited	5	8	16	11
Disabled employees recruited	3	2	1	1

The study sought to measure diversity in recruitment by measuring the organisational manager's consideration of various aspects of diversity when recruiting (see Table 4.4). On the level of consideration of gender balance by the organisations when recruiting, 96.3% of the respondents had 0-20% level of consideration for gender balance, 3.7% of the respondents had 21-40% level of consideration, and none of the respondents had consideration beyond this level (see Table 4.4). The lower levels of gender consideration (0%-20%) when recruiting was an indicator that there was gender imbalance in non-commercial government agencies in Kenya. According to Robbins, Odendaal, and Roodt (2003) gender imbalances weakens the overall corporate culture where the organization cannot enhance corporate reputations. Such

organization may suffer increased labour turnover or gender compensatory behaviour all of which will work against the spirit of progress (Arber & Ginn, 2009). The sector therefore should give more consideration to gender differences to avoid unnecessary lose of workforce.

On the level of consideration of ethnicity by the organisations when recruiting, majority (62.0%) of the respondents had 0-20% level of consideration for ethnicity, 22.2% of the respondents had 21-40% level of consideration, 15.8% of the respondents had 41-60% consideration for ethnicity, 0% of the respondents had 61-80% level of consideration for ethnicity and 0% of the respondents had 81-100% consideration level for ethnicity when recruiting. The study revealed that little consideration was given to ethnicity when recruiting in the sector. Kenya is made up 42 ethnic groups and for any diversity balance to be achieved in our organisations, high levels of ethnicity consideration should be initiated during recruitment. Evidence from the entire public sector shows that large ethnic groups have dominated the smaller tribes (Kiura, 2010).

The study also investigated the level of consideration given to religious differences by the organisations when recruiting, 67.9% of the respondents had 0-20% level of consideration for religious differences, 14.4% of the respondents had 21-40% level of consideration, 14.7% of the respondents had 41-60% level of consideration, 3% of the respondents had 61-80% level of consideration and 0% of the respondents had 81-100% consideration level for religious differences when recruiting. The results showed that the greatest number of respondents gave low consideration to religious differences during recruitment. Religion being a key diversity aspect and societal fabric should be reflected in organisations and therefore need for its consideration when recruiting (Albiston, 2005).

On the level of consideration of persons with disability by the organisations when recruiting, the study obtained the following results; 95.8% of the respondents had 0-20% level of consideration, 3.2% of the respondents had 21-40% level of consideration, 1.0% of the respondents had 41-60% level consideration, 0% of the

respondents had 61-80% level of consideration, and 0% of the respondents had 81-100% consideration level for persons with disability when recruiting. The general observation was that majority of the organisations consideration for disability was low. Chouinard (2010) posit that disability is a natural part of diversity, and businesses can benefit by taking steps to ensure people with disabilities are represented in their workforce. Therefore it was prudent to the non-commercial government agencies to highly consider recruiting the disabled who are part and parcel of the human race and needs to earn living.

On the level of consideration of interview time flexibility by the organisations when recruiting, 90.4% of the respondents had 0-20% level of consideration for interview time flexibility, 9.6% of the respondents had 21-40% level of consideration while there were 0% responses for the rest of the levels. On average the organizations allowed minimal time flexibility (0-20%) to interviewees' from the scheduled interview time frame. According to Dubnick (2007), moderate flexibility in terms of time of day, location, nature of questions and interaction should be allowed so as to make the candidates feel that the organization is really interested in them. This would avoid the 'take it or leave it' sense conveyed by a fixed arrangement. Access issues would be particularly important to disabled people. The interview questions should not be solely calibrated against a certain group(s) norms as it adversely affects the chances of candidates from such cultural backgrounds.

The study sought to establish the level of external and internal pressure mounted by interested parties to have their favoured candidates recruited. The results indicated that 3.4% of the respondents experienced 0-20% level of internal and external influence when recruiting to recruit favoured candidates, 16.9% of the respondents experienced 21-40% level of influence, 14.8% of the respondents had 41-60% level of influence, majority of respondents (52.2%) had 61-80% level of influence while 12.7% of the respondents experienced 81-100% level of internal and external influences when recruiting. This clearly indicated that recruitment and selection process in non- commercial government agencies was corrupted and thus equity which is key in diversity recruitment was compromised. According to Luring and

Ross (2004) people in recruitment panels should not influence to favour candidates otherwise this would compromise fair and equitable employment practice. A diversity forward looking organization should guard its culture of transparency and accountability in recruitment.

The study also sought to establish the level of consideration of behavioural interviews by the organisations during recruitment interviews. The results indicated that 15.60% of the respondents had 0-20% level of consideration, 21.10% had 21-40% level of consideration, 62.2% had 41-60% level of consideration, and 1.10% had 61-80% level of consideration while there was no response on 80-100% level of consideration. On average the government agencies allocated moderate weight (41-60%) to behavioral interviews. Scholars in diversity recruitment argue that the common used measure in diversity recruitment is behavioral interview which should account for over 75% of the diversity recruitment interview (Elischer, 2008; Elischer, 2008). This job interviewing technique according to Thomas (2003) focuses on discovering how an applicant acted in specific employment-related situations to predict a future behavior. Such interviews would determine if employees past performance in a diverse workplace predicts the future performance in a diverse workplace (Elischer, 2008).

Dubnick (2007) argued interviewers should be trained so as to effectively administer interview questions, sample recruitment interview questions addressing various diversity issues may help to prepare the interviewers; Diversity related questions such as culture sharing, working relationships with diverse employees, adaptation in a diverse work environment, communication styles to work with diverse teams, and solving diversity conflicts should consume more than a third of the interview time to make diversity recruitment a success (Polzer, Milton & Swan, 2002).

The study sought to find out the level of consideration of interview questions addressing diversity issues during recruitment interviews. The findings indicated that majority of the respondents (52.2%) had 0-20% level of consideration for interview questions addressing diversity, 16.9% of the respondents had 21-40% level of



consideration, 14.8% of the respondents had 41-60% level of consideration, 12.7% of the respondents had 61-80% level of consideration, while 3.4% of the respondents had 81-100% consideration level for interview questions addressing diversity when recruiting. The general overview was that low level of consideration (0% - 20%) was given to diversity related questions during interviews. Interview according to Joshi (2002) is the genesis of recruitment and for diversity in any organisation to succeed, over 30% of the interview questions in an interview should be divert related.

On the level of consideration of job advertisements to reach diverse groups by the organisations when recruiting, 6.5% of the respondents had 0-20% level of consideration for job advertisements to reach diverse groups, 14.2% of the respondents had 21-40% level of consideration, 8.4% of the respondents had 41-60% consideration for job advertisements to reach diverse groups, 49.9% of the respondents had 61-80% level of consideration for job advertisements to reach diverse groups and 21.0% of the respondents had 81-100% consideration level for job advertisements to reach diverse groups when recruiting. On average the job advertisements in non-commercial government agencies in Kenya reach over 60% of the diverse groups which according to Basset-Jones (2005) is reasonable enough to reflect organisational image in the society.

The study also sought to establish the percentage of time allocated to research on workforce diversity imbalances before recruitment. Majority of the respondents (59%) had 0-20% level of consideration for research on workforce diversity imbalances before recruitment, 17% of the respondents had 21-40% level of consideration, 14% of the respondents had 41-60% level of consideration, 8% of the respondents had 61-80% level of consideration while 2% of the respondents had 81-100% level of consideration. The observation made is that little time was allocated for research on diversity imbalances before recruitment. Kirton and Greene (2010) assert that organizations should allocate over 75% of time to research on diversity dynamics and market workforce trends to diagnose and improve their existing diversity recruitment campaign. This would help the recruitment team to understand diversity status and also the diverse candidates' background so as make fair decision

on diverse recruitment. The government agencies in Kenya should focus more on diversity recruitment as competition for the best talent requires organizations to reach out and embrace an increasingly diverse labour pool. According to Basset-Jones (2005) it is becoming increasingly important for a company's labour makeup to reflect the makeup of their diverse customer base to achieve complete advantage.

**Table 4.4: Employment diversity aspects**

	<b>0- 20%</b>	<b>21- 40%</b>	<b>41- 60%</b>	<b>61- 80%</b>	<b>81- 100%</b>
Gender balance	96.3%	3.7%	0%	0%	0%
Ethnicity	62.0%	22.2 %	15.8 %	0%	0%
Religious consideration	67.9%	14.4 %	14.7 %	3%	0%
Persons with disability	95.8%	3.2%	1.0%	0%	0%
Interview Time flexibility	90.4%	9.6%	0%	0%	0%
Internal and external influences	3.4%	16.9 %	14.8 %	52.2 %	12.7%
Weight for behavioural interviews	15.6%	21.1 %	62.2 %	1.1%	0%
Interview questions addressing diversity	52.2%	16.9 %	14.8 %	12.7 %	3.4%
Job advertisements to reach diverse groups	6.5%	14.2 %	8.4%	49.9 %	21.0%
Research on workforce diversity imbalances before recruitment	59%	17%	14%	8%	2%

Written responses indicated that the organisations faced a number of diversity related challenges in the process of recruitment. The study established that personal interests in recruitment were superseding organisational interests where the recruiters and the other influential parties had vested interests. Corruption was cited as a barrier towards achieving a diverse workforce. There was lack of clear diversity recruitment goals tailored to the needs of the organisation and its core values. The top management was also not committed to ensuring that fairness was observed during recruitment. These findings on the unfavourable aspects on diversity management are consistent with the findings of Kirton and Greene (2010) who established that similar

aspects such as failure to tailor diversity needs to the organisational structures adversely affects delivery of service.

#### **4.6.2. Diversity Training**

The study operationalized diversity training as a distinct set of programs aimed at facilitating positive inter-group interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse co-workers and customers (Pendry, Driscoll & Field, 2007). Diversity training inculcates skill, knowledge and awareness, the cornerstone on which a respectful and inclusive workplace can be built (Bendict, Egan & Lofhjelm, 2001). The study sought to find out how often the organisations conducted diversity training needs assessment. The results (see Table 4.5) indicated that none of the respondents carried out diversity training needs assessment monthly, 16% of the respondents did it quarterly, 25% of the respondents did it semi-annually and 59% of the respondents conducted diversity needs assessment annually. A successful diversity training needs assessment aimed at promoting productivity and improving working conditions should be conducted at most quarterly. Such an assessment is done based on examined assumptions to address real and existing diversity related issues (Kocham, Bezrukova, Ely, Jackson, Joshi & Jehn, 2003). Therefore the non-commercial government agencies in Kenya should shift from annual diversity needs assessment to quarterly assessments to rapidly address emerging diversity issues in the organizations.

**Table 4.5: Training Needs Assessment**

	<b>Monthly</b>	<b>Quarterly</b>	<b>Semi- annually</b>	<b>Annually</b>
<b>Frequency for diversity training needs assessment</b>	0%	16%	25%	59%

The study also sought to find out the percentage of organisational budget for diversity training in the whole training budget (see Table 4.6). 84% of the respondents had 0-20% of the whole organisational training budget for diversity

training, 9% of the respondents had 21-40% of the training budget, 5% of the respondents had 41-60% of the training budget, 2% of the respondents had 61-80% of the training budget and none of the respondents had 81-100% of the whole organisational training budget for diversity training. On average majority of the government agencies allocate 0-20% of budget to diversity training which was insufficient. Polzer, Milton and Swan (2002) in their study on ‘organizational commitment to diversity’ found that a budget allocation of over 30% of the total training budget directed to diversity training translates into over 10% increase of organizational output. The diversity scholars thus advanced the argument that a successful diversity training program requires commitment of time, energy, money, and resources.

**Table 4.6: Diversity training budget out of the total training budget**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Percentage of organisational budget for diversity training in the whole training budget	84%	9%	5%	2%	0%

The study also sought to find out the number of gender related trainings organised for male and female employees. The obtained results indicated that there was no gender related trainings organised for male employees in 2011. There was only one gender related training organised for male employees in 2012, in 2013 there was only one male employee training and in 2014 there were two gender related trainings organised for male employees. In 2011 there was no gender related trainings organised for female employees, in 2012 there was only one gender related training organised for female employees. There were two trainings organised for female employees in 2013 and 2014 (see Table 4.7).

Gender training as proposed by Balogun (2008) is a practical tool for analyzing gender differentiation and provide adequate knowledge regarding major factors that

influence and are responsible for maintaining or changing the structure of gender differentiation. It is also a development intervention which aims to change awareness, knowledge, skill and behaviour in relation to gender and therefore needs to be more frequent than the ordinary trainings within a year. Most of the organizations in non-commercial government agencies had either no gender training or only once a year which was too low. There was therefore need to increase the number of gender trainings. According to Konrad (2003) gender training perceived as methodology of consciousness rising and empowerment of men and women, individually or collectively, as a way of making service delivery more gender sensitive to effect institutional changes. The main aim of gender training is sensitization or awareness-raising, skill transfer in gender analysis and diagnosis, the translation of skills into planning practices, and motivational factors.

**Table 4.7: Gender related trainings**

	2011	2012	2013	2014
Male employees	0	1	1	2
Female employees	0	1	2	2

The study sought the level of consideration of the various aspects of diversity when organising training programs (see Table 4.8). On the level of consideration of gender in the training programs, the results obtained were as follows; no respondents considered gender in the training programs 0-20% and 21-40% levels. Eleven percent of the respondents had 41-60% level of consideration for gender in the training programs, 27% of the respondents had 61-80% level of consideration, and 62% of the respondents had 81-100% level of consideration of gender in the organisations training programs. On the level of consideration of ethnic differences in the organisations training programs, 42% of the respondents had 0-20% level of consideration of ethnic differences in the organisations training programs, 27% of the respondents had 21-40% level of consideration, 21% of the respondents had 41-60%, 8% of the respondents had 61-80% and 2% of the respondents had 81-100% level of consideration of ethnic differences in the organisations training programs.

On the level of consideration of religious differences in the organisations training programs, 27% of the respondents had 0-20% level of consideration of religious differences in the organisations training programs, 38% of the respondents had 21-40% level of consideration, 17% of the respondents had 41-60%, 12% of the respondents had 61-80% and 10% of the respondents had 81-100% level of consideration of religious differences in the organisations training programs. On the level of consideration of persons with disability in the organisations training programs, none of the respondents had 0-20% and 21-40% levels of consideration for persons with disability, 6% of the respondents had 41-60% level of consideration, 21% of the respondents had 61-80% level of consideration and 73% respondents had 81-100% level of consideration of persons with disability in the organisations training programs.

The summary findings indicate that gender and persons with disability were highly considered in training programs than ethnic and religious differences in non-commercial government agencies in Kenya. According to Chrobot-Mason (2004), diversity training is a crucial element of consideration in preparation of training programs. It is a course of instruction which targets all the aspects of diversity in an organization. It is aimed at increasing the participants' diverse awareness, knowledge, and skills in order to benefit an organization by protecting against civil rights violations, by increasing the inclusion of different identity groups, and by promoting better teamwork.

It is founded on the principles of integrity, respect, dignity, openness, humility, acknowledgement of bias and prejudice, and inclusion (Pendry, Driscoll & Field, 2007). Therefore non-commercial government agencies in Kenya should consider all the aspects of diversity in their training programs.

**Table 4.8: Diversity aspects in diversity training programs**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Gender	0%	0%	11%	27%	62%
Ethnic differences	42%	27%	21%	8%	2%
Religious differences	27%	38%	17%	12%	10%
Persons with disability	0%	0%	6%	21%	73%

The written responses revealed that the organisations could not realise successful diversity training programs to train employees on diversity related issues. Lack of sufficient budget allocation to finance diversity training was cited as a challenge towards achieving diversity goals. The senior managers tend to believe that the money could be channelled to other areas of priority. Polzer, Milton and Swan (2002) points out that diversity training programs should be integrated into other trainings that focuses on general training such as skills, knowledge, and leadership training programs to establish ties between diversity management and general organisational management.

#### **4.6.3. Diversity Retention**

Diversity retention was also an independent variable that the study sought to measure. The study sought to determine the organisations retention rate as a measure of diversity retention (see Table 4.9). The results of the findings showed that majority of the respondents (42%) had 0-20% retention rate, 29% of the respondents had 21-40% retention rate, 10% of the respondents had 41-60%, 12% of the respondents had 61-80% and 7% respondents had 81-100% retention rate. The low levels of diversity retention as noted from the findings was an indication that the organizations lacked effective diversity retention strategies. Diversity retention strategies are vital in employee diversity management to arouse the interest and enthusiasm of the marginalized in terms of gender, ethnicity, religion and any other related diversity (Kezar & Eckel, 2005).



**Table 4.9: Level of diversity retention rate**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Retention rate	42%	29%	10%	12%	7%

The study sought to determine the percentage of the diversity retention budget out of the whole motivation budget (see Table 4.10). The results obtained showed that the greatest proportion of the respondents (78%) had 0-20% budget allocation out of the whole motivation budget for diversity retention, 21% of the respondents had 21-40%, and only 1% of the respondents had 41-60% of the motivation budget for diversity retention. The low levels of diversity retention budget allocation out of the total motivation budget in the sector poses a challenge in diversity retention may eventually affect the overall sector output. Koppel (2005) study in Siemens Company on diversity retention revealed that in an effort to step up retention of the diverse workforce in the workplace, diversity retention budget should be above 20% which will translate into not less than 25% increase in organizations output.

**Table 4.10: Diversity motivation budget**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Percentage of diversity retention budget out of the whole motivation budget	78%	21%	1%	0%	0%

The study sought to measure diversity retention by evaluating the following organisations considerations of the various diversity retention aspects (see Table 4.11). On the levels of consideration for work schedule flexibility, 34% of the respondents had 0 – 20% level of consideration, 22% had 21-40% consideration, 21% had 41-60% consideration, 11% had 61-80% consideration and 12 % had 81-100% level of consideration. The low levels of consideration for work flexibility (0-20%) as by majority of the respondents is an indication that retaining youth and women most of whom demand work flexibility schedule is a challenge in non-

commercial government agencies in Kenya. Adopting a flexible approach to work will assist in attracting and retaining talent in a diverse workforce. It encourages employees to live a balanced lifestyle, combining work with family and personal responsibilities (Ely & Thomas, 2001).

On the level of consideration of establishment of institutional multicultural diversity perspective, majority of the respondents (34%) had 41-60% level of consideration, 12% of the respondents had 0-20% level of consideration, 21% of the respondents had 21-40% level of consideration, 22% of the respondents had 61-80% level of consideration and 10% of the respondents had 81-100% level of consideration for establishment of institutional multicultural diversity perspective. The sector's consideration for establishment of multicultural perspective was moderate meaning there was cultural awareness and competence necessary to establish an institutional multicultural perspective. Differences in the composition of members in the sector in terms of nationality, race, colour, gender, creed, religion or age forms an array of culture found among people from diverse backgrounds.

The positive influence of cultural diversity should be utilized to facilitate members of the organization to build relationships and acknowledge each other regardless of their differences of origin and background. According to Allen, Dawson, Wheatley and White (2004) organizations interested in fostering cultural diversity among its employees endeavours to create mutual respect for the different cultures, along with enabling personnel to reach their full potential. Acknowledging diverse cultures enables the organization to positively influence the organizational behaviour that, in turn, enhances the performance and image of the organization.

The study examined the level consideration of value for diverse individual needs where 98% had 0-20% level of consideration and 2% expressed 21-40% level of consideration. As observed all the respondents expressed low levels of consideration for diverse individual needs. Diversity management is the recognition of individual differences encompassing acceptance and respect. It means understanding that each individual is unique, and recognizing our individual differences in terms of race,

ethnicity, gender, sexual orientation, socioeconomic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies (Dwyer, Richard & Chadwyck, 2003). It is the exploration of these differences in a safe, positive, and nurturing environment that gives meaning to the concept of diversity management. Diversity management goes beyond simple tolerance to embracing and celebrating the rich dimensions of diversity in each individual, as opposed to a pure compliance to equality/affirmative action laws approach (Klarsfeld, 2010).

Consideration for open communication on diversity expectations was also evaluated, majority of the respondents (65%) had 0-20% level of consideration for open communication on diversity expectations, 22% of the respondents had 21-40% level of consideration, 11% of the respondents had 41-60% level of consideration and 3% of the respondents had 61-80% level of consideration. None of the responded to 81-100% level of consideration. The low levels of consideration for open channels of communication on diversity expectations in the sector indicated that flow of information on diversity issues was limited. The sector should open more channels of communication on diversity expectations. Failure to effectively manage flow of information from the diverse workforce may lead to miscommunications, longer decision times, lower member morale, lower team cohesiveness and reduce creativity and innovation (Horwitz, 2005).

The study evaluated consideration given to reward diversity efforts and obtained the following results; majority of the respondents (54%) indicated 0-20% level of consideration for reward diversity efforts, 32% of the respondents had 21-40% level of consideration, 3% had 41-60% level of consideration, 11% of the respondents had 61-80% and 0% of the respondents had 81-100% level of consideration for reward diversity efforts. The sector indicated low levels of consideration towards rewarding diversity efforts. According to Knippenberg de Dreu and Horman (2004) developing incentives to reward diversity efforts encourages employees to participate in diversity programs and events. This establishes a positive professional learning and working environment that value and support diversity as a means to meet individual and collective needs.

On level of consideration for diversity content in orientation programs, 12% of the respondents had 0-20% level of consideration, 24% of the respondents had 21-40% level of consideration, 39% of the respondents had 41-60% level of consideration, 21% of the respondents had 61-80% level of consideration and 4% of the respondents had 81-100% level of consideration for diversity content in orientation programs. The results indicated that the organisations moderately considered diversity content in orientation programs. Diversity content in orientation programs arouses employees' commitment to diversity and prepares them with issues they may experience in their work environment (Horwitz, 2005). Employees are assisted to successfully navigate their diversity knowledge path where they balance their commitments while becoming themselves resources and advocates for a diverse and inclusive work community. This enriches the interaction bond amongst employees and the organization at large (Ramirez, 2011). The sector should therefore enrich their orientation programs with diversity content to initiate employees into all inclusive and attractive work environment.

**Table 4.11: Diversity retention aspects**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Work schedule flexibility	34%	22%	21%	11%	12%
Establishment of institutional multicultural diversity perspective	12%	21%	34%	22%	10%
Value of diverse individual needs	98%	2%	0%	0%	0%
Open communication on diversity expectations	65%	22%	11%	2%	0%
Reward diversity efforts	54%	32%	3%	11%	0%
Diversity content in orientation programs	12%	24%	39%	21%	4%

The written responses indicated that organizations were encountering high labor turnover especially due to high competition for employees in the private sector. The

reason given was that employees were not sufficiently motivated to stay longer with the organization. Diversity initiatives were not rewarded to encourage employees and there were no special programs to address such. Minority were discriminated as they were not fairly considered in management positions. Work life balance was cited nonexistence and a challenge affecting employees. This was consistent with Zane (2002) who established that failure to develop incentives to encourage employees would lead to lose of talented and skilled diverse employees who may not be easily replaced. Kezer and Eckel (2005) suggested that meeting the diversity challenges for retention of a diverse workforce needs cultural knowledge, unlocking resistance of change and tolerance for one another.

#### **4.6.4. Institutionalization of Diversity**

Institutionalization of diversity entails establishing a standard practice or custom that affirms the importance of a diverse workforce in the organization. Organizations often are required to modify their structures, policies, and the general work environment to suit people of all the backgrounds (Cota, Evans, Dion, Kilik & Longman, 2010; Smith & Wolf, 2006). The study sought to evaluate whether diversity uptake was embraced in the non-commercial government agencies in Kenya. The study therefore subjected a number of sub-variables into investigation and came up with the following findings.

The study sought to measure institutionalisation of diversity by looking into the decrease in discrimination and harassment by gender, ethnicity, religion and disability (see Table 4.12). On the percentage decrease in the organisations gender discrimination and harassment cases over the past three years, 40% of the respondents had 0-20 percentage decrease, 20% of the respondents had 21-40% decrease, 18% of the respondents had 41-60% decrease, 16% of the respondents had 61-80% decrease and 6% of the respondents had 81-100 percentage decrease in the organisations gender discrimination and harassment cases over the past three years. On the percentage decrease in the ethnic discrimination and harassment cases over the three years, 69% of the respondents had 0-20% decrease, 25% of the respondents had 21-40% decrease, 4% of the respondents had 41-60% decrease, 2% of the

respondents had 61-80% decrease and none responded to 81-100% decrease. Majority of the respondents respectively showed low levels of decrease in cases of gender and ethnic discrimination and harassment in the sector.

On the percentage decrease in the organisations religious discrimination and harassment cases over the three years, 3% of the respondents had 0-20% decrease, 5% of the respondents had 21-40% decrease, 3% of the respondents had 41-60% decrease, 39% of the respondents had 61-80% decrease and 50% of the respondents had 81-100% decrease. On the percentage decrease in the organisations discrimination against cases of persons with disability over the three years, none of the respondents indicated 0-20% decrease, 2% of the respondents had 21-40% decrease, 10% of the respondents had 41-60% decrease, 26% of the respondents had 61-80% decrease and 62% of the respondents had 81-100% decrease. There were very few cases of discrimination for religion and persons with disability in the sector as majority of the respondents indicated high percentages of decrease.

The overall observation was that there were still elements of discrimination in non-commercial government agencies in Kenya. Diversity is about recognizing, valuing and taking account of people's different backgrounds and encouraging and using those differences to create a productive and effective workforce. Every employee has the right to be treated fairly at work and to be free of discrimination on grounds of age, race, gender, disability, sexual orientation, religion, pregnancy and maternity, gender reassignment, or belief (Pires & Stanton, 2004). It was therefore prudent for the sector to be concerned with breaking down the barriers that could block opportunities for certain groups of people in the workplace, aiming to identify and minimize the barriers that exclude people and to take action to achieve equal access to all aspects of work for everyone. According to Hepple (2010) many employers have found that making adaptations to their working practices to accommodate a diverse workforce makes business more attractive to both potential employees and customers, help recruit and retain the best people and also meet the requirements of legislation.

**Table 4.12: Decrease in discrimination and harassment cases**

	0-20%	21-40%	41-60%	61-80%	81-100%	Mode
Decrease in gender discrimination/ harassment cases over the three years	40%	20%	18%	16%	6%	4
Decrease in ethnic discrimination/ harassment cases over the three years	69%	25%	4%	2%	0%	1
Decrease in religious discrimination/ harassment cases over the three years	3%	5%	3%	39%	50%	2
Decrease in discrimination of persons with disability over the three years	0%	2%	10%	26%	62%	2

The study also measured institutionalization of diversity by evaluating the average number of cases of discrimination or harassment reported for the last five years in relation to gender, religion, ethnicity, disability and education disparity (see Table 4.13). Gender related discrimination cases reported were as follows; three cases in 2010, three cases in 2011, two cases in 2012, one case in 2013 and four cases in 2014. On average, the numbers of ethnic discrimination cases reported in 2010 were four, three cases in 2011, two cases in 2012, five cases in 2013 and two cases were reported in 2014.

The average number of religion discrimination cases reported were as follows; one in 2010, one in 2011, none in 2012, two in 2013 and no case was reported in 2014. Persons with disability discrimination cases reported in the years were as follows; one case in 2010 was reported, no case was reported in 2011, one case in 2012, and no cases were reported in 2013 and 2014. Age disparity discrimination cases reported in 2010 were two, three cases in 2011, one case in 2012, two cases in 2013 and one case was reported in 2014. On average the numbers of discrimination cases reported regarding disparity in education level were as follows; four cases in 2010 three cases in 2011, four cases in 2012, two cases in 2013 and three cases were reported in 2014.

The study results showed that the sector exhibited bias in the treatment of employees or discriminatory behaviour based on factors such as, gender, disability, ethnicity, education level and age. According to Barker and Itartel (2004) such discrimination occurs at all stages and levels of employment, from recruitment to layoffs, and from pay to fixing of job responsibilities. The crippling effects of workplace mistreatment include poor work culture and a demoralized workforce, debilitating effect on the individual, negative fallout for the society, and reduced profits for the organization (Eyles, Leydon, Lewith & Brien, 2011). Non-commercial government agencies in Kenya should put human resources processes in place to manage its diverse workforce so as to eradicate employee discrimination.

**Table 4.13: Reported discrimination cases**

<b>Item</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Gender	3	3	2	1	4
Ethnicity	4	3	2	5	2
Religion	1	1	0	2	0
Persons with disability	1	0	1	0	0
Age disparity	2	3	1	2	1
Education Level	4	3	4	2	3

The study sought to determine the average number of diversity related programs and innovations initiated for the last five years as a measure of institutionalisation of diversity (see Table 4.14). The results indicated that on average no diversity related program was implemented in 2010. The average number of diversity related programs implemented in 2011 were one, one program in 2012, two programs in 2013 and two programs in 2014. The result findings indicated that a few diversity related programs were implemented for the last five years.

The number of diversity related programs implemented over the years were too little to make any impact on the sector's diversity management. The more the programs were to be implemented the more diversity issues would be addressed. A company that provides diversity in its training programs improves employee retention,



increases morale, reduces workplace harassment and improves recruitment efforts to create a more diverse work force. The presence of a diversity program may help put some of your employees at ease and improve opinions of the company due to your commitment to creating a fair and equal work environment where everyone gets treated with respect (Carpenter & Sanders, 2004).

The study also evaluated the number of diversity related innovations over the years. The results showed that no innovation was initiated 2010, 2011, and 2013. There was an average of one diversity related innovation in 2014. The overall observation was that diversity related innovations were not common in the sector since on average there was only one innovation initiated in the year 2014. Research has provided compelling evidence that diversity unlocks innovation and drives market growth by intensifying efforts to ensure that executive ranks embody and embrace the power of differences (Van Dyk, Haasbroek, Sono & Werner, 2004). Non-commercial government agencies in Kenya should utilize workforce diversity to unlock innovations by creating an environment where “outside the box” ideas are heard. This can be achieved through deployment of resources to develop those ideas.

**Table 4.14: Diversity related programs and innovations**

<b>Item</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Number of diversity related programs implemented	0	1	1	2	2
Number of diversity related innovations	0	0	0	0	1

The study in an effort to measure the organizations’ level of workforce diversity policies achievement came up with the following results (see Table 4.15); 29% of the organizations had 0-20% level of achievement, 48% had 21-40% level of achievement, 15% of the organizations had 41-60% level of achievement, 5% had 61-80% level of achievement, and 3% had 81-100% level of workforce diversity policies achievement. The results indicated that the achievement of workforce diversity policies in the government agencies in Kenya was minimal as majority of the respondents (48%) indicated 21-40% level of achievement.

The study further evaluated diversity institutionalization by measuring the level of embracement of diversity corporate culture. Majority of respondents (36%) indicated that the organizations embraces the functional diversity as a corporate culture at 21-40%, 11% had 0-20% level of embracement, 31% had 41-60% level of embracement, 20% had 61-80% level of embracement and 2% had 81-100% level of embracement. This was a low level embracement given that a vibrant diverse workforce is sustained by a strong organizational diversity culture of innovativeness and competition (Horwitz, 2005).

**Table 4.15: Institutionalization of workforce diversity**

	0-20%	21-40%	41-60%	61-80%	81-100%	Mode
Workforce diversity policies achievement	29%	48%	15%	5%	3%	2
Embracement of functional workforce diversity corporate culture	11%	36%	31%	17%	5%	2

The written responses revealed that institutionalization of diversity in the organisations was challenged by failure to embrace diverse cultures and incorporate it into the organisational culture. The respondents indicated that organisations lacked clear diversity policies to act as guidelines towards diversity management. The human resource managers responded that organisations were making a step towards diversity inclusion but the efforts were being resisted by employees. Besset-Jones (2005) revealed that meeting diversity challenges takes the top management commitment to manage change and encourage inclusiveness in the place of work.

#### 4.6.5. Senior Management Accountability

As a moderating variable, the study required to measure senior management accountability using various indicators. The variable was measured among other indicators by the proportion of diversity related complaints out of all the complaints received annually for which 29% of the respondents had 0-20% diversity related complaints out of all the complaints received annually, 38% of the respondents had 21-40% diversity related complaints, 14% had 41-60% diversity related complaints, 13% had 61-80% diversity related complaints and 5% of the respondents also had 81-100% diversity related complaints out of all the complaints received annually. Majority of the respondents registered 21-40% complaints which were too high (see Table 4.16). Government agencies should minimize such complaints by managing the diverse workforce.

**Table 4.16: Diversity complaints out of all complaints**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Proportion of diversity related complaints out of all the complaints received annually	29%	38%	14%	13%	5%

The study sought to determine how long it took the management to resolve diversity related complaints (see Table 4.17). The results indicated that 6% of the respondents had their management resolving diversity related complaints within a week, 16% of the respondents resolved within a month, 18% of the respondents resolved quarterly, 40% of the respondents took a year and 20% of the respondents had no time frame to resolve diversity related complaints. Majority of the respondents resolved the complaints quarterly, yearly or they had no time frame to resolve such issues. Diversity complaints emanate from employees who have suffered diversity injustices and directly affects individual feelings and attitudes and therefore needs immediate attention (Elischer, 2008). The sector therefore should address the diversity related complaints as they arise rather than waiting for months or even a year to resolve.

The study sought to determine how frequently the management reviewed employee diversity goals to check the progress for diversity performance. The results obtained were as follows; None of the respondents reviewed employee diversity goals weekly to check the progress for diversity performance, 2% reviewed monthly, 20% reviewed quarterly, majority (62%) reviewed annually whereas 16% respondents had no time frame for review of employee diversity goals. Klarsfeld (2010) suggested that diversity goals should assume both informal and formal evaluations. Informal evaluation takes place throughout a diversity initiative to revise and refine specific activities. It is also essential to engage in a formal evaluation with a design and methodology that will assess overall organizational change and measure the impact of diversity efforts. In practice, evaluation begins at the earliest stages of the initiative and continues throughout. Including evaluation as an ongoing component of a diversity initiative design allows for the flexibility and refocus necessary to reduce resistance and keep the process moving forward (Hepple, 2010). Thus the sector should evaluate the goals more frequently.

The study also sought to determine how frequent the organisations audited their diversity composition. The results obtained were as follows; none of the respondents audited their diversity composition weekly, 4% audited monthly, 25% audited quarterly, 69% audited annually and 12% respondents had no time frame to audit diversity composition in their organisation. Majority of the sector audited quarterly or annually. The study findings were in line with Kirton and Greene (2010) study which suggested that quarterly or annual diversity audits are appropriate so as to give time to diversity processes to bear fruits. Diversity audit enables the organization to understand where it stands and the distance it needs to cover with respect to its diversity goals.

**Table 4.17: Resolving diversity related complaints**

	Weekly	Monthly	Quarterly	Annually	No time frame
Time frequency for management to resolve diversity related complaints	6%	16%	18%	40%	20%
Time frequency to review employee diversity goals to check the progress for diversity performance is done	0%	2%	20%	62%	16%
Time frequency to audit diversity composition in the organisation	0%	4%	25%	69%	2%

The study evaluated level of achievement of diversity targets in the organisations where the following results were obtained (see Table 4.18); 34% of the respondents had 0-20% achievement of diversity targets, 32% had 21-40% level of achievement, 20% had achieved 41-60%, 11% had achieved 61-80% and 3% respondents had 81-100% achievement level of diversity targets. Majority of the respondents (66%) had up to 40% achievement level of diversity targets. Achieving diversity targets is just like achieving any other organizational targets such as financial and operational targets. The level of the target achievement in conjunction with achievement of the other targets determines the level of organizational performance (Dubnick, 2007). The sector should therefore aim at raising the level of diversity target achievement given that the results indicated low level achievements.

The study sought to determine the level at which the management involved employees in diversity decision making process. The findings were as shown; 24% of the respondents had 0-20% employees involvement in diversity decision making process, 44% had 21-40% employee involvement, 27% had 41-60% employee involvement, 5% had 61-80% employee involvement and none of the respondents had 81-100% employee involvement in diversity decision making process. Most of the respondents agreed with the fact that employee involvement in diversity decision making process was minimal. Involving employees in decision making instils a sense of pride and motivates employees to increase productivity in order to achieve their goals. Employees who participate in decision making process of their company feel

that they are part of a team with a common goal, and find their sense of self-esteem and creative fulfilment heightened (Geddes, & Konrad, 2003). By allowing a diverse group of employees to have input into diversity decisions, the organization benefits from the synergy that comes from a wider choice of options.

The study also sought to determine the level of diversity information exposure by management to employees; 28% of the respondents had 0-20% diversity information exposure by management to employees, 41% had 21-40% information exposure, 21% had 41-60% information exposure, 10% had 61-80% information exposure and none of the respondents had 81-100% diversity information exposure by management to employees. Majority of the respondents (0-20% and 21-40%) indicated that little diversity related information was exposed to the employees. Senior management in non-commercial government agencies should take the lead in recommitting to workforce diversity efforts by articulating the alignment and refinement of organizational mission and vision by empowering employees with diversity information. Diversity information exposure by the management act like echo chambers in which diverse workforce only consume and share information (Zane, 2002).

**Table 4.18: Achievement of diversity aspects**

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>	<b>Mode</b>
Achievement of diversity targets	34%	32%	20%	11%	3%	1
Employee involvement in diversity decision making process	24%	44%	27%	5%	0%	2
Diversity information exposure by management to employees	28%	41%	21%	10%	0%	2

Written responses indicated that the sector was challenged by issues such as globalization, migration, demographic trends, changing value systems, education level and competency, and changing roles and responsibilities which have led to the conclusion that the management team should adopt a sophisticated ways of managing

the diverse workforce. It was pointed out that organizations were becoming even more diverse with the clientele becoming more diverse. This was in line with the findings of Dubnick (2007) who indicated that both the employees and the service consumers were heterogeneous and more demanding and this calls for accountable and focused top leadership. Richard (2000) proposed that accountability should convey an image of transparency and holds the premises of fair and equitable governance to a diverse workforce.

#### **4.6.6. Organizational Performance**

The study required to measure the levels of organisational performance in non-commercial government agencies Kenya and to determine the influence of human resource diversity management practices on the performance.

The study sought to measure organisational performance by examining the number of absentees, labour turnover and increase in client base by the organisations for the last four years (see Table 4.19). On average the rate of diversity related absenteeism in the organisation in the year 2011 was 15%, 13% in 2012, 16% in 2013 and 18% in 2014. The rates of absenteeism as indicated over the years were too high and could negatively impact on organisational performance. Hossain (2009) 'study on effects of employee absenteeism on organizational output' from a survey of 300 employees found that creating an all-inclusive environment and appreciating diverse workforce reduced employee absenteeism to 5% or below and this influenced performance by 10%. Leveson, Joiner and Bakalis (2009) discovered a strong correlation between diversity satisfaction and overall job satisfaction with tangible benefits including reduced absenteeism to an average of 7%.

The other key measure of organisational performance in relation to diversity management was the level of annual labour turnover. The average labour turnover in the year 2011 was 17%, average labour turnover in 2012 was 16%, in 2013 the average labour turnover was 19%, and in 2015 the average turnover was 17%. The results of the findings depicted high rates of employee labour turnover in the sector. Employee turnover rate of above 10% according to Anon (2006) pose a challenge in

sustaining a reasonable organizational performance. The fewer the employees lost in labour turnover the better, as each new hire presents associated challenges for the company (Hossain, 2009). Responses to increase of client's base as an indicator of performance showed that the average increase in the organisations client base in the years 2011 was 5%, in 2012 there was 7% increase in client base, in 2012 the average increase was 6% and in 2013 the average increase in client base was 10%. This increase in clients' base was low and not in line with the findings of Liao and Chuang (2004) which indicated that a well-managed workforce in terms of diversity workforce reciprocates by over 20% increase of clients' base and this results to 30% and above increase of organizations net profits.

**Table 4. 19: Absenteeism, labor turnover, and client base**

	2011	2012	2013	2014
Number of absentees in the organisation in the years	15%	13%	16%	18%
Labour turnover in the years	17%	16%	19%	17%
Increase in the organisations client base in the years	5%	7%	6%	10%

Performance was also measured by the levels of customer satisfaction and increase in service area coverage (see Table 4.20). On the organisations level of customer satisfaction, 3% of the respondents had 0-20% level of customer satisfaction, 7% of the respondents had 21-40% customer satisfaction, 42% of the respondents had 41-60% customer satisfaction, 30% of the respondents had 61-80% level of customer satisfaction and 18% of the respondents had 81-100% level of customer satisfaction. On average, the organizations had up to 61-80% levels of satisfaction of their customers which was substantial to enhance organizational performance. According to Salanova and Peiro (2005), 80% of a company's business comes from 20% of its customers' satisfaction. If customers are treated fairly well and extra energy is invested in satisfying their diverse needs, they become more royal, more attached to the organization and eventually increase organizations business. Studies have shown that 68% of the customers leave because they are unfairly treated, 14% leave because



they are unhappy with the product or service and 9% leave because they are decided to use a competitor.

The study finally sought to determine the annual increase in service area or business coverage to test the sectors effectiveness in service rendering. Majority of the respondents (46%) had 0-20% level of annual increase, 21% of the respondents had 21-40% annual increase, 14% of the respondents had 41-60%, 11% of the respondents had 61-80% and 8% of the respondents had 81-100% level of annual increase in the service area coverage by the organisation. The general observation was that business expansion in the sector was low. Encouraging and utilizing diverse workforce in non-commercial government agencies acts as a positive motivational tool that can attract and retain the best employees as well as increase the level of the sectors competitiveness. According to Klarsfeld (2010) success of any organizations relies on the ability to manage a diverse workforce that can bring innovative ideas, perspectives and views to their work. With the mixture of talents of diverse cultural backgrounds, genders, ages and lifestyles, an organization can respond to business opportunities more rapidly and creatively.

**Table 4.20: Customer satisfaction and service area coverage.**

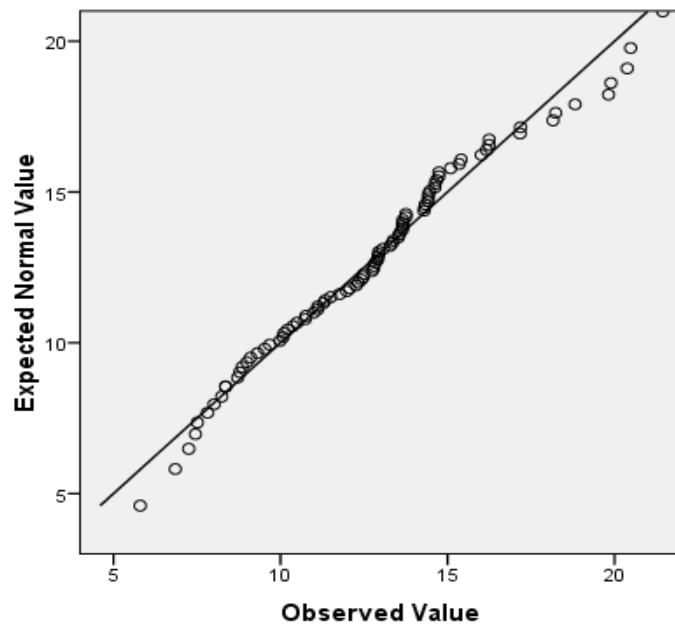
	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Level of customer satisfaction	3%	7%	42%	30%	18%
Level of annual increase in the service area coverage by the organisation(new operational centres/business expansion)	46%	21%	14%	11%	8%

### **Q-Q Plot of Organizational Performance**

This is a normality check which utilizes graphical method to compare two probability distributions by plotting their quantiles against each other. It is a graphical device to check the validity of a distributional assumption for a data set. The line produced in the graph is a parametric curve with the parameter which is the

(number of the) interval for the quantile. If the two quantiles are equal, the line will lie on  $Y = X$ , but if distributions are linearly related, points in the Q-Q plot lie on line but not necessarily on  $Y = X$ . If Q-Q departs from a straight line, then the assumed distribution is in question (Makkonen, Pajari & Tikanmäki, 2013). The study utilized Q-Q plot to compare the quantiles in organizational performance in the public sector. The results obtained were as shown in figure 4.6. The Q-Q lied close to the straight line, an indication that the distributions were linearly related. Since the Q-Q plot had no significance departure from the line  $Y = X$ , the two datasets came from populations with a normal distribution (see figure 4.4).

**Normal Q-Q Plot of ORGANISATIONAL PERFORMANCE**



**Figure 4.4: Q-Q plot**

### **One-sample Kolmogorov-Smirnov test of Organizational Performance**

The Kolmogorov-Smirnov Test is a robust test that cares only about the relative distribution of the data. It is used to decide if a sample comes from a hypothesized continuous distribution and based on the empirical cumulative distribution function which assume random sample from a distribution with cumulative distribution function. The study adopted the following null and alternative hypotheses for Kolmogorov-Smirnov test;

$H_0$ : the data follow the normal distribution

$H_1$ : the data does not follow the normal distribution.

The hypothesis regarding the distributional form is rejected at the chosen significance level ( $\alpha$ ) if the test statistic, D, is greater than the critical value obtained from a table. The fixed values of  $\alpha$  (0.01, 0.05 etc.) are generally used to evaluate the null hypothesis ( $H_0$ ) at various significance levels. A value of 0.05 is typically used for most applications, however, in some critical industries, a lower  $\alpha$  value may be applied (Kirkman, 1996).

In this study, the Kolmogorov- Smirnov test analysis gave a test statistic of 0.855 and a p- value of 0.457 (see table 4.21) at 0.05 level of significance. Since the p-value was greater than the level of significance, the study failed to reject the null hypothesis and thus concluded that the data for organizational performance in relation to diversity management had a test distribution which was normal. This was an indication that the model was significant and could be used for inferences.

**Table 4.21: One-Sample Kolmogorov-Smirnov test of performance**

<b>Organizational Performance</b>	
Kolmogorov-Smirnov Z	0.855
Asymp. Sig. (2-tailed)	0.457

## **Test of independence – Durbin Watson Test of Organizational Performance**

Durbin Watson Test is used to test for autocorrelation (a relationship between values separated from each other by a given time lag) in the residuals (prediction error) from the statistical regression analysis and ranges from zero to four (Bhargava, Franzini, & Narendranathan, 1982). The obtained p-value of 0.759 (see table 4.22) enabled the study to conclude that there was a positive autocorrelation amongst the residuals used in performance of the organization. The null hypothesis under test stated that there was independence amongst the sub variables in the performance of the organizations. With p-value of 0.759 the study failed to reject the null hypothesis.

**Table 4.22: Test of independence – Durbin Watson test**

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**DW = 2.1521    p-value = 0.759**

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Alternative hypothesis: True autocorrelation is greater than 0

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### **4.7. Inferential Analysis**

Inferential analysis according to Sekeran (2003) employs probability theory to deduce (infer) the properties of a population from the analysis of the properties of the sample drawn from it. It is concerned also with the precision and reliability of the inferences. The study used this analysis to reach conclusions that extended beyond the immediate data alone. The scores computed were used to determine the relationship and the level of influence between human resource diversity management practices (independent variable) and organisational performance (dependent variable). This was accomplished using the following inferential statistical tools.

#### **4.7.1. Correlation Analysis**

Correlation analysis in this research was used to establish the degree of relationship between human resource diversity management practices (independent variable) and organisational performance (dependent variable). According to Mugenda and Mugenda (2003) the strength of the relationship, correlation coefficient( $r$ ) ranges from negative one to positive one. Positive one indicates the relationship between the

dependent and independent variables is positive and perfectly linear. A negative one statistic indicates there exists perfect negative linear relationship between dependent and independent variables. Zero indicates the two variables are linearly independent where the independent variable does not explain the dependent variable. Therefore the closer the correlation coefficient ( $r$ ) to positive one, the stronger the positive linear relationship between the dependent and independent variables. Where  $r$  is close to negative one, there is a strong negative linear relationship between dependent and independent variables.

Correlation analysis was conducted using Pearson Correlation Coefficient. The study sought to establish whether there existed a relationship between the independent variable, human resource diversity management practices (diversity recruitment, diversity training, diversity retention and institutionalization of diversity) and the dependent variable (organizational performance). Correlation analysis performed to establish the strength and direction of the relationship diversity recruitment and organizational performance was found to have correlation coefficient of  $r = 0.817$  and a  $p$  value of 0.005 (see Table 4.23). This was a confirmation that there existed a strong positive and significant relationship between diversity recruitment and organizational performance. Diversity recruitment was plotted against organizational performance in a graph to establish whether a linear relationship existed. The scatter plot indicated that there existed a strong positive linear relationship between diversity recruitment and organizational performance (see Appendix IX). The relationship confirmed that the more the organisations engaged in diversity recruitment by attracting diverse workforce the more the organisations improved in performance.

The correlation analysis performed to establish the strength and direction of the relationship between diversity training and organizational performance achieved a correlation coefficient of 0.587. The  $p$  value obtained was 0.000 implying that there was a strong positive relationship between diversity training and organizational performance (see Table 4.23). When diversity training was plotted against organizational performance in a Cartesian plane, the results indicated that there existed a positive linear relationship between the two variables (see Appendix X).

This was an indication that the more the organisations trained employees on diversity awareness, knowledge, and skills the more the organisations experienced improvement in performance.

The correlation analysis performed between diversity retention programs and organizational performance gave a coefficient of 0.761 and a p value of 0.000 (see Table 4.23). This was a confirmation that there existed a strong positive and significant relationship between diversity retention and organizational performance. A scatter plot was also performed on diversity retention against organisational performance (see Appendix XI). The gradient in the graph indicated a strong positive linear relationship between diversity retention and organizational performance. This further confirmed that the organisations effort to retain the diverse workforce resulted to increase in organisational performance. This was in line with Johnson's (2003) findings that establishing positive learning and working environment that value diversity and developing incentives encouraging all employees to participate impacts positively on organisational performance.

The correlation analysis performed to establish the strength and direction of the relationship between institutionalization of diversity and organizational performance achieved a correlation coefficient of 0.758 with a p value of 0.000 implying a strong positive and significant relationship (see Table 4.23). Institutionalization of diversity was also plotted against organizational performance in a Cartesian plane (see appendix XII). The results obtained showed a positive and linear relationship between the two variables. This meant that the more the organization continued to institutionalize diversity rules, regulations, policies, and cultural values, the more it impacted positively on organizational performance. This was consistent with Cota, Evans, Dion, Kilik and Longman (2010) who observed that comprehensive diversity initiatives to create welcoming environment for people of all the backgrounds motivates people to perform better in their work increasing organisational performance.

**Table 4.23: Correlation coefficients**

		Recruitment	Training	Retention	Institutionalization of diversity
Organisational performance	Pearson	0.817	0.587	0.761	0.758
	Correlation Sig. (2- tailed)	0.005	0.0000	0.0000	0.0000

**4.7.2. Regression Analysis**

The study performed regression analysis by fitting linear regression models for the data. Bivariate regression analysis was done for each independent variable with the dependent variable. This was done to establish the level of influence the independent variables had on the dependent variable. According to Mugenda and Mugenda (2003) this helps to establish the specific nature of the relationship between each independent variable and the dependent variable.

**Diversity Recruitment and Organisational Performance Bivariate Analysis**

The regression model results indicated that the values of R and R<sup>2</sup> were 0.286 and 0.082 respectively (see Table 4.24). This showed that there was a positive relationship between diversity recruitment and organizational performance. The R<sup>2</sup> was the coefficient of determination which indicated that explanatory power of the independent variable was 0.082. This indicated that 8.2% of the variation in the variable use of organizational performance was explained by the variation of the variable diversity recruitment. The remaining variation in the dependent variable which was not explained by this one predictor model was done by other factors (see Table 4.24). The study results clearly indicated that diversity recruitment influenced organisations performance in non-commercial government agencies in Kenya

**Table 4.24: Regression model of diversity recruitment**

<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
.286	.082	.071	2.41204

The results of the analysis of variance ANOVA on the variables use of organizational performance versus diversity recruitment shows that the p value of the F statistic was less than 0.05 (see Table 4.25). This implied that diversity recruitment had a significant effect on organizational performance.

**Table 4.25: ANOVA of diversity recruitment and performance**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	80.587	1	80.587	9.251	0.003
Residual	905.944	104	8.711		
Total	986.531	106			

The study further determined the beta coefficients of diversity recruitment. The results of the coefficient of diversity recruitment had a value of 0.269 (see Table 4.26). This value was used to generate the model  $Y=9.694+0.269X_1$  to explain further the relationship between diversity recruitment ( $X_1$ ) and organizational performance (Y).

The model depicted a positive relation which implied that any unit increase in diversity recruitment led to corresponding increase in the level of the organizational performance.

Testing hypothesis 1:

$H_{01}$ : Diversity recruitment has no significant influence on performance of non-commercial government agencies in Kenya.



Where;

$$H_{01}: \beta = 0$$

The standardized regression coefficient was significant and statistically not equal to zero (see Table 4.26). Using those results, the null hypothesis was rejected and the alternative hypothesis adopted. Therefore the study concluded that diversity recruitment had significant influence on performance of non-commercial government agencies in Kenya. The empirical findings of this study indicated that diversity recruitment played a key role in organisational performance in non-commercial government agencies in Kenya. Similar results were reported by Thomas (2003) who pointed out that ability to make fair employment decisions and provide equitable opportunities to diverse employees enabled organisations to achieve competitive advantage. A study by Happle (2010) identified a strong link between diversity recruitment and organisational performance. Happle study findings indicated that 60% of the organizations output was linked to managers' effort to consider diversity in recruitment.

According to Elischer (2003) advancing diversity goals through inclusion of diversity in recruitment was a key tool in realising organizations performance. This was enhanced by recruiting and selecting managers who have an open attitude towards diversity and can act as role models. The significant influence of diversity recruitment on organisational performance as part of the findings of this study was advanced by Balogun (2008) who argued that diversity recruitment encompasses employing people from diverse environment to add value to organizational diversity fabric through diverse knowledge, skills, and talents. This perspective is also inline the human capital theory which underlines that people possess innate abilities, behaviour and personal energy and these elements make up the human capital they bring to their work (Armstrong, 2009). It is indeed the diverse knowledge, skills and abilities of individuals that create organisational human capital value. People from diverse backgrounds possess innate abilities, behaviours' and personal energy and

these elements make up the human capital they bring to the work and consequently decide when, how and where they will contribute it (Seymour (2003).

The findings in this study were also consistent with LIS Recruitment Model which is built on the premise that organization’s need for diversity is necessitated by business demand and market competition. According to Yang (2005) if the organization wants to satisfy business demand in terms of diverse clients, it must create internal systems where the client expectations should be mirrored within the established diversity recruitment processes.

**Table 4.26: Regression coefficients of diversity recruitment**

	Unstandardized		Standardized		
	B	Std. Error	Beta	t	Sig.
(Constant)	9.694	1.158		8.369	.000
RECRUITMENT	.269	.093	.286	2.891	.005

**Moderation Effect of Senior Management Accountability on Diversity Recruitment and Organizational Performance**

A moderator variable influences the relationship between the dependent variable and the independent variable. The direction and magnitude of the relationship depends on the value of the moderator (Sekeran, 2003). This study identified senior management accountability as a moderator variable affecting the relationship between diversity recruitment (independent variable) and organizational performance (dependent variable) in non-commercial government agencies in Kenya. The study performed regression analysis to test the moderating effect of senior management accountability on the relationship between recruitment and organizational performance in the non-commercial government agencies. The regression results obtained R<sup>2</sup> value of 0.127 (see Table 4.27). This indicated that senior management accountability influenced the relationship between diversity recruitment and organisational performance by 12.7%. Therefore the results indicated that the relationship between diversity

recruitment and organisational performance was moderated by senior management accountability.

**Table 4.27: Moderating effect of senior management accountability**

<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>	<b>Adjusted R Square</b>
.356	.127	.117	3.12918

The results of the analysis of variance ANOVA on testing the moderating effect of senior management accountability on the relationship between diversity recruitment and organizational performance showed that the p value of the F statistic was less than 0.05 (see Table 4.28). This implied that the coefficient of the computed variable diversity recruitment intersected senior management accountability was at least not equal to zero. The significance of the model indicated that senior management accountability significantly influenced the interaction between diversity recruitment and organisational performance in non-commercial government agencies in Kenya.

**Table 4.28: ANOVA; Moderation of senior management accountability**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	124.854	1	124.854	15.07	.000
Residual	861.677	104	8.285		
Total	986.531	105			

The results (see Table 4.29) when substituted in the general equation from the fitted regression model after moderation was of the form  $Y = 10.733 + 0.009X_1 * X_5$ . The established relationship indicated that senior management accountability ( $X_5$ ) had a positive moderating effect on the relationship between diversity recruitment ( $X_2$ ) and performance ( $Y$ ) in non-commercial government agencies in Kenya.

**Table 4.29: Regression coefficients**

	Unstandardized		Standardized		
	B	Std. Error	Beta	t	Sig.
(Constant)	10.733	.664		16.153	.000
RECRUITMENT*SENIO					
R MANAGEMENT	.009	.002	.356	4.500	.000
ACCOUNTABILITY					

Using the results above (see Table 4.27) the hypothesis below was tested:

H<sub>05</sub>: Senior management accountability on workforce diversity management has no moderating effect on the relationship between diversity recruitment and performance of non-commercial government agencies in Kenya.

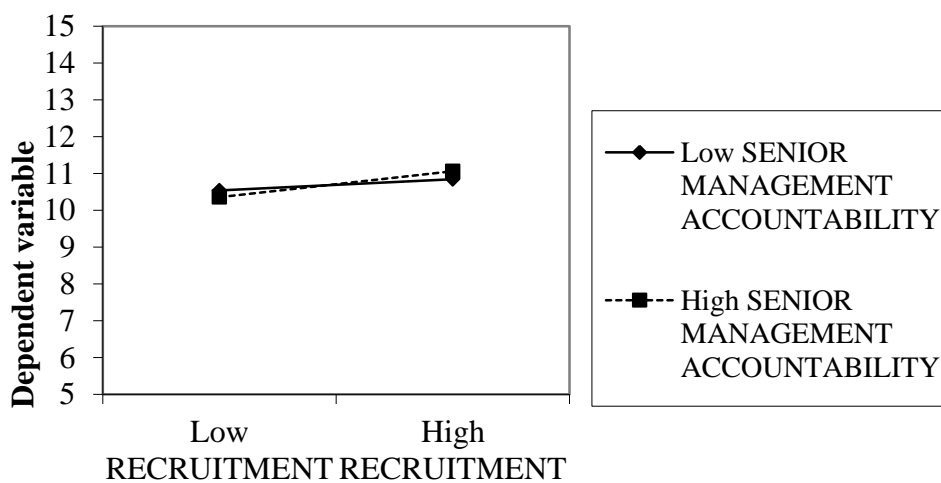
Where:

$$H_{05}: \beta_1 = 0$$

The standardized regression coefficient was significant and not equal to zero. This enabled the study to reject the null hypotheses and drew the conclusion that senior management accountability on workforce diversity had a moderating effect on the relationship between diversity recruitment and organizational performance in non-commercial government agencies in Kenya.

To explain further the moderating effect of senior management accountability on the relationship between diversity recruitment and organizational performance, the study used Jeremy Dawson interaction tool (Hayes & Matthes, 2009). The plot (see Figure 4.5) had two lines, the continuous line represented high moderator and with an extremely gentle slope which represented weak effect. Comparing this to the dotted line of low moderator, this second line had a moderate gentle slope representing a

relatively low positive effect. The summary explanation of the relationship below was that when diversity recruitment increased the organizational performance increased in the presence of high senior management accountability. Organizational performance was low even when diversity recruitment increased in the presence of low senior management accountability. Hence senior management accountability moderated the relationship between diversity recruitment and organizational performance.



**Figure 4.5: Moderation of Senior Management Accountability**

The findings of this study indicated that senior management accountability influenced the relation between diversity recruitment and organisational performance. A study conducted by Dubnick (2007) to investigate the role of management in diversity employment indicated that senior management accountability conveys an image of transparency and holds the premises of fair and equitable recruitment for diverse workforce. Accountability was perceived as a virtue (positive feature of managers), a substantive norms of the behaviour of actors (managers). Considine (2002) an Australian scholar, squares accountability with responsibility and responsiveness. Considine pointed out that senior management accountability will navigate the proper use authority to range freely across a multi relationship terrain in search of the most advantageous path to diversity recruitment.

### Diversity Training and Organizational Performance Bivariate Analysis

The regression analysis results obtained R and R<sup>2</sup> values of 0.068 and 0.058 respectively (see Table 4.30). This shows that there was positive linear relationship between diversity recruitment and organizational performance. The R<sup>2</sup> was the coefficient of determination which indicated that explanatory power of the diversity training variables was 0.058. This indicated that 5.8% of organizational performance was contributed by diversity training in non-commercial government agencies in Kenya. The remaining variation in the organisational performance variable was contributed by other factors apart from diversity training.

**Table 4.30: Regression model of diversity training**

R Square	Adjusted R Square	Std. Error of the Estimate	Adjusted R Square
.068	.058	3.23152	.068

The analysis of variance ANOVA on the variables use of organizational performance versus diversity recruitment showed that the p value of the F statistic was less than 0.05 (see Table 4.31) This implies that diversity training had significant effect on organizational performance in non-commercial government agencies in Kenya.

**Table 4.31: ANOVA of diversity training**

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	67.574	1	67.574	7.648	0.007
Residual	918.958	104	8.836		
Total	986.531	105			

The study further determined the beta coefficients of diversity training. The results obtained a regression coefficient value of 0.116 which generated the model  $Y=10.069 + 0.116X_2$  for diversity training ((X<sub>2</sub>) versus organizational performance (Y) (see Table 4.32). This model implied that every unit increase in diversity training

in the organisation led to corresponding increase in the level of organizational performance in non-commercial government agencies in Kenya.

Testing hypothesis 2:

H<sub>02</sub>: Diversity training has no significant influence on performance of non-commercial government agencies in Kenya.

Where;

H<sub>02</sub>:  $\beta = 0$

The standardized regression coefficient was significant and its value not equal to zero (see Table 4.32). This prompted the study to reject the null hypothesis and adopted the alternative hypothesis. Therefore the study concluded that diversity training had significant influence on performance of non-commercial government agencies in Kenya. The study findings were consistent with the findings of Pendry, Driscoll and Field (2007) who pointed out that diversity training ensures that skills and perspectives are improved to enhance firm performance. This is achieved by facilitating positive intergroup interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse workers and customers. The core target areas to be addressed by diversity training to make reasonable impact on firm performance were identified as affirmative action, multicultural training (appreciate other customers), generation disparity, bonding, increasing awareness about diversity issues, reducing biases, changing behaviour to effectively manage diverse workforce and customer base.

A research conducted by Mavinga (2009) on diversity for performance in UK whose objective was to investigate the impact of experiential diversity training on organisational performance found that the experiential diversity training the respondents received had a positive impact on organisational performance. The employees were noted to have increased their confidence and self-awareness in offering effective service to diverse clients. Another study by Dobbin and Kaler

(2007) evaluating the effects of diversity training on organizational performance across various federal government agencies in US found that diversity training impacts on employee diversity perception thus increasing employee engagement and commitment. The study established a positive influence of diversity training on organizational performance. All these studies concurred with the findings of this study that diversity training is a major determinant in organisational performance.

The study also established a positive relationship between diversity training and organisational performance. This was consistent with the findings of Makower (2001) who assert that the overall goal of diversity training is to ensure that staff from diverse backgrounds, working in a variety of settings develops skills and competencies for the organisation to achieve competitive edge. This premise is supported by Theory of Reasoned Action which posit that if people evaluate the suggested behaviour as positive (attitude), and if they think their significant others want them to perform the behaviour (subjective norm), this results in a higher intention (motivation) and they are more likely to do so (Fishbein, 2000).

**Table 4.32: Regression coefficients of diversity training**

	Unstandardized		Standardized		
	Coefficients		Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	10.069	1.124		8.961	.000
TRAINING	0.116	0.044	0.262	2.636	0.010

**Moderating Effect of Senior Management Accountability on diversity training and organizational performance**

The study also sought to investigate whether senior management accountability moderates the relationship between diversity training (independent variable) and organizational performance (dependent variable) in non-commercial government agencies in Kenya. The performed multiple regression analysis to test the moderating effect of senior management accountability on the relationship between diversity



training and organizational performance gave results obtained  $R^2$  value of 0.110 (see table 4.33). This meant that the extent to which interaction between diversity training and organisational performance was explained by senior management accountability was 11%. The remaining 89% was explained by other factors.

**Table 4.33 Moderation regression of senior management accountability**

<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>	<b>Adjusted R Square</b>
.332	.110***	.100	3.15846

Analysis of variance ANOVA was performed to test the moderating effect of senior management accountability on the relationship between diversity training and organizational performance. The results showed that the p value of the F statistic was less than 0.05 (see Table 4.34). This implies that the coefficient of the computed variable diversity training intersection with the senior management accountability was at least not equal to zero.

**Table 4.34: Moderation ANOVA of senior management accountability**

	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	108.657	1	108.657	12.873	0.001
Residual	877.875	104	8.441		
Total	986.531	105			

The fitted regression model after moderation (see table 4.35) gave the equation  $Y = 10.868 + 0.004 X_2 * X_5$ . The model indicates that senior management accountability ( $X_5$ ) had positive moderating effect on the relationship between diversity training ( $X_2$ ) and performance (Y) in the non-commercial government agencies in Kenya.

**Table 4.35: Coefficients; senior management accountability moderation**

	Unstandardized		Standardized		
	Coefficients		Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	10.868	.672		16.180	.000
TRAINING*SENIOR MANAGEMENT ACCOUNTABILITY	.004	.001	.332	4.00	.000

Using the results above, the hypothesis below was tested.

H<sub>05</sub>: Senior management accountability on workforce diversity management has no moderating effect on the relationship between diversity training and performance of non-commercial government agencies in Kenya.

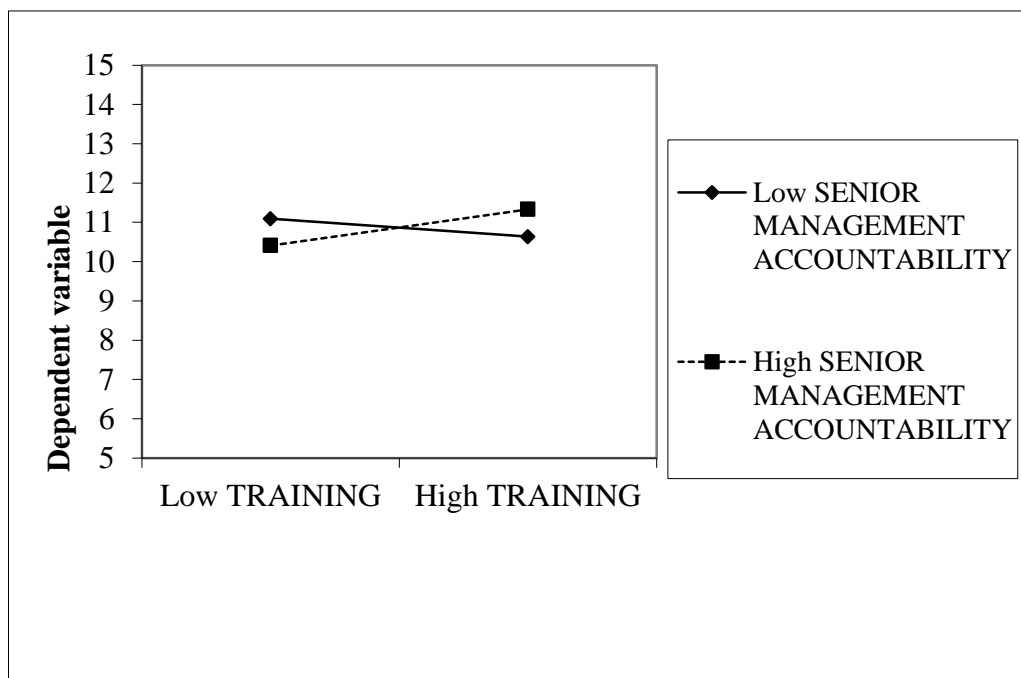
Where;

$$H_{05}: \beta = 0$$

The standardized regression coefficient as indicated in the results was significant and its value not equal to zero (see Table 4.34). The study therefore rejected the null hypotheses and drew the conclusion that senior management accountability on workforce diversity had a moderating effect on the relationship between diversity training and organizational performance of the non-commercial government agencies in Kenya.

To explain further the moderating effect of senior management accountability on the relationship between diversity training and organizational performance, the relationship below was developed (see figure 4.6). The continuous line represents high moderator and has a small gradual slope which represents an existing effect. Comparing this to the dotted line of low moderator which has a positive slope indicating a positive interaction, the summary explanation of the relationship below

was that when diversity training increased, organizational performance increased in the presence of high senior management accountability. Organizational performance was low even when diversity training increased in the presence of low senior management accountability. Hence senior management accountability moderated the relationship between diversity training and organizational performance.



**Figure 4.6: Moderation effect of senior management accountability**

The findings that senior management influenced the interaction between diversity training and organisational performance in non-commercial government agencies in Kenya were in agreement with Carlozzi (2003) who suggested that leaders accountability for diversity training initiatives advances the organisations diversity knowledge bank which leads to increased creativity and innovativeness. Responsible leaders who embrace and own diversity training process and frequently evaluate the progress and the impact of such programs on job performance realises over 75% of the overall organisational performance. Zane (2002) posit that performance oriented managers establish diversity training assessment team to guide and oversee diversity training need assessment, and ensure the level of accountability necessary in order to achieve desired results.

### Diversity Retention and Organizational Performance Bivariate Analysis

The regression model results achieved R and R<sup>2</sup> values of 0.332 and 0.110 respectively (see Table 4.36). This shows that there was a positive relationship between diversity retention and organizational performance. The R<sup>2</sup> was the coefficient of determination which indicated that explanatory power of diversity retention to organisational performance was 0.110. This means that 11% of the organisational performance in non-commercial government agencies was influenced by diversity retention.

**Table 4.36: Regression model of diversity retention and performance**

<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
.332	.110	.100	3.15846

The results of the analysis of variance ANOVA on the variables organizational performance versus diversity retention showed that the p value of the F statistic was less than 0.05 displaying strong and significance relationship. This was an indication that diversity retention had significant effect on organizational performance (see table 4.37).

**Table 4.37:2 ANOVA; Diversity retention and organizational performance**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	108.657	1	108.657	12.873	0.001
Residual	877.875	104	8.441		
Total	986.531	105			

The study further determined the beta coefficients of diversity retention. The results showed the coefficient of diversity retention as 0.276. When the coefficient was substituted in the general model, it produced the relationship  $Y=10.012 +0.276X_3$  for diversity retention ( $X_3$ ) versus organizational performance (Y). The model implied that every unit increase in diversity retention lead to the corresponding increase in the level of the organizational performance (see Table 4.38). This is an indication

that the more the organisations utilized diversity retention programs the more the performance was realised.

Testing Hypothesis 3:

H<sub>03</sub>: Diversity retention has no significant effect on performance of non-commercial government agencies in Kenya.

Where;

H<sub>03</sub>:  $\beta = 0$

The standardized regression coefficient was significant and its value was not equal to zero (see Table 4.38). This enabled the study to reject the null hypothesis and adopted the alternative hypothesis which stated that diversity retention has significant effect on performance of non-commercial government agencies in Kenya. Therefore the study concluded that diversity retention had significant effect on performance of non-commercial government agencies in Kenya.

**Table 4.38: Regression coefficients; diversity retention and performance**

	Unstandardized		Standardized		Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta	t	
(Constant)	10.012	.887		11.282	.000
RETENTION	.276	.079	.339	3.494	.001

The inferential analysis in this study revealed that diversity retention was an essential element in organisational performance. This was in agreement with the study conducted by Kyung-Sun Kim (2006) to investigate the efforts made by LIS schools to retain employees of colour, and the impact of this initiative to the institution performance. The study findings indicated that the strategies applied for diversity retention narrowed the gap between the minority and the rest of the groups in the work place and this increased the institutional performance. The study concluded that

diversity retention programs should be used to resolve diversity related problems and this would translate into increased organisational performance. Prior research by Rivas-Rodriguez, Subervi-Ve´lez, Bramlett-Solomon and Heider (2004) on minority promotion pointed out that minority journalists, regardless of ethnicity, occupation, or years in the business in US, considered promotion of minority executives to open their promotion opportunities and this enriched their bonding with the organization. The minority journalists chose to stay longer in the organization and this enabled the firm to increase performance. According to McMahon (2011) employees in today's culture value diversity and remain with companies that emphasize value for the diverse workforce.

The study findings established that diversity retention had significant effects on organizational performance. According to Joshi (2002) meeting diverse employees' needs at their place of work creates fulfillment in their professional lives causing them to work better and stay longer in the organization. This perspective was advanced by Abraham Maslow in his Hierarchy of Needs Theory where people's needs are placed into five progressive categories, beginning with basic physical needs and progressing up to needs for self-esteem and actualization. According to Joshi, employers must meet each level of diverse employees' needs for employees to attain personal growth and career development and truly commit themselves to achieving workplace goals. The managers should identify the need level at which the employee is existing and then those needs can be utilized as push for motivation to realize organizational performance goal.

### **Moderation Effect of Senior Management Accountability on Diversity Retention and Organizational Performance**

One of the key concerns of the study was to evaluate whether senior management accountability moderated the interaction between diversity retention (independent variable) and organizational performance (dependent variable) in non-commercial government agencies in Kenya. Regression analysis was performed to test the moderating effect of senior management accountability on the relationship between

diversity retention and organizational performance in the non-commercial government agencies in Kenya. The analysis obtained  $R^2$  of 0.143 meaning that 14.3% of the variation in the variable use of organizational performance was explained by the variation of the variables in the model  $Y = \beta_0 + \beta_3 X_3 * X_5$  (see Table 4.39). The remaining variation in the dependent variable unexplained by this one predictor model was explained by the other factors.

**Table 4.39: Summary: Moderation of senior management accountability.**

<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>	<b>Adjusted R Square</b>
.379	.143	.134	3.09890

The results of the analysis of variance ANOVA on testing the moderating effect of senior management accountability on the relationship between diversity retention and organizational performance showed that the p value of the F statistic was less than 0.05 (see Table 4.40). This implied that the coefficient of the computed variable diversity retention intersection with senior management accountability was at least not equal to zero and thus the model was significant.

**Table 4.40: ANOVA; Moderation of senior management accountability.**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	141.452	1	141.452	17.407	.001
Residual	845.079	104	8.126		
Total	986.531	105			

The fitted regression model after moderation (see Table 4.41) gave the equation  $Y = 10.868 + 0.004 X_3 * X_5$ . The model indicated that senior management accountability had positive moderating effect on the relationship between diversity retention and organizational performance in non-commercial government agencies in Kenya.

**Table 4.41: Regression coefficients; senior management accountability**

	<b>Coefficients</b>	<b>Std. Error</b>	<b>T</b>	<b>Sig.</b>
(Constant)	10.887	.595	18.310	.000
retention*senior management accountability	.009	.002	4.5	.000

Using the results above, the hypothesis below was tested.

H<sub>05</sub>: Senior management accountability on workforce diversity management does not have a moderating effect on the relationship between diversity retention and performance of non-commercial government agencies in Kenya.

H<sub>a5</sub>: Senior management accountability on workforce diversity management has a no moderating effect on the relationship between diversity retention and performance of non-commercial government agencies in Kenya.

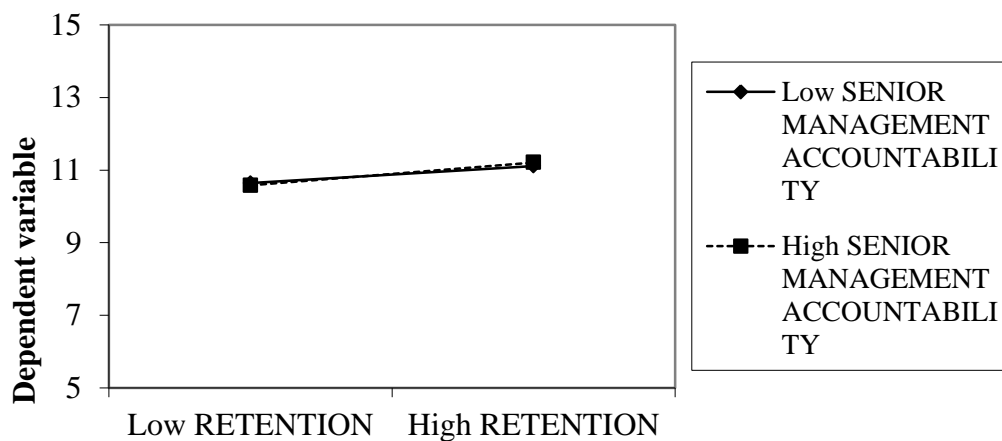
H<sub>05</sub>:  $\beta = 0$

The p-value of the T statistic for the computed variable diversity retention intersection with senior management accountability was less than 0.05. This enabled the study to reject the null hypotheses and drew the conclusion that senior management accountability on workforce diversity had a moderating effect on the relationship between diversity retention and performance of non-commercial government agencies in Kenya.

The moderating effect of senior management accountability on the relationship between diversity retention and organizational performance was further subjected into Jeremy Dawson plot. (see Figure 4.7). The continuous line represented high moderator and had a very sharp slope which depicted a strong positive moderating relationship. This was compared with the dotted line of low moderator which had a sharp positive slope indicating a positive interaction. The interception of the two lines all with positive slopes showed a moderating effect. The summary explanation of the relationship below was that when diversity retention programs increases the



organizational performance increases in the presence of high senior management accountability. Organizational performance was low even when diversity retention programs increases in the presence of low senior management accountability. Hence senior management accountability moderated the relationship between diversity retention and organizational performance in non-commercial government agencies in Kenya.



**Figure 4.7: Moderation effect of senior management accountability**

The findings that senior management moderated the relationship between diversity retention and organizational performance agreed with the findings of South African Department of Labour (2000) which pointed out that the performing organizations have well established support structures on accountability from the senior management to operationalize the management of employee retention such as diversity steering group (made of diverse individuals representing groups identified by the diversity audit), diversity project teams (utilizing project management principles), and mentors to assist and support employees. Robbins, Odendaal, and Roodt (2003) posit that teambuilding as initiated by top management strengthened the support system, as team work was seen to utilize high interaction group activities and this led to increased organisational performance.

### **Institutionalization of Diversity and Organizational performance Bivariate Analysis**

The regression model results indicated R and R<sup>2</sup> values as 0.332 and 0.110 respectively (see Table 4.42). This showed that there was a positive relationship between institutionalization of diversity and organizational performance. The R<sup>2</sup> was the coefficient of determination which indicated that explanatory power of the independent variables was 0.11. Therefore 11% of the variation in the variable use of organizational performance was influenced by institutionalization of diversity.

**Table 4.42: Model summary; institutionalization of diversity**

<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
.326	.106	.096	3.16586

The results of the analysis of variance ANOVA on the variables use of organizational performance versus institutionalization of diversity showed that the p value of the F statistic was less than 0.05 (see Table 4.43) This implied that the coefficient of institutionalization of diversity was at least not equal to zero and hence significant. Therefore institutionalization of diversity had significant effect on the organizational performance.

**Table 4.43: ANOVA; Institutionalization of diversity and performance**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	141.452	1	141.452	17.407	0
Residual	845.079	104	8.126		
Total	986.531	105			

The study further determined the beta coefficients of institutionalization of diversity. The coefficient obtained was 0.231 which generated the model  $Y=9.022 +0.231X_4$  for institutionalization of diversity ( $X_4$ ) versus organizational performance (Y) (see Table 4.44). The model implied that every unit increase in the measure of institutionalization of diversity led to increase in organisational performance.

Testing hypothesis 4:

H<sub>04</sub>: Institutionalization of diversity has no significant effect on performance of non-commercial government agencies in Kenya.

Where;

H<sub>04</sub>:  $\beta = 0$

The standardized regression coefficient was significant and statistically not equal to zero (see table 4.44). The study rejected the null hypothesis and consequently adopted the alternative hypothesis (H<sub>a4</sub>). Therefore the study concluded that institutionalization of diversity had significant effect on performance of non-commercial government agencies in Kenya.

**Table 4.4:3 Regression coefficients of institutionalization of diversity**

	Unstandardized		Standardized		
	B	Std. Error	Beta	t	Sig.
(Constant)	9.022	1.215		7.428	.000
INSTITUTIONALIZATION OF DIVERSITY	.231	.069	.326	3.348	.001

a. Dependent Variable: ORGANISATIONAL PERFORMANCE

The study findings that institutionalization of diversity influenced organizational performance was supported by Nieman (2006) study on diversity and performance in South African schools. The study found that allowing staff to participate in an early stage of strategy development increased sense of belongingness which resulted to increased performance. The study further pointed out that working environment that is truly fulfilling for each person nurtures self-esteem and self-worth of each person and creates opportunities for all to mature into independence and this leads to better organisational performance.

Similar findings that institutionalization of diversity influenced organisational performance were achieved by Dexter (2010). The study revealed observation of diversity policies, rules and regulations lead to high level of agreement and presence of ready consensus among human resource managers and employees which helped to translate ethical principles into organizational performance. The study pointed out that diversity policies implementation was more an issue of actual practice than paper work. While companies remained conscious about equal opportunity, notably through legislative prerequisites, the firms placed diversity management beyond the minimal fulfillment of legal requirements. Institutionalization of diversity called for implicit incorporation in the corporate culture, ethical leadership and open communication to realize substantial performance. Real diversity institutionalization is hinged on diversity policy achievement and customization of diversity programs which is key to organizational performance.

The findings of this study indicated that institutionalization of diversity positively affected organisational performance. The study operationalized institutionalization of diversity as establishment of standard practice or custom that affirms the importance of a diverse workforce and modification of social structures in the work environment to fit all (Smith & Wolf, 2006). The resilient aspects of social structure as premised by Institutional Theory considers the processes by which structures, including schemes, rules, norms, and routines become established as authoritative guidelines for social behaviour which in turn become driving force for inclusiveness and performance. According to DiMaggio and Powel (2005) institutionalization of diversity is identified as one of the strategic responses to organizational performance. Therefore the findings of this study were justified to advance the theory that institutionalization of diversity significantly influenced organisational performance.

### **Moderation Effect of Senior Management Accountability on Institutionalization of Diversity and Organizational Performance**

The study finally sought to investigate whether senior management accountability moderated the relationship between institutionalization of diversity (independent variable) and organizational performance (dependent variable) in non-commercial government agencies in Kenya.

Regression analysis to test the moderating effect on the relationship between institutionalization of diversity and organizational performance was performed.

The analysis obtained  $R^2$  value of 0.139 (13.9%) which depicted that 13.9% of the variation in the variable use of organizational performance was explained by the variation of the variables in the model  $Y = \beta_0 + \beta_4 X_4 * X_5$  (see Table 4.45). The remaining variation in the dependent variable unexplained by this one predictor model was explained by other factors.

**Table 4.45: Summary; Moderation of senior management accountability**

<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>	<b>Adjusted R Square</b>
.373	.139	.129	3.10713

The results of the analysis of variance ANOVA on testing the moderating effect of senior management accountability on the relationship between institutionalization of diversity and organizational performance showed that the p value of the F statistic was less than 0.05 (see Table 4.46). This implied that the coefficient of the computed variable diversity training intersection with senior management accountability was at least not equal to zero.

**Table 4.46: ANOVA; Moderating effect on diversity institutionalization**

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	136.958	1	136.958	16.766	0.001
Residual	849.574	104	8.169		
Total	986.531	105			

The fitted regression model after moderation (see Table 4.47) gave the equation  $Y = 10.304 + 0.007X_4 * X_5$ . The model showed a positive moderating effect of senior management accountability on the relationship between institutionalization of diversity and organizational performance in non-commercial government agencies in Kenya.

**Table 4.47: Regression; moderation on diversity institutionalization**

	Coefficients	Std. Error	T	Sig.
(Constant)	10.504	.690	15.213	.000
Institutionalization of diversity*senior management accountability	.007	.002	3.500	.001

Using the results above, the hypothesis below was tested:

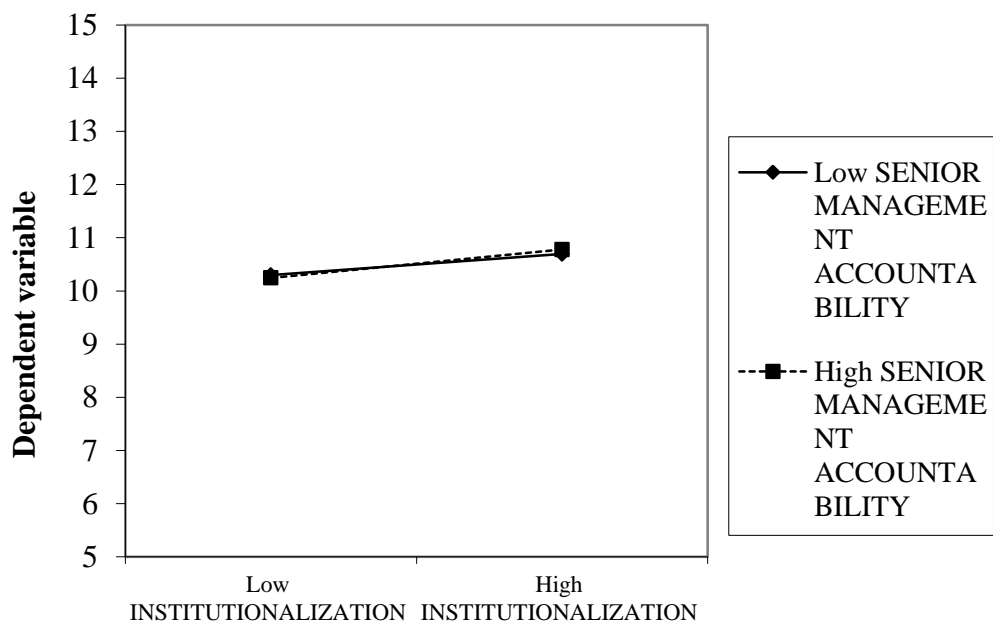
H<sub>05</sub>: Senior management accountability on workforce diversity management does not have a moderating effect on the relationship between institutionalization of diversity and performance of non-commercial government agencies in Kenya.

H<sub>05</sub>:  $\beta = 0$

The p-value of the T statistic for the computed variable institutionalization of diversity intersection with senior management accountability was less than 0.05. This enabled the study to reject the null hypotheses and drew the conclusion that senior management accountability on workforce diversity had a moderating effect on the

relationship between institutionalization of diversity and performance of the non-commercial government agencies in Kenya.

To explain further the moderating effect of senior management accountability on the relationship between institutionalization of diversity and organizational performance, the relationship below was developed (see figure 4.8). The summary explanation of the relationship below was that when institutionalization of diversity increased the organizational performance increased in the presence of high senior management accountability. Organizational performance was low even when institutionalization of diversity recruitment increased in the presence of low senior management accountability. Hence senior management accountability moderated the relationship between institutionalization of diversity and performance of non-commercial government agencies in Kenya.



**Figure 4.8: moderation effect of senior management accountability**

The study findings pointed out that senior management accountability moderated the interaction between institutionalization of diversity and organizational performance.

This was consistent with a study conducted by Kreitner and Kinicki (2001) whose objective was to investigate the role of senior management in institutionalization of diversity towards managing the diverse workforce. The study revealed that the senior management ensured diversity equality prevailed at every level of the company's operations. This was accompanied by fair and equitable wages and salaries across the diverse workforce determined from the head office. The top management was committed to the achievement of diversity targets by involving all the levels of employees in decision making. The initiated diversity efforts by the management increased service output by 19%. Thus it was clear that senior management accountability was a contributing factor towards institutionalization of diversity and organizational performance of non-commercial government agencies in Kenya.

#### **4.7.3. Multiple Regression Analysis**

A multiple regression model was fitted to determine whether independent variables diversity recruitment, diversity training, diversity retention, and institutionalization of diversity influenced the depended variable, organizational performance. The analysis examined whether the multiple regression equation could be used to explain the nature of influence that the independent variables had on the dependent variable. The multiple regression model was of the form:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4+ e$$

Where

$$\beta_0 = \text{constant}$$

$$\beta_i = \text{coefficient of } X_i \text{ for } i = [1, 2, 3, 4]$$

$$e = \text{error term}$$

The regression model summary of all the variables gave  $R^2$  value of 0.929 (see table 4.48). The coefficient of determination  $R^2$  indicated that 92.9% of the variation in the variable organizational performance was explained by the variation of the



independent variables in the model  $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$ . This meant that the variation in the variable organizational performance was explained by the joint variation in the variables; diversity recruitment, diversity training, diversity retention, and institutionalization of diversity. This showed that the model had a good fit since the influence value was above 80% (Lewis & Thornhill, 2009).

**Table 4.48: Model summary for all the variables**

R Square	Adjusted R Square	Std. Error of the Estimate
.929	.926	3.59790

The analysis of variance ANOVA on the variable use of organizational performance and all the independent variables jointly was performed. The test revealed that at least one of the independent variables had a significant effect on organizational performance. The p value was 0.000 which was less than 5% level of significance implying that at least one of the coefficients of the independent variables was not equal to zero (see table 4.49).

**Table 4.49: ANOVA for combined variables**

	Sum of Squares	df	Mean Square	F	Sig.
Regression	14603.503	4	3650.876	334.513	0.000
Residual	1113.260	102	10.914		
Total	15716.763 <sup>b</sup>	105			

The overall general multiple regression model adopted in the study was of the form  $Y = B_0 + B_1X_1 + B_2X_2 + X_3B_3 + X_2B_4 + e$

Substituting the coefficients in table 4.50, the fitted model was of the form

$$Y = 0.389 X_1 + 0.081 X_2 + 0.025 X_3 + 0.353 X_4$$

Where;

Y = Organizational performance

X<sub>1</sub> = Diversity recruitment

X<sub>2</sub> = Diversity training

X<sub>3</sub> = Diversity retention

X<sub>4</sub> = Institutionalization of diversity.

The respective calculated T-statistics for the coefficients were 3.407, 2.531, 2.083 and 3.667 with P-values of 0.001, 0.013, 0.040, and 0.000 respectively. The P-values were all less than 0.05 implying significance of the coefficients of diversity recruitment, diversity training, diversity retention, and institutionalization of diversity. The constant term was suppressed since it was insignificant and the optimal model was a regression line that passed through the origin. The model displayed a positive and significant relationship between dependent variable and independent variables. This was an indication that diversity recruitment, diversity training, diversity retention, and institutionalization of diversity influenced performance of the non-commercial government agencies in Kenya.

**Table 4.50: Coefficients for all the independent variables from the management**

	<b>Coefficients</b>	<b>Std. Error</b>	<b>T</b>	<b>Sig.</b>
Recruitment	0.389	0.114	3.407	0.001
Training	0.081	0.032	2.531	0.013
Retention	0.025	0.012	2.083	0.040
Institutionalization of diversity	0.353	0.096	3.677	0.000

The overall model in this study displayed a positive and significant relationship between human resource diversity management practices and performance of non-commercial government agencies in Kenya. The study findings were strongly supported by Richard and Johnson (2001) who pointed out that the view of diversity has changed to a more strategic concept where many business leaders believe that diversity has important performance benefits. Diversity in the workforce can be a

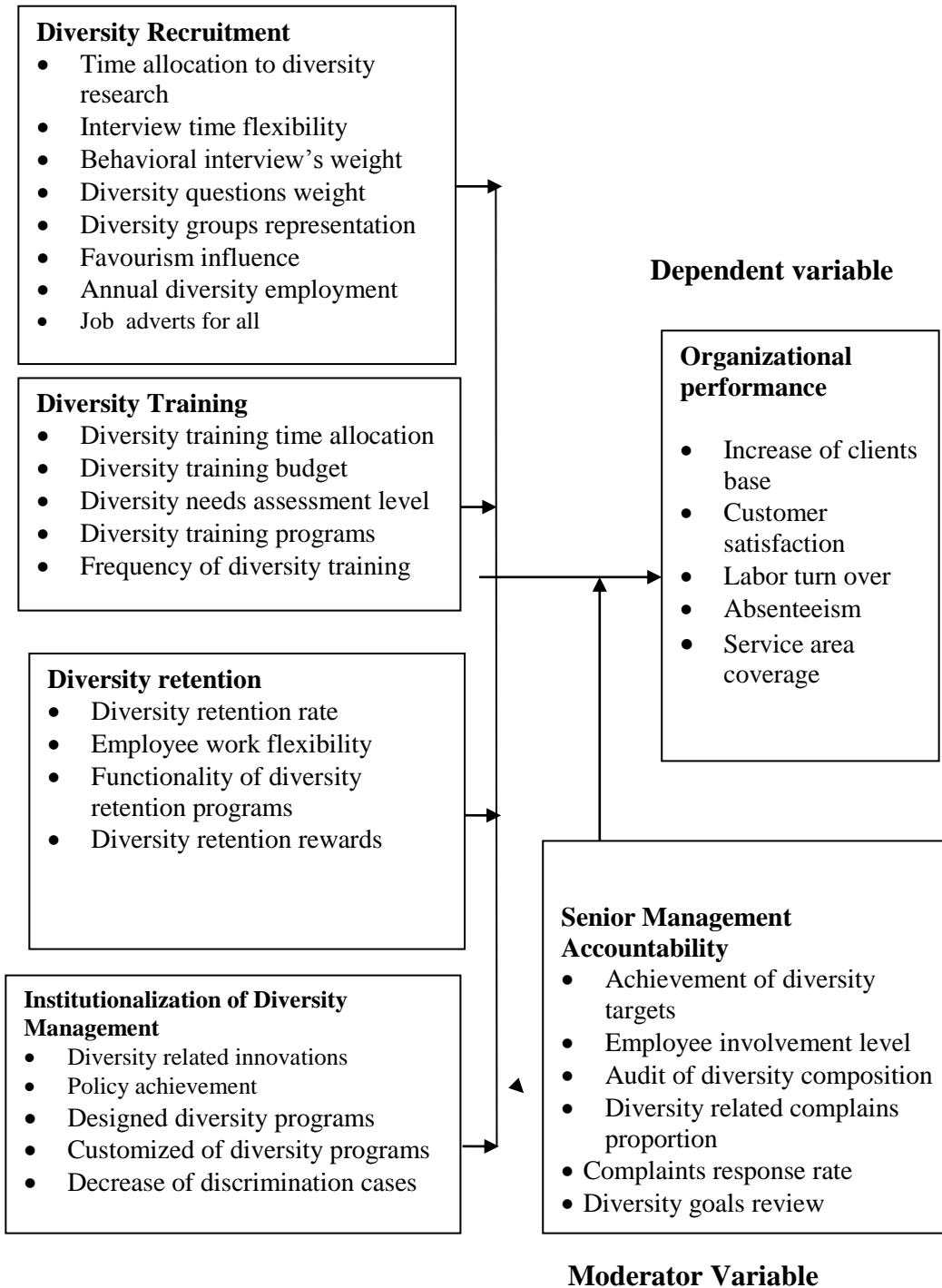
competitive advantage because different viewpoints can facilitate unique and creative approaches to problem solving thereby increasing creativity and innovation which in turn leads to better organizational performance (Robbins, Odendaal & Roodt, 2003).

The understanding that each individual is unique, and recognizing our individual differences in terms of race, ethnicity, gender, sexual orientation, socioeconomic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies makes the work environment conducive (Dwyer, Richard & Chadwyck, 2003). It is the exploration of these differences in a safe, positive, and nurturing environment through human resource diversity management practices that gives meaning to the concept of performance in diversity management.

Similar findings on the influence of human resource diversity management on organisational performance were reported by Human Resource Institute (2003) from a survey of 1000 public companies. The study depicted that 20% of the input of human resource diversity management practices doubled organisational performance. The study findings were also consistent with findings of a research from Australian service providers namely airport, financial institutions, and retail store, all within the vicinity of Brisbane city (Queensland). The findings indicated modification of human resource management practices such as recruitment and selection, training, and organizational leadership to obtain a multifaceted approach in diversity management and incorporate deeply embedded diversity issues to produce better results (Barker & Itartel, 2004).

## REVISED CONCEPTUAL FRAME WORK

### Independent variable



**Figure 4.9: Revised conceptual frame work**

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1. Introduction**

This chapter summarized the findings of the study in accordance with the research specific objectives, research questions and hypotheses. Conclusions were drawn from the findings of the study and the necessary recommendations made. The study suggested areas of further research that could enrich human resource diversity management practices.

#### **5.2. Summary**

Human resource diversity management is crucial in the overall achievement of organisational goals. Literature and empirical studies in this study indicated that the high potential possessed by the heterogeneous workforce in organisations can be treated as a performance achievement tool. Diversity in the workplace in organizations can be adequately managed through human resource diversity management practices to realize remarkable organizational performance. The basis of this study is on the fundamental reasoning that full utilization of workforce diversity in non-commercial government agencies in Kenya can be a competitive advantage. Recognition of individual differences encompassing acceptance and respect unlocks creativity and innovation leading to better organizational performance.

Therefore the purpose of this study was to establish the influence of human resource diversity management practices on performance of non-commercial government agencies in Kenya. In particular the study sought to establish the influence of diversity recruitment, diversity training, diversity retention, and institutionalization of diversity on performance of non-commercial government agencies in Kenya. The study also investigated the moderating effect of senior management accountability on the interaction between human resource diversity management practices and performance of non-commercial government agencies in Kenya.

The study utilized descriptive study design which enabled the research to gather information about the present existing condition without any due influence in non-commercial government agencies in Kenya. The design was advantageous to the researcher due to its flexibility and allowed the use of both qualitative and quantitative data. The design provided plan and structure of the investigation which aided in obtaining answers to research questions and hypothesis. This helped to determine the influence of diversity management practices on performance of non-commercial government agencies in Kenya. The study population consisted of all the 132 non-commercial government agencies in Kenya. The data sought was precisely to be provided by the human resource managers and therefore census was utilized for the 132 human resource managers who also acted as the study sample. Out of the 132 population target, 121 organisations responded which was substantial in this study. Data was collected using questionnaires and analysed using qualitative and quantitative methods. The qualitative data collected from the written responses was analysed based on themes and the findings integrated with the quantitative findings.

### **5.2.1. Influence of Diversity Recruitment on Performance of Non-Commercial Government Agencies in Kenya**

According to reviewed literature, today's global success in business rests in the hands of people from all walks of life and organisations are called upon to recruit from diverse environment. Competition for the best talent requires organizations to reach out and embrace an increasingly diverse labour pool (Joshi, 2002). Therefore it was in the interest of this study to establish the influence of diversity recruitment on performance of non-commercial government agencies in Kenya.

Through descriptive analysis, the study findings revealed that there were imbalances in recruitment in terms of gender where more males were employed than females. The organisations expressed low consideration levels when employing in terms ethnicity, religion and the disabled. The study also revealed that good diversity recruitment related practices were overlooked. This included; addressing diversity in a set of interviews, consideration of diversity interview questions in a set of interview questions, flexibility to interview time and place, consideration to

behavioural interviews, and minimal internal or external pressure and personal interests in recruitment. The literature revealed that organizations should adopt recruitment policies and practices which are consistent with the guidelines on fair employment (Dimaggio & Powel, 2005). The finding revealed lack of research to diversity dynamics before engaging in recruitment exercise. Kirton and Greene (2010) assert that organizations should allocate over 75% of time to research on diversity dynamics, market workforce trends to diagnose and improve their existing diversity recruitment campaign.

The findings revealed a number of challenges were encountered during recruitment such as corruption and lack of clear diversity goals. Within the study literature a successful diversity recruitment campaign was proposed to start with clear diversity goals which should be tailored to the needs of the organization and its core values and priorities (Elischer, 2008). However the findings indicated that job advertisements were done to reach all the diverse groups. This was in agreement with the study literature which pointed out that recruiting teams should ensure job advertisements reach all the diverse potential applicants (Dobbs, 2003).

Correlation analysis performed to establish the strength and direction of the relationship between diversity recruitment and organizational performance was found to have correlation coefficient of  $r = 0.817$  and a p value of 0.005. This was a confirmation that there existed positive and significant relationship between diversity recruitment and organisational performance. A scatter plot done to test the above relation confirmed positive linear relationship. This was a confirmation that the more the organisations engaged in diversity recruitment by attracting diverse workforce the more the organisations improved in performance. Regression analysis results indicated that diversity recruitment influenced organisational performance to a reasonable extent.

The overall model was highly significant and enabled the study to reject the null hypotheses and draw the conclusion that diversity recruitment had a significant effect on organizational performance in non-commercial government agencies in Kenya.

Happle (2010) empirical study on diversity management and organization's performance culture change found that a 60 % of the organization's increased output was linked to organisation's effort to consider diversity in recruitment. Human capital theory proponents as discussed in this study pointed out that it is indeed the knowledge, skills and abilities of individuals that create organisational value that is why the core focus in the organisation has to be on the means of attracting, retaining and developing diverse human capital (Goodman, Fields, & Blum, 2003).

### **5.2.2. Influence of Diversity Training on Performance of Non- Commercial Government Agencies**

Diversity training helps the organization to improve employee perception on heterogeneity so as to create an interactive working environment for a diverse workforce. It aims at facilitating positive intergroup interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse workers and customers. Diversity training has been singled out as a major issue affecting employees especially in the public sector due to entrenched attitudes and behaviors from discriminated employees that have not been addressed. Therefore, this study sought to establish the influence of diversity training on organizational performance of non- commercial government agencies in Kenya.

The descriptive statistics established that most of the organisations (59%) conducted diversity training needs assessment annually. This was too low as Kocham, Bezrukova, Ely, Jackson, Joshi, and Jehn (2003) pointed out that a successful diversity training needs assessment aimed at promoting performance should be conducted at most quarterly. It was found that budget allocation for diversity training was 0-20% out of the total budget for training. This was insufficient according Polzer, Milton, and Swan (2002) who suggested that a budget allocation of over 30% of the total training budget directed to diversity training translates into over 10% increase of organizational output. The study established that most of the organizations in non-commercial government agencies had either no gender training or only had it once a year. This was below the expected level according to Konrad



(2003) who perceived gender training as a major ingredient in diversity management and thus called for more than three trainings a year. Consideration for gender and disability were found to be high (80-100%) while ethnicity and religion were lower than this. Diversity training is a crucial element of consideration in preparation of training programs and therefore should target all the aspects of diversity in the organization (Chrobot-Mason, 2004).

Qualitative analysis revealed that non-commercial government agencies in Kenya were limited in realising successful diversity training program to train employees on diversity related issues due to lack of sufficient budget allocation. The program lacked senior management support which believed that finances could be channelled to other areas of priority. Polzer, Milton and Swan (2002) points out that diversity training programs should be integrated into other trainings that focuses on general skills, knowledge, and leadership training programs to establishing ties between diversity management and general organisational management. Such programs should be fully supported by the top senior management.

The results for correlation analysis posted a positive linear relationship between diversity training and organizational performance. The scatter plot indicated that as non-commercial government agencies increased diversity training efforts there was a likelihood of increasing organizational performance. The correlation analysis performed to establish the strength and direction of the relationship between diversity training and organizational performance achieved a correlation coefficient of 0.587. The p value obtained was 0.000 implying that there was positive relationship between diversity training and organizational performance. When diversity training was plotted against organizational performance in a Cartesian plane, the results indicated that there existed a positive linear relationship between the two variables. This was an indication that the more the organisations trained employees on diversity awareness, knowledge, and skills in non-commercial government agencies, the more the organisations experienced improvement in performance.

Regression analysis results indicated that the overall model was highly significant and diversity training explained organizational performance variations well. The fitted overall model showed there existed a positive influence of diversity training on organizational performance. This enabled the study to reject the null hypothesis and adopted the alternative hypothesis which stated that diversity training has significant influence on performance of non-commercial government agencies in Kenya. This was in agreement with the findings of Dobbin and Kaler (2007) study on diversity and organizational management whose findings indicated that there was a positive correlation between diversity training and organizational performance.

Kaler argued that diversity training impacts on employees' perception of success from their diversity training efforts resulting to increased organizational performance. This prediction was strongly supported by the theory of planned behaviour which suggests that as a general rule, the stronger the intention to engage in behaviour change, the more likely should be its performance (Chrobot-Mason, 2004). The theory of planned behaviour has frequently been applied to predict the likelihood that through diversity training, individuals can change their entrenched attitudes and gear the firm towards performance (Budden & Sagarin, 2008).

### **5.2.3. Influence of Diversity Retention on Performance of Non-Commercial Government Agencies**

Diversity retention in the study literature was viewed as a systematic effort by employers to create and foster an environment that encourages current employees to remain at the same employer having policies and practices in place that address their diverse needs. Diversity retention is a major tool for effecting lasting changes in the firm and is always checked with the level at which organizations retain their diverse workforce. Meeting the diversity challenges for retention of a diverse workforce can be difficult because of systemic obstacles such as lack of cultural knowledge, resistance to change, and acknowledged and unacknowledged intolerance. Therefore, the study sought to determine the influence of diversity training on organizational performance of non-government agencies in Kenya.

Descriptive analysis revealed that majority of the respondents (42%) had 0-20% retention rate. The low levels of diversity retention as noted from the findings was an indication that the organizations lacked effective diversity retention strategies. Diversity retention strategies are vital in employee diversity management to arouse the interest and enthusiasm of the marginalized in terms of gender, ethnicity, religion and any other related diversity (Kezar & Eckel, 2005). The greatest proportion of the respondents (78%) had 0-20% budget allocation out of the whole motivation budget for diversity retention. The low levels of budget allocation posed a challenge in diversity retention and this could eventually affect the overall sector output.

Koppel (2005) study in Siemens Company on diversity retention revealed that in an effort to step up retention of the diverse workforce in the workplace, diversity retention budget should be above 20% of the total motivation budget which translates into not 25% increase in organizations output. On average most of the agencies scored low levels of consideration (0-20%) in the various aspects of diversity such as work schedule flexibility, value for diverse individual needs, open communication on diversity issues and rewards for diversity efforts but moderate (41-60%) in consideration for diversity content in orientation programs and establishment of institutional multicultural diversity perspective. High consideration of diversity practices arouses employees' commitment to diversity and prepares them with issues they may experience in their work environment (Horwitz, 2005). Employees are assisted to successfully navigate their diversity knowledge path where they balance their commitments while becoming themselves resources and advocates for a diverse and inclusive work community (Ramirez, 2011).

Findings from the qualitative analysis established that organizations were encountering high labor turnover especially due to high competition for employees in the private sector. The reason given was that employees were not sufficiently motivated to stay longer in the organization. Diversity initiatives were not rewarded to encourage employees and there were no special programs to address such initiatives. Minority were discriminated as they were not fairly considered in management positions. Work life balance was cited as a challenge and especially

affecting women and young employees. Kezer and Eckel (2005) assert that meeting the diversity challenges for retention of a diverse workforce needs cultural knowledge, unlocking resistance of change and tolerance for one another.

The correlation analysis performed between diversity retention programs and organizational performance gave a coefficient of 0.761 and a p value of 0.000 which confirmed that there existed a strong positive and significant relationship between diversity retention and organizational performance. A scatter plot was also performed which indicated positive linear relationship which further confirmed that the organisations effort to retain the diverse workforce resulted to increase in organisational performance. This was supported by the study literature where it was established that a positive learning and working environment that value diversity and developing incentives encouraging all employees to participate impacts positively on organisational performance (Johnson's, 2003).

Regression analysis supported the same position that diversity retention programs positively and significantly influenced organizational performance. This enabled the study to reject the null hypothesis and concluded that diversity retention has significant effect on performance of non-commercial government agencies in Kenya. Therefore the study concluded that diversity retention had significant effect on performance of non-commercial government agencies in Kenya.

The inferential analysis in this study revealed that diversity retention was an essential element in organisational performance. This was in agreement with the study conducted by Kyung-Sun Kim (2006) whose findings indicated that the strategies applied for diversity retention narrowed the gap between the minority and the rest of the groups in the work place and this increased the institution performance. According to Joshi (2002) meeting diverse employees' needs at their place of work creates fulfilment in their professional lives causing them to work better and stay longer in the organization. This perspective was advanced by Abraham Maslow in his Hierarchy of Needs Theory which places people's needs into five progressive categories which are also fulfilled progressively. According to Joshi, employers must

meet each level of diverse employees' needs for employees to attain personal growth and career development and truly commit themselves to achieving workplace goals. The managers should identify the diversity need level at which the employee is existing and then those needs can be utilized as push for motivation to realize organizational performance goal.

#### **5.2.4. Influence of Institutionalization of diversity on Performance of Non-Commercial Government Agencies in Kenya**

Diversity oriented organizations engage in comprehensive diversity initiatives which are designed to create welcoming environment for people of all backgrounds. Successful diversity is build out of the often small actions taken by people at all levels of an organization. These actions are guided within a frame of well-developed broad range of policies and practices which ensures that the workplace works for everyone. Real statistics of the achievement levels of such diversity policies and practices should be established to gauge organization's diversity management status.

Most of the challenges faced by organizations in diversity management is failure to establish structures to sustain people's willingness to work together when they do not share values, experiences, culture, gender, religion, ability and even ways of interpreting meaning and solving problems. Lack of understanding that human beings prefer working in homogeneous groups and generally resist change has placed burden in organizations on the way diversity is managed. Dismal performance and diversity imbalances in the entire public sector in Kenya as previously stated in the study literature has casted doubt on diversity structures and systems in place for diversity uptake. Therefore, this study sought to establish whether institutionalization of diversity influence performance of non-commercial government agencies in Kenya.

The findings in the descriptive statistics indicated majority of the organisations observed a marked decrease (81-100%) in discrimination cases against religion and persons with disability over the last three years. However majority of the agencies recorded low decrease (0-20%) in discrimination cases against gender and ethnicity

for the last three years. The overall observation was that there were still elements of discrimination in non-commercial government agencies in Kenya. Diversity is about recognizing, valuing and taking account of people's different backgrounds and encouraging and using those differences to create a productive and effective workforce. Every employee has the right to be treated fairly at work and to be free of discrimination on grounds of age, race, gender, disability, sexual orientation, religion, pregnancy and maternity, gender reassignment, or belief (Pires & Stanton, 2004).

The study findings indicated that since 2010 up to 2014 the maximum number of diversity related programs on average implemented on annual basis were two. The number of diversity related programs implemented over the years were too little to make any impact on the sector's diversity management. A company that frequents diversity training programs improves employee diversity knowledge and skill, increases morale, reduces workplace harassment leading to increased employer employee bond (Hossain, 2009). Since 2010 there was only one diversity related innovation initiated in 2014. This was an indication that diversity related innovations were not common in non-commercial government agencies in Kenya. Research has provided compelling evidence that diversity unlocks innovation and drives market growth by intensifying efforts to ensure that executive ranks embody and embrace the power of differences (Van Dyk, Haasbroek, Sono & Werner, 2004). Majority of the respondents, 48% and 36% indicated minimal levels (21-40%) of diversity policy achievement and embracement of functional diversity corporate culture respectively. This was a low level achievement given that a vibrant diverse workforce is sustained by diversity policies and practices which are strongly embedded in functional organizational diversity culture of innovativeness and competition (Horwitz, 2005).

Qualitative analysis indicated that institutionalization of diversity in the non-commercial government agencies was challenged by failure to embrace diverse cultures and incorporate it into the organisational culture. It was observed that organisations lacked clear diversity policies to act as guidelines towards diversity management. The human resource managers reported that organisations were making

a step towards diversity inclusion but the efforts were being resisted by employees. The study literature revealed that meeting diversity challenges takes the top management commitment to manage change and encourage inclusiveness in the place of work (Besset-Jones, 2005).

The correlation analysis performed to establish the strength and direction of the relationship between institutionalization of diversity and organizational performance achieved a correlation coefficient of 0.758 with a p value of 0.000 implying a strong positive and significant relationship. Institutionalization of diversity was also plotted against organizational performance in a Cartesian plane and the results depicted positive and linear relationship between the two variables. This meant that the more the organization continued to institutionalize diversity rules, regulations, policies, and cultural values, the more it impacted positively on organizational performance. This was consistent with Cota, Evans, Dion, Kilik and Longman (2010) who observed that comprehensive diversity initiatives to create welcoming environment for people of all the backgrounds would motivate people to perform better in their work thus increasing organisational performance.

Regression analysis revealed that institutionalization of diversity explained to a great extent the organizations performance variations where the overall model was highly significant and when fitted displayed a positive influence. The standardized regression coefficient was significant and statistically not equal to zero. Thus the study rejected the null hypothesis which stated that institutionalization of diversity had no influence on organisational performance. Therefore the study concluded that institutionalization of diversity had significant effect on performance of non-commercial government agencies in Kenya. From the study literature, allowing staff to participate in an early stage of strategy development increases sense of belongingness which results to increased performance (Nieman, 2006). Establishing a standard practice or custom that affirms the importance of a diverse workforce in the organization forms the basis of diversity institutionalization (Smith & Wolf, 2006). These resilient aspects of social structure are grounded in Institutional Theory. The theory considers the processes by which structures, including schemes, rules,

norms, and routines become established as authoritative guidelines for social behaviour which in turn becomes driving force for inclusiveness. This is considered as one of the strategic responses to organizational performance (DiMaggio & Powel, 2005).

#### **5.2.5. The Moderating effect of Senior Management Accountability on Diversity Management on Organizational Performance in Non-Commercial Government Agencies in Kenya**

Factors such as globalization, migration, demographic trends, changing value systems, education level and competency, and changing roles and responsibilities have led to the conclusion that the welfare of an organization is becoming more diverse and business clientele is also becoming more heterogeneous and more demanding and this calls for accountable and focused top leadership (Dubnick, 2007). Senior management accountability conveys an image of transparency and holds the premises of fair and equitable management of diverse workforce. The literature review pointed out that laxity by the senior management to navigate the proper use authority to range freely across a multi relationship terrain in search of the most advantageous path to organizational success has led to lose of firm image (Considine, 2002). It was therefore the objective of this study to establish whether senior management accountability moderated the interaction between human resource diversity management practices and organisational performance.

Findings from descriptive analysis established that majority of the respondents registered 21-40% complaints. On the time it took the management to resolve diversity related complaints, majority of the respondents (40%) took a year and 20% of the respondents had no time frame to resolve diversity related complaints. As revealed in the literature, diversity complaints emanate from employees who have suffered diversity injustices and directly affect individual feelings and attitudes and therefore needs immediate attention. It is also crucial to minimise the complaints given that they can cost the organisation to a great deal (Elischer, 2008). Results on how frequently the management reviewed employee diversity goals to check the progress for diversity performance indicated that majority (62%) of the organisations



reviewed annually whereas 16% respondents had no time frame for review of employee diversity goals. Based on the study literature, it was suggested that diversity goals should assume both informal and formal evaluations. Informal evaluation takes place throughout a diversity initiative to revise and refine specific activities.

It is also essential to engage in a formal evaluation with a design and methodology that will assess overall organizational change and measure the impact of diversity efforts (Basset-Jones, 2005). On diversity target achievement, majority of the respondents (66%) had up to 40% level of diversity targets. The study literature revealed that achieving diversity target should be tied to the way the organisation is set to achieve performance targets (Dubnick, 2007). The results also showed that majority of the respondents (44%) indicated that the management had 21-40% level of employee involvement in diversity decision making process. It was clear that most of the respondents agreed with the fact that employee involvement in diversity decision making process was minimal. The study literature revealed that involving employees in decision making instils a sense of pride and motivates employees to increase productivity. Employees who participate in the decisions of the company feel that they are part of a team with a common goal, and find their sense of self-esteem and creative fulfilment heightened (Geddes, & Konrad, 2003).

The managements were rated at 21-40 for employee diversity information exposure. Referring to the revealed literature, senior management should take the lead in recommitting to workforce diversity efforts by articulating the alignment and refinement of organizational mission and vision by empowering employees with diversity information. Diversity information exposure by the management act like echo chambers in which diverse workforce only consume and share information (Zane, 2002).

The qualitative results indicated that the sector was challenged in its endeavour to manage diversity by issues such as globalization, migration, demographic trends, changing value systems, education levels, and diverse clientele. This was in line with

the literature review which indicated that both the employees and the service consumers were heterogeneous and more demanding and this called for accountable and focused top leadership (Dubnick, 2007). Senior management accountability explained to a reasonable extent ( $R^2 > 10\%$ ) the relationship between each of the four independent variables (diversity recruitment, diversity training, diversity retention programs, and institutionalization of diversity) and the dependent variable (organisational performance) in all correlations. All the regressions performed ( $P > 0.05$ ) indicated that there was positive and significant relationship. The standardized beta coefficient achieved was significant and not equal to zero. This enabled the study to reject the null hypothesis that senior management accountability has no moderating effect on relationship between human resource diversity management practices and organisational performance and drew the conclusion that senior management accountability moderated the relationship.

All the fitted regression models assumed equations with positive moderating effects. The results of Jeremy Dawson plot indicated that when each independent variable increased the organisational performance increased in the presence of high management accountability. Thus the study concluded that senior management accountability moderated the relationship between the four variables and organisational performance. These findings were in agreement with the reviewed literature where a study conducted in South Africa by Robbins, Odendaal, and Roodt (2003) found that teambuilding as initiated by top management strengthened the support system. Team work was seen to utilize high interaction group activities and increased trust and openness among staff members.

### **5.3. Conclusions**

This chapter brought together all the strands that the study undertook by examining whether the data results supported the testing of research hypothesis. Conclusions were drawn on the basis of the study objectives.

#### **5.3.1. Influence of Diversity Recruitment on Performance of Non-Commercial Government Agencies in Kenya**

The findings of this study concluded that diversity recruitment influenced organisational performance of non- commercial government agencies in Kenya. Diversity recruitment established a linear positive relationship with organisational performance. The established relationship confirmed organisation's attempt to increase its effort in attracting diverse workforce the more the organisation stood a better chance of improving in performance. The opposite was also true in that the more the organisation overlooked diversity recruitment practices the less the performance would be achieved. The main diversity aspects identified in the study were gender, ethnicity, religion, disability and education levels which were key in determining the way diversity was managed to influence organisational performance.

The recruitment imbalances identified in such diversity areas would adversely affect organisational performance. The low levels of consideration for good diversity recruitment practices such as addressing diversity issue in interview questions, interview flexibility, consideration to behavioural interviews, and minimising internal and external recruitment pressure (vested interests) could be addressed to enhance organisational performance. Further the study concluded diversity recruitment challenges such as corruption and lack of clear diversity goals were not addressed.

### **5.3.2. Influence of Diversity Training on Performance of Non- Commercial Government Agencies**

The findings of the study concluded that diversity training influenced organisational performance of non-commercial government agencies in Kenya. This was confirmed by correlation analysis which established a linear and positive relationship between diversity training and organisational performance. This relationship suggested that increasing positive inter-group interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse co-workers and customers could lead to increased organisational performance. Similar conclusions were made from regression analysis which confirmed the interaction by establishing that there existed a positive and significant relationship between diversity training and organisational performance.

Based on the findings, the study concluded that diversity training needs assessment was conducted to prepare a training program geared towards addressing diversity related problems. However the study noted that budget for diversity training out of the total training budget was insufficient. The findings presented low levels of trainings as pertains diversity, therefore the conclusion was that diversity training programs targeting the various diverse groups were not common. One of the main challenges facing the sector was lack of senior management support on diversity related issues. The senior management believed that finances could be channelled to other areas of priority. These findings enabled the study to conclude that diversity training programs were not integrated into other trainings to establishing ties between diversity management and general organisational management.

### **5.3.3. Influence of Diversity Retention on Performance of Non- Commercial Government Agencies**

The findings of the study led to the conclusion that diversity retention influenced organizational performance in non-commercial government agencies in Kenya. Diversity retention correlated well with organizational performance where the relationship established was positive and linear. The relationship was interpreted to mean that any systematic effort by the organization to create and foster an

environment that encouraged current diverse employees to remain having policies and practices in place to address diverse needs would increase service delivery.

Meeting the diversity challenges for retention of a diverse workforce can be difficult because of systemic obstacles such as lack of cultural knowledge, resistance to change, and acknowledged and unacknowledged intolerance. The low rates of diversity retention and low levels of budget allocation to manage diversity out of the total motivation budget enabled the study to conclude that non-commercial government agencies lacked effective diversity retention strategies to arouse the interest and enthusiasm of the marginalized in terms of gender, ethnicity, religion and any other related diversity. The study findings indicated low considerations of key diversity aspects like work schedule flexibility, value for diverse individual needs, open communication on diversity issues and rewards for diversity efforts.

These establishments enabled the study to conclude that employees in non-commercial government agencies are not assisted to successfully navigate their diversity knowledge path where they balance their commitments while becoming themselves resources and advocates for a diverse and inclusive work community. However the study findings indicated moderate consideration in diversity content in orientation programs and establishment of institutional multicultural diversity perspective was prevalent. This lead to the conclusion that some elements of diversity practices were in place to support diverse employee retention.

#### **5.4.4. Influence of Institutionalization of Diversity on Performance of Non-Commercial Government Agencies in Kenya**

The findings led to the conclusion that institutionalization of diversity influenced organizational performance. Through correlation analysis the study established a positive and linear relationship between diversity institutionalization and organizations performance. The overall model in regression analysis also indicated a positive and significant relationship between institutionalization of diversity and organizational performance. These relationships were interpreted to mean that the

more the organizations developed and aligned their diversity policies and practices with corporate goals to ensure that the workplace works for everyone, the more the organizations realized its performance goals.

The study findings indicated that there was marked decrease in discrimination cases against religion and persons with disability. However majority of the agencies recorded low decrease in discrimination cases against gender and ethnicity. This enabled the study to conclude that there were still elements of discrimination in non-commercial government agencies in Kenya. The findings also indicated that since 2010 up to 2014 the maximum number of diversity related programs on average implemented on annual basis were two. Therefore the study concluded these programs were too little to make any impact on the sector's diversity management. The study literature revealed that implementing more diversity training programs improves employee diversity knowledge and skill, increases morale, reduces workplace harassment leading to increased organisational performance.

The study findings further pointed out that from 2010 to 2014 only one diversity related innovation was initiated. The study concluded that diversity related innovations were not common in non-commercial government agencies in Kenya. The study findings indicated minimal level of diversity policy achievement and embracement of functional diversity corporate culture respectively. This enabled the study to conclude diversity that institutionalization of diversity in the organisations was challenged due to the low levels of policy achievement and failure to embrace functional diversity corporate culture.

#### **5.3.5. The Moderating effect of Senior Management Accountability on the Relationship between Human Resource Diversity Management Practices and Performance of Non-Commercial Government Agencies in Kenya**

Senior management accountability in the study was hypothesized to have a moderating effect on the relationship between human resource diversity management practices and performance of non-commercial government agencies in Kenya. From the study findings, senior management accountability explained to a reasonable

extent a positive and linear relationship between each of the four human resource diversity management practices (diversity recruitment, diversity training, diversity retention, and institutionalization of diversity) and the organizations performance in all correlations.

The regressions performed achieved a standardized beta coefficient that was significant and not equal to zero. All the regression models displayed a positive and significant moderating relationship. This enabled the study to reject the null hypothesis and drew the conclusion that senior management accountability moderated the interaction between human resource diversity management practices and the agencies performance. Jeremy Dawson plot further indicated that when the organizations increased use in human resource diversity management practices, the organizations' performance increased in the presence of high management accountability. This led the study to conclude that senior management accountability moderated the relationship between human resource diversity management practices and performance of non-commercial government agencies in Kenya.

The study findings established that a reasonable number of diversity complaints were reported and it took the organisations long time to resolve such issues. The study concluded that employees suffering from diversity injustices and their feelings and attitudes affected could not get immediate attention and this would affect their morale to work. The findings also indicated that the agencies reviewed employee diversity goals annually of which the evaluation is supposed to take place throughout the year. Therefore the study concluded that the sector could not adequately assess overall organizational change and effectively measure the impact of diversity efforts. From the study findings it was observed that the study findings also indicated that employee involvement in diversity decision making process was minimal. The study concluded that the low levels involvement of employees by management in decision making could de-motivate employees and thus affect service delivery.

## **5.4. Recommendations**

The conclusions drawn from this study lead to the following recommendations. The recommendations were discussed on the basis of the study contribution to policy areas in Human resource management. Recommendations were also based on the contribution of this study to organizations management as per as diversity management is concerned.

### **5.4.1. Policy Recommendations**

This study in its pursuance to establish the influence of diversity recruitment on organisational performance as one of the specific objectives observed that diversity management in the organisation is initiated right from attracting people from a diverse environment to add value to organizational diversity fabric through diverse knowledge, skills and talents. To meet this requirement, organisations should formulate and formalize a standard diversity recruitment policy. Therefore it was recommended that non-commercial government agencies in Kenya should adopt recruitment policy which is consistent with the guidelines on fair employment practices. This would enable the organisations to overcome the existing diversity challenges such as diversity imbalances and corruption during recruitment. Diversity recruitment policy would enable the sector to recruit employees who are able to work with or lead diverse teams.

The study established that non-commercial government agencies in Kenya were still repositioning themselves to enhance work environment where individuals with vastly different backgrounds needed to be equipped with the right diversity skills and knowledge. A diversity training policy was recommended to increase employees' diverse awareness, knowledge, and skills in order to benefit the organizations by protecting them against civil rights violations, discrimination and harassment cases, and other diversity mistreatments. Diversity training policy is founded on the principles of integrity, respect, dignity, openness, humility, acknowledgement of bias and prejudice, and inclusion. The diversity training policy in the sector would guide training programs to ensure that skills and perspectives are improved to enhance task



performance. It would lead to facilitation of positive intergroup interactions, reducing prejudice and discrimination, and enhancing the skills, knowledge, and motivation of employees to interact with diverse workers and customers.

According to the study findings non- commercial government agencies spent time, effort, and resources on general recruitment, however a clear diversity retention policy was lacking to build on their recruiting efforts. Meeting the diversity challenges for retention of the diverse in this sector calls for diversity retention policy to give guidelines on how to set and utilize diversity retention budget from the whole motivational budget, develop incentives to encourage all employees to participate in diversity programs and events, enrich employee orientation programs with diversity content, establish institutional diversity perspective, establish positive professional learning and working environments that value and support diversity as a means to meet individual and collective needs, consider work flexibility to accommodate female employees and youth, communicate diversity issues and expectations openly and provide needed resources to accomplish the diversity objectives, institute multicultural perspectives by allowing diverse employees to participate in diversity activities employees, reward diversity efforts and initiatives as a way that encourage innovation and participation as well as validate the institutional importance of these efforts.

#### **5.4.2. Managerial Recommendations**

Human resource diversity management practices which included diversity recruitment, diversity training, diversity retention and institutionalization of diversity was established in this study to influence organisational performance. Managers exploring diverse workforce along these practices would enable their organisations to achieve competitive advantage because different viewpoints facilitate unique and creative approaches to problem solving thereby increasing creativity and innovation.

Human resource diversity management practices in the study was proved to convey an image of transparency and accountability which was strongly hinged on fair and equitable management of diverse workforce. The study pointed out that management

accountability would navigate the proper use of authority to range freely across a multi relationship terrain in search of the most advantageous path to organizational success. With regard to this, managers could use this insight to provide accessible and timely information about diversity to employees, involve employees in decision making, and open up organizational procedures, structures and processes to assess and evaluate diversity status in the organisation.

The study pointed out the critical role of management in diversity retention and recommend that they should embrace human resource diversity management practices to enhance retention of employees. Diversity should be infused into all organizational processes and also ensure that it is integrated into the core values of the organization. Diversity strategic direction needs to be conveyed by the management clearly, concisely, and repeatedly to enhance awareness, promote dialogue, and remove diversity barriers. This should be facilitated by effective and open communication on diversity issues. The management should support, reorganize and appreciate the dedicated staff that promotes and oversees the infusion of diversity in service delivery.

### **5.5. Knowledge gained**

Knowledge gained from this study was that organizations should invest more in the diverse workforce so as to increase organizational performance. Clear diversity goals should be established and tailored to organizational goals to establish the influence of diversity management on organizational performance. The organization should be assessed for their readiness of diversity program uptake through research. Diversity skills and perspective should be improved through diversity training to enhance interactional and task performance. The established diversity policies and practices should be reinforced through the process of institutionalization of diversity. A key element of successful organizational diversity intervention is the senior management commitment to diversity through holding managers accountable for addressing diversity barriers.

## **5.6. Areas of further research**

This study restricted itself to a few human resource diversity management practices which were not exhaustive in investigating the influence of human resource in diversity management. Further research could be conducted to expose other human resource diversity management practices which may influence performance of non-commercial government agencies in Kenya. Further research would also be conducted in the private sector to ascertain whether the same factors influence performance. A study was necessary to establish the exact level of intervention of senior management to realize reasonable diversity related performance.

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## APPENDICES

### Appendix I: Questionnaire

My name is Justine Mukuma Kyambi, a PHD student at Jomo Kenyatta University of Agriculture and Technology conducting a research on the influence of diversity management practices on performance in public organizations in Kenya. This has been necessitated by the fact that the shifting demographics in the world indicate that the workforce is increasingly becoming more diverse thus posing a managerial challenge. The forward looking organizations are taking advantage of the diverse workforce to create a cohesive team whose talent is tapped and nurtured to tailor the organization to the market needs. You are therefore requested to participate in this study and respond to all the questions by either ticking or writing the answers in the spaces provided. The information gathered will be treated with utmost confidentiality and used strictly for the purpose of this study.

#### PART I: RESPONDENTS BACKGROUND INFORMATION

1. Gender distribution in the organization: Male [ ] Female [ ]
2. Employee age levels in the organization: below 30 years [ ] 30- 39 year [ ]  
40 - 49 years [ ] 50 years and above [ ]
3. Employee education level: Certificate [ ] Diploma [ ] University Degree [ ]  
Masters [ ] PHD [ ]
4. Employee work experience: Below 5 years [ ] 5-9 years [ ] 10-14 years [ ]  
15-19 years [ ] 20 years and above [ ]



**PART II**

**SECTION A: DIVERSITY RECRUITMENT**

1. How many employees in each category were employed in the following years?

	2011	2012	2013	2014
Male employees recruited				
Female employees recruited				
Disabled employees recruited				

	0-20%	21-40%	41-60%	61-80%	81-100%
Gender					
Ethnicity					
Religion					
Persons with disability					
Interview time flexibility					
External and internal influence					
Behavioural interviews					
Questions addressing diversity in interviews					
Job adverts to reach diverse groups					
Research on workforce diversity imbalances before recruitment					

2. What consideration do you give to the following when recruiting?

3. Comment on the challenges the organization is encountering in its endeavor to manage the diverse workforce.

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 .....

**SECTION B: DIVERSITY TRAINING**

4. How often do you carry out diversity training needs assessment?

	<b>Monthly</b>	<b>Quarterly</b>	<b>Semi-annually</b>	<b>Annually</b>
How often do you carry out diversity training needs assessment				

5. What is the percentage of organizational budget for diversity training in the whole training budget?

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Budget for diversity training in the whole training budget					

6. How many gender related trainings were organized for the following categories?

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Male employees				
Female employees				

7. What percentage of the following aspects of diversity is considered in the training programs in the organization?

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Gender					
Ethnic differences					
Religious differences					
Persons with disability					

8. Comment on the challenges the organization is facing in its effort to achieve a successful diversity training program?

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**SECTION C: DIVERSITY RETENTION**

(Systematic effort by employers to create and foster an environment that encourages current employees to remain at the same employer having policies and practices in place that address their diverse needs)

9. What is the organizations diversity retention rate?

<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>

10. What is the percentage of the diversity retention budget out of the whole motivation budget?

<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>

11. What consideration do you give to the following in an effort to retain the diverse employees in the organization?

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>
Work schedule flexibility					
Establishment of institutional multicultural diversity perspective					
Value of diverse individual needs					
Open communication on diversity expectations					
Reward diversity efforts					
Diversity content in orientation programs					

12. Comment on the challenges your organization is encountering in an effort to retain the diverse workforce

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**SECTION D: INSTITUTIONALIZATION OF DIVERSITY**

(Embedding diversity into the organizational rules, regulations, policies, programs, and any other human resource practice).This section helps to assess the institutionalization of diversity management practices in the public organizations in Kenya.

13. Give the achievement levels of the following within the ranges 0 – 20%, 21 – 40%, 41 – 60%, 61 – 80%, 81 – 100% over the last three years

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>	<b>Mode</b>
Decrease in the organisations gender discrimination/ harassment cases						
Decrease in the ethnic discrimination/ harassment cases						
Decrease in the organisations religious discrimination/ harassment cases						
Decrease in the organisations discrimination against cases of persons with disability over the three years						

14. Indicate the number of reported discrimination/ harassment cases in each category for the last 5 years?

Item	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Gender					
Ethnicity					
Religion					
Persons with disability					
Age disparity					
Education Level					

15. Respond on the following aspects of diversity

<b>Item</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Number of diversity related programs implemented					
Number of diversity related innovations					

16. What is the level of achievement of the following aspects of diversity?

<b>Item</b>	<b>0 - 20%</b>	<b>21- 40%</b>	<b>41- 60%</b>	<b>61- 80%</b>	<b>81- 100%</b>
Diversity Policies					
Embracement of a functional diversity culture					
Customized diversity programs					

17. Comment on the challenges your organization is encountering by in its effort to institutionalize diversity?

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**SECTION E: SENIOR MANAGEMENT ACCOUNTABILITY**

18. Proportion of diversity related complaints out of all the complaints received annually?

<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>

19. a) How long does it take the management to resolve diversity related complaints

<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Annually</b>	<b>No time frame</b>

b) How frequently do you review employee diversity goals to check the progress for diversity performance?

<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Annually</b>	<b>No time frame</b>

c) How frequent do you audit diversity composition in the organisation

<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Annually</b>	<b>No time frame</b>

20. Indicate the level of achievement of the following diversity related aspects

	<b>0-20%</b>	<b>21-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>81-100%</b>	<b>Mode</b>
Achievement of diversity targets						
Employees involvement in diversity decision making process						
Diversity information exposure by management to employees						

21. What are the main challenges faced by the senior management in linking diversity with performance in your organization?

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**SECTION F: ORGANISATIONAL PERFORMANCE**

22. Respond to the following by giving the correct figures as captured in the last four years.

	2011	2012	2013	2014
What was the number of absentees in the organisation in the years				
What was the labour turnover in the years				
What was the increase in the organisations client base in the years				

23. Indicate the percentage levels of the following performance measures

	0-20%	21-40%	41-60%	61-80%	81-100%
What is the organisations level of customer satisfaction					
What is the level of annual increase in the service area coverage by the organisation(new operational centres/business expansion)					



**Appendix II: Item Loading: Diversity Recruitment**

<b>Item</b>	<b>Item Loading</b>	<b>Final Status</b>
Annual diversity recruitments	0.892	Retained
Time is allocated to research on workforce diversity imbalances before recruitment.	0.887	Retained
Time flexibility for interviews	0.571	Retained
Weight given to behavioural interviews	0.710	Retained
Weight of interview questions addressing diversity issues	0.681	Retained
Disability representation	0.661	Retained
Gender representation	0.610	Retained
Ethnic representation	0.781	Retained
Advertisement for vacancies is done to reach all the diverse groups	0.817	Retained
External and internal influence when recruiting	0.548	Retained
Diversity team focus	0.152	Expunged

**Appendix III: Item Loading of Diversity Training**

	<b>Item Loading</b>	<b>Final Status</b>
Budget for diversity training in the whole training program	0.537	Retained
Diversity training needs assessment	0.498	Retained
Diversity trainings frequency	0.467	Retained
Increasing awareness about diversity issues (awareness training)	0.259	Expunged
Gender related trainings	0.573	Retained
Diversity aspects in training programs	0.631	Retained
Bonding and mentoring	0.167	Expunged

**Appendix IV: Item Loading of Diversity Retention**

<b>Item</b>	<b>Item Loading</b>	<b>Final Status</b>
Diversity retention rate	0. 638	Retained
Employee work flexibility	0.537	Retained
Diversity retention budget	0. 671	Retained
Individual needs consideration	0.564	Retained
Reward diversity efforts	0.463	Retained
Open communication on diversity	0.508	Retained
Diversity content in orientation	0.734	Retained
Institutional multicultural diversity	0.476	Retained

**Appendix V: Item Loading of Institutionalization of diversity**

ADD IN THE TABLE: Diversity related programs 0.793 Retained

<b>Item</b>	<b>Item Loading</b>	<b>Final Status</b>
Diversity related innovations	0. 773	Retained
Percentage decrease in discrimination/harassment cases	0.665	Retained
Policy achievement	0. 479	Retained
Functional diversity corporate culture	0. 757	Retained
Customized diversity programs implemented annually	0. 570	Retained
Reported diversity mistreatments	0.515	Retained
Diversity change management	1.28	Expunged
Diversity uptake barriers	0.282	Expunged

**Appendix VI: Item Loading of Senior Management Accountability**

<b>Item</b>	<b>Item Loading</b>	<b>Final Status</b>
Achievement of diversity targets	0.657	Retained
Employee involvement in diversity decision making process	0.756	Retained
Diversity information exposure by management to employees	0.675	Retained
Diversity related complaints out of all the complaints received a year annually	0.513	Retained
Management response to diversity related complaints	0.817	Retained
Review of employee diversity goals	0.651	Retained
Fairness and equitable image	0.233	Expunged

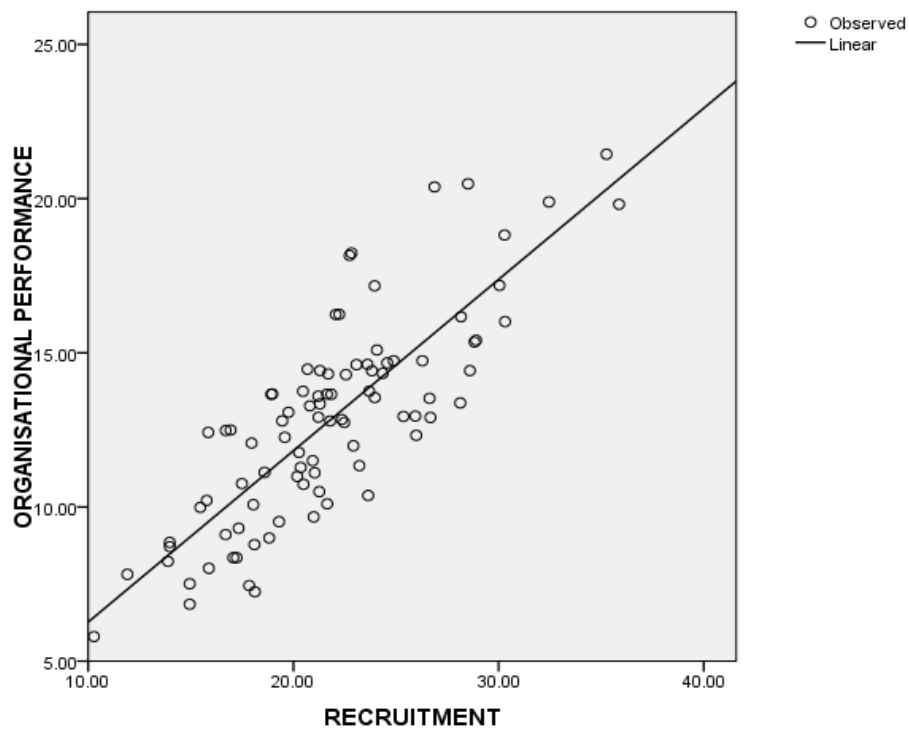
**Appendix VII: Item Loading of Organizational Performance**

<b>Item</b>	<b>Item Loading</b>	<b>Final Status</b>
Level of annual increase in client base	0.488	Retained
Level of customer satisfaction	0.574	Retained
Reduction in absenteeism	0.642	Retained
Annual labour turnover	0.827	Retained
Operational area increase	0.671	Retained
Labour shortage	0.266	Expunged

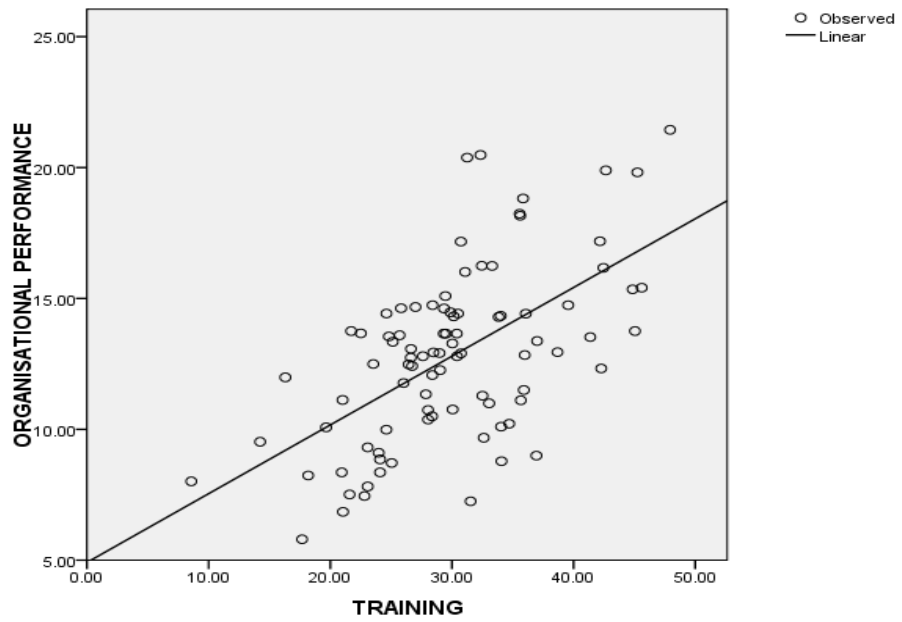
### Appendix VIII: Cronbach's Values for all the Independent Variables

Variable	Cronbach's value
Diversity recruitment	0.784
Diversity training	0.812
Diversity retention	0.799
Institutionalization of diversity	0.803
Senior management accountability	0.746

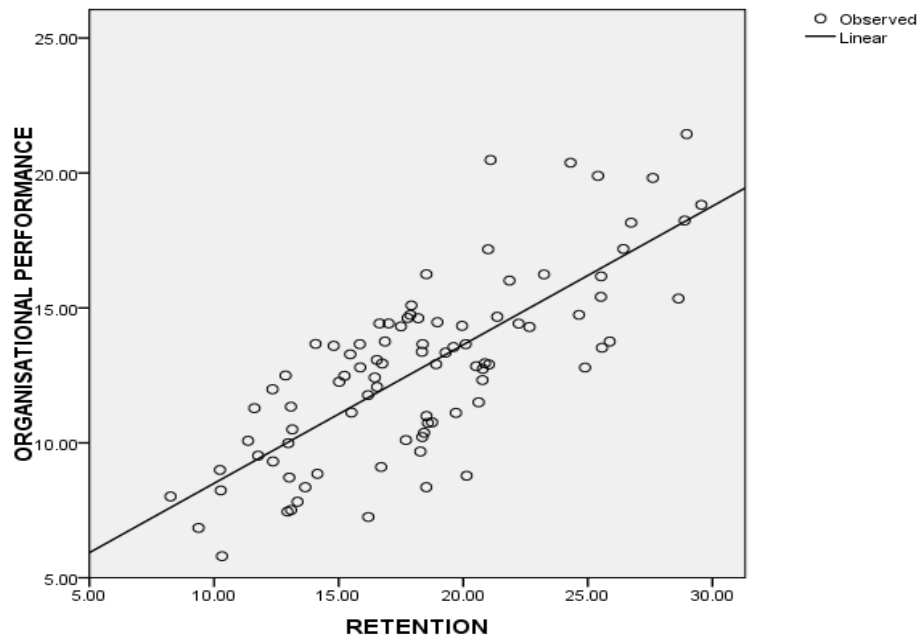
### Appendix IX: Scatter Plot on Diversity Recruitment



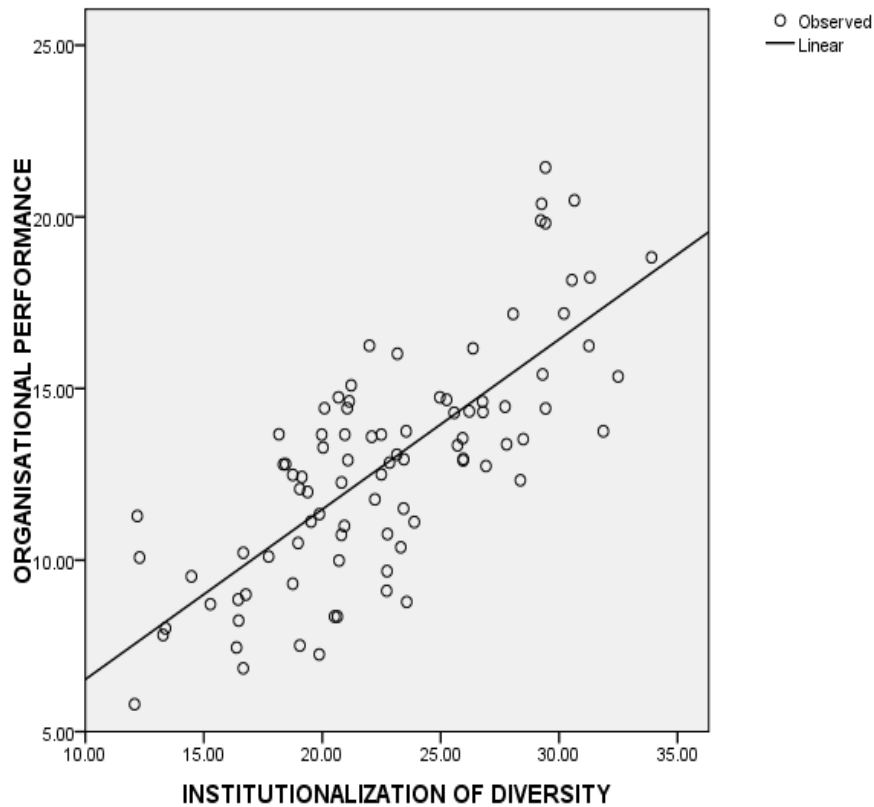
## Appendix X: Scatter Plot on Diversity Training and Organizational Performance



## Appendix XI: Scatter Plot on Diversity Retention and Organizational Performance



## Appendix XII: Scatter Plot for Institutionalization of Diversity and Organizational Performance



## Appendix XIII: Non-commercial Government Agencies

1. Athi Services Board
2. Betting Control And Licensing Board in Kenya
3. Brand Kenya Board in Kenya
4. Bomas of Kenya
5. Capital Markets Authority (CMA) in Kenya
6. Central Bank Of Kenya
7. Coffee Board of Kenya
8. Coffee Research Foundation in Kenya
9. Commission of Higher Education
10. Commission on Revenue Allocation in Kenya
11. Communications Commissions of Kenya (CCK)

12. Constituencies Development Fund Board in Kenya
13. Economic Stimulus Program in Kenya
14. Egerton University
15. e-Government Kenya
16. Ethics and Anti-corruption Commission
17. Energy Regulatory Commission (ERC) in Kenya
18. Ethics and Anti-Corruption Commission (EACC) in Kenya
19. Export Processing Zones Authority
20. Export Promotion Council in Kenya
21. Film Censorship Board
22. Higher Education Loans Board (HELB) in Kenya
23. Huduma Kenya Secretariat
24. Independent Boundaries And Electoral Commission (IEBC) in Kenya
25. Jomo Kenyatta University of Agriculture and Technology
26. Judges and Magistrates Vetting Board in Kenya
27. Judiciary Training Institute in Kenya
28. Judicial Service Commission
29. Kenya Agricultural Research Institute
30. Kenya Airports Authority
31. Kenya Broadcasting Corporation
32. Kenya Bureau of Standards (KBS)
33. Kenya Civil Aviation Authority
34. Kenya Coconut Development Authority
35. Kenya Education Staff Institute
36. Kenya Ferry Services Limited
37. Kenya Film Censorship Board
38. Kenya Film Commission
39. Kenya Flower Council
40. Kenya Forest Service
41. Kenya ICT Board
42. Kenya Institute for Public Policy Research & Analysis



43. Kenya Institute of Administration
44. Kenya Institute of Education
45. Kenya Institute of Special Education
46. Kenya Investment Authority
47. Kenya Law Reform Commission (KLRC)
48. Kenya Maritime Authority
49. Kenya Medical Supplies Agency (KEMSA)
50. Kenya Medical Research Institute
51. National Aids Control Council
52. Kenya National Audit Office (KENAO)
53. Kenya National Bureau of Statistics (KNBS)
54. Kenya National Commission for UNESCO
55. Kenya National Commission of Human Rights (KNCHR)
56. National Environment Management Agency
57. Kenya National Examinations Council (KNEC)
58. Kenya National Highways Authority (KENHA)
59. Kenya National Human Rights and Equality Commission
60. Kenya National Library Services
61. Kenya National Trading Corporation Limited
62. Kenya Plant Health Inspectorate Services (KEPHIS)
63. Kenya Ports Authority (KPA)
64. Kenya Revenue Authority (KRA)
65. Kenya Roads Board
66. Kenya Sugar Board
67. Kenya Tourist Board
68. Kenya Urban Roads Authority (KURA)
69. Kenya Valley Development Authority (KVDA)
70. Kenya National Disaster Operation Centre (NDOC)
71. Kenya Wildlife Service (KWS)
72. Kenya Yearbook Editorial Board
73. Kenyatta National Hospital

74. Kenyatta University
75. LAPFUND in Kenya
76. Maseno University
77. Masinde Muliro University of Science and Technology
78. Media Council of Kenya
79. Medical Practitioners and Dentists Board in Kenya
80. Moi Referral and Teaching Hospital
81. Moi University
82. National Aids Control Council in Kenya
83. National Cereals and Produce Board (NCPB) in Kenya
84. National Cohesion and Integration Commission
85. National Council for Law Reporting in Kenya
86. National Council for Persons With Disabilities in Kenya
87. National Council for Population and Development in Kenya
88. National Crime Research Centre in Kenya
89. National Environment Management Authority (NEMA)
90. National Gender and Equality Commission (NGEC) in Kenya
91. National Hospital Insurance Fund (NHIF) in Kenya
92. National Intelligence Service (NIS) in Kenya
93. National Irrigations Board in Kenya
94. National Land Commission in Kenya
95. National Museums of Kenya
96. National Police Service Commission in Kenya
97. National Social Security Service (NSSF) in Kenya
98. National Transport and Safety Authority in Kenya
99. National Water Conservation and Pipeline Corporation
100. NGO Coordination Bureau
101. Non-Governmental Organization Coordination Board in Kenya
102. Nyayo Tea Zones Development Corporation in Kenya
103. Office of Attorney General and Department of Justice in Kenya
104. Office of The Controller of Budget in Kenya

105. Office of The Director of Public Prosecution in Kenya
106. Parliamentary Service Commission in Kenya
107. Pest Control Products Board in Kenya
108. Pharmacy &Poison Board
109. Postal Corporation of Kenya
110. Privatization Commission in Kenya
111. Public Procurement Oversight Advisory Board
112. Public Service Commission of Kenya
113. Retirement Benefits Authority in Kenya
114. Rift Valley Water Services Board
115. Rural Electrification Authority
116. Salaries and Remuneration Commission in Kenya
117. Tana and Athi River Development Authority (TARDA) in Kenya
118. Tea Board of Kenya
119. Tea Board of Kenya
120. Tea Research Foundation
121. Teachers Service Commission in Kenya
122. The Commission on Administrative Justice (Office of The Ombudsman) in Kenya
123. The Judiciary in Kenya Other Courts in Kenya
124. The Kenya National Disaster Operation Centre (NDOC)
125. The Sacco Societies Regulatory Authority (SASRA) in Kenya
126. Tourism Fund in Kenya
127. Transition Authority (TA) in Kenya
128. University of Nairobi
129. Utalii College
130. Vision 2030 Delivery Secretariat in Kenya
131. Water Resources Management Authority Water Resources Management Authority
132. Youth Enterprise Development Fund in Kenya

Source: GOK (213), Review of performance contracting in the public sector

