

**WORKFORCE DIVERSITY MANAGEMENT STRATEGIES AND
PERFORMANCE OF COMMERCIAL BANKS IN KENYA**

**BY
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OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF
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DECLARATION

I hereby declare that this is my original work and has not been submitted for any award at any other institution.

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This research project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

I dedicate this research project to my father Vedat Sarac and my loving mother Hatice Sarac who has been great source of inspiration and joy throughout my daily endeavors to attain my full potential and to my wonderful wife Ebru Sarac and family members for their unconditional love, patience and support throughout the course of this project.

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ABSTRACT

Diversity is increasingly recognized and utilized as an important organizational resource in regards to whether the goal is to be an institution of choice, to provide excellent performance, or to maintain a competitive edge. The main objective of this study was to determine the effect of workforce diversity management strategies on organizational performance of commercial banks in Kenya. The study also sought to determine the effect of the workforce diversity management strategies on the performance of commercial banks in Kenya. There are three theories which have been identified as being the foundation of this study. These are Social Identity Theory, Similarity Attraction Paradigm and The Agency Theory. A descriptive research design was used in this research. The population of the study were all the 42 Commercial Banks in Kenya as at 30th June 2016. The questionnaire was self-administered to all the respondents. Descriptive statistics was used to analyse the data on objective one. Regression analysis was used to determine the relationship between variables. The response rate was 73.8%. The study identified the following as the workforce diversity management strategies applied by the commercial banks; hiring process, employee training, gender equalities, education background, ethnic diversity. From the findings, workforce diversity has a positive significant effect on organizational performance of commercial banks in Kenya. The study also concludes that level of education, training and skills and competence influence employee performance positively. The study recommends that commercial banks in Kenya should consider increasing the skills and competences of their staff by providing them with a paid leave.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Workforce diversity management is a technique that increases the value of associations over its competitor. Organizational performance exceptionally has its impact by individual worker execution, the optimistic outcomes of workforce diversity in the representative level would go as natural and additionally outward motivational components for them and would likewise increment organizational success (Routamaa & Hautala, 2008). Organizations need to embrace diversity since it maybe vintages more remarkable work efficiency (Cojocaru, 2011).

Social Cognitive Theory and Similarity-Attraction Paradigm it has been acknowledged that homogeneous workers are not as proficient as heterogeneous ones. Social Cognitive Theory advises the reader to share in accordance to the thing learned, the theory states that an individuals don't acquire new practices solely by endeavoring them (Mukanzi, 2013). Similarity-Attraction Paradigm expect that one's assessment of another is the aftereffect of fortification related with the other, places that individuals resembling and copy other people equivalent, instead of disparate, to themselves; "winged creatures of a plume," the aphorism goes, "run together". (Kavum, 2007).

Diversity qualities in Kenya has significant measure of consideration since 2007 General election which prompted ethnic conflicts, this additionally prompted order of the National Cohesion and Integration Act, (2008) (Ulrich *et al.*, 2012). While pondering individuals as

the most imperative resource of each association, it is similarly essential for management strategists to perceive human contrasts, generally called workforce diversity and deal with these adequately (Routamaa & Hautala, 2008).

1.1.1 Workforce Diversity

Carrel (2006) characterizes that workforce diversity is process that a person differ from their influence and undertaking or association inside an organization, for example, sexual orientation, religion, age, race, training, and culture. Workforce assorted qualities administration can be said to recognize, understanding, tolerating, and esteeming contrasts among individuals regarding race, class, age, ethnicity, sex, incapacities. (Routamaa & Hautala, 2008). Diversity management is systematically categorized as orderly and organized responsibility by connotation, compensate and advance a varied blend (Bagshaw, 2004). Diversity rose for the most part to assist the accessibility meet open doors in the work environment.

Companies and administration much of the time show differing qualities too scarcely by continuing, rather than getting a handle on, government controls about thought of racial, sex, and sexual arranged qualities in the workplace; focusing on the avoidance of real perils, instead of the formal of assorted qualities; and doing the base vital, instead of the most extraordinary, to propel contrasts. Finally, they propel consistency rather than differing qualities, and see only those customers who are most like their laborers (Kavum, 2007).

1.1.2 Concept of Strategic Management

Strategy is essential management device in relation to multi-dimensional idea different creators have characterized in numerous methods. The similarity between an association's assets and abilities. Strategic Management is an indication that qualms settling on choices and take educative accomplishments long haul targets and objectives of association (Bakar *et al.*, 2011). An arrangement of activities and choices that result in the definition and usage of arrangements intended to achieve organization's goals (Aosa, 2011). Strategic management practices rehearses along these lines incorporate key arranging; procedure performance and system control and assessment (Johnson, 2009). By and large, strategic management practices can enhance effectiveness in different associations (Bakar *et al.*, 2011).

Aosa, (2011) outline that there are four element of strategic management practice which consists, strategy formulation, evaluation, implementation and control. The four components of strategic management practices are vital administration practices. Procedure definition is improvement of long-term anticipated powerful administration of ecological opportunities and perils, in light of corporate qualities and shortcomings (Mohamud *et al.*, 2015).

1.1.3 Organizational Performance

Amstrong (1994) defines performance as the record of results delivered on a predetermined employment capacity or movement amid a predefined timeframe. Organizational performance is measured regarding yield and result, inward procedures and techniques, benefit, hierarchical structures, representative demeanors, and hierarchical responsiveness to

the earth among others (Williams, 2006). Organizational performance is portrayed as an association's capacity to obtain and use its rare assets and resources as quickly as conceivable in the quest for its operational objectives. As indicated by Richard *et al.*, (2009) stated that organizational performance includes three outcome of firm results: product market performance, financial performance and shareholder return.

The common measure of bank performance is bank benefits (Ceylan *et al.*, 2008). Bank productivity is measured by return on assets (ROA). Wage explanations of business banks statement benefits before and after taxes. The other great measure of bank performance is the proportion of pre-assessment benefits of Return on equity (ROE) as opposed to aggregate resources since manages an account with higher value proportion ought to likewise (Ceylan *et al.*, 2008).

Non-financial aspects of the firm measure Non-Financial performance. These include; product quality, productivity, workforce development, efficiency, market share, innovation measures, customer satisfaction, on time delivery, strategic objectives, employee satisfaction and leadership (Ceylan *et al.*, 2008; Kepha 2014). Non-financial performance measures have a few essential advantages contrasted with financial performance measures. In the first place, superior on non-financial performance measures is emphatically connected with forthcoming money related execution. There are distinctive sorts of performances measures that organizations can utilize.

1.1.4 Financial Services Sector in Kenya

Financial services are the fiscal administrations given back by the business, which encircles an extensive possibility of organizations that supervise cash, counting credit insurance agencies, unions, credit card organizations, stock financiers, banks, bookkeeping organizations, customer back organizations, speculation assets and some legislature supported endeavors (Taylor *et al.*, 2011). The development of World economy yield by over 5 percent in 2007 - 2012 and Kenyan residential developed from 6.3- 6.9 percent from 2013 - 2014 respectfully gave decent situation to adjustment of financial organizations. The increase in here and now loan fees from 6.5 percent to 7.6 percent mirrored the fixing liquidity and constrained financial industry players to decide on systems for existence, development and upper hand (CBK, 2014). In spite of the testing condition of the post-race viciousness and the worldwide money related emergency, the saving money division stayed stable (CBK, 2014).

The CBK publishes data on Kenya's business banks and non-managing an account money related foundations, loan fees and different productions and rules. The banks have met up under the Kenya Bankers Association (KBA), which fills in as an anteroom for the banks' advantages and addresses issues influencing its individuals (Kenya Bankers Association yearly Report, 2010). Players in this division have encountered expanded rivalry throughout the most recent couple of years coming about because of expanded advancements among the players and new contestants into the market. The Central bank of Kenya supervises the operations of every single business bank. Amid the on location reviews all dangers are assessed and important healing activities are suggested. The banks have met up under the

Kenya Bankers Association (KBA), which fills in as a hall for the managing an account division's interests.

1.1.5 Commercial Banks In Kenya

There were 42 business banks, two home loan back organizations, and 120 outside trade agencies in the managing an account division as at 31st December 2016 (CBK, 2014). The keeping money industry is confronted with numerous contemporary difficulties, for example, workforce assorted qualities because of the quick extensions and the contracting of universal specialists from various parts of the world. This requires an earnest scan for conceivable arrangements in overseeing workforce assorted qualities to increase positive outcomes. The fate of Financial Services Sector in Kenya is going computerized, with greater interest in present day electronic innovation, it will be conceivable to impressively decrease exchange costs and hence take out the requirement for least adjust necessities, in this manner extending access. Across the board get to will advance reserve funds, bring down the cost of capital and increment the supply of investible assets (CBK, 2012). This will expand venture rates and development important to understand the objectives of Vision 2030. Kenya will set up a more productive and aggressive money related framework to drive funds and speculations for reasonable wide based economic growth (Taylor *et al.*, 2011).

The banking industry comprised 43 commercial banks, 2 mortgage finance companies, 2 non-bank financial institutions (NBFIs) and 4 building societies as at June 2003. The banking industry declined in 2003 from converging of six foundations into three and the liquidation. Be that as it may, the area remained profoundly focused with 9 of the 43 banks

controlling 74% of aggregate resources in the division (Routamaa & Hautala, 2008). Remote trade departments remained at 47 in June 2003 from 48 toward the finish of June 2002 after the conclusion of one up-nation outside trade authority (CBK, 2013). As at 30th June 2010, the Kenyan saving money area contained 43 business banks, one home loan fund organization and 127 remote trade departments. The division's aggregate benefit in a similar period was Kshs. 35billion.

Ozbilgin and Tatli, (2008) contend that a social differing workforce is monetarily helpful, and enhances execution by 20% to 30%. Kenya means to accomplish industrialization and supported financial development predictable with the Government's work, riches creation and destitution decrease targets. Kenya expects to expand its yearly GDP development rates to 10 percent and continue that normal until the year 2030 (Vision 2030). Nevertheless the achievement was 5.8% by 2015 (KNBS, 2015), plainly that misses the mark regarding the focused on 10% yearly GDP development rate. Gross domestic product per capita may hence be seen as an unpleasant pointer of a country's flourishing. The development has been bolstered by principally horticulture and exchange and transport that all need prepared HR from the colleges to bolster solid extensions.

1.2 Research Problem

The changing workforce is a standout amongst the most remarkable and critical difficulties confronting numerous associations today. Workforce assorted qualities is a statistic marvel playing upon to the nearby associations as well as multinational partnerships and organizations in different nations around the globe (Kepha, 2014). As per Mukanzi (2013),

driving edge associations have various one of a kind endeavors that recognize these associations from others incorporate differing qualities connected to vital vision; frameworks and techniques that bolster assorted qualities; continuous observing of work force enlistment, advancement, and improvement; hierarchical sense of duty regarding specialized correction; mindfulness training as an authoritative need; rewards in light of results; upgraded benefits; fortification of the estimation of differences in procuring and advancements; and thoughtfulness regarding unpretentious rein forcings of the homogeneous perfect (Kepha, 2014). Different associations interface execution examination appraisals, pay, and even yearly rewards to the accomplishment of the objectives of differences projects.

Due to the rapid expansion of the banking industry in Kenya and even globally, there is expansion in diversion of staffs and managers in the banking industry. Representatives and supervisors have shifted perspectives, culture, and observations these must be effectively tapped to the benefit of the bank. Malevolence of the fact that the bank has completed to a great degree well in taking care of differing qualities in the way they handle their clients, it is uncertain whether this way to deal with differences has been grasped inside (Kepha, 2014). The bank appears to need diversity among its center estimations of polished methodology, imagination and development, uprightness, solidarity of reason, cooperation, regard and commitment to client mind, and compelling corporate administration, which could be a pointer that the idea of work constrain differences is remote.

Problem that arises around workforce diversity is the challenge for commercial banks in Kenya to execute it viably, regardless of the possibility that it is broadly perceived (Mukanzi, 2013; Kepha, 2014). The capacity to understand that people from various societies, foundations and encounters can bring as an answers for organization needs symbolize what is viable administration of differing qualities is (Mukanzi, 2013). Routamaa and Hautala, (2008) establishes the relations of the abnormal amounts around oversight assorted qualities are powerful and guiding at last delivering corporate societies that has new points of view.

Various empirical studies have been done on workforce diversity management strategies and performance. Globally, Hafiza and Faiza, (2015) did a study on the impact of workforce diversity on organizational performance in the education sector of Karachi Pakistan. Mwinami, (2014) did a study on an assessment of the effect of workforce diversity on employee performance at Tanesco in Tanzania.

Munjuri and Maina (2013) did a study of workforce diversity management and employee performance in the context of the banking sector in Kenya. The study variables were the performance of male and female employees, performance of young and older employees and the performance of employees on the basis of the level of education. A questionnaire was developed using a descriptive survey research design was used, targeting 4000 employees utilizing stratified irregular testing method of three branches in Nairobi area. The review uncovered that the Bank had systems, for example, adjusted enrollment, support to minority gatherings, differences preparing and break even with business openings.

There are only a few local studies that focus on the workplace diversity in Kenya, Jayne and Dipboye, (2004) in their exploration additionally discovered that some diversity management strategies, for example, accentuation on cooperation cultivates improved networks inside an office and can improve character inside. The review factors were; enlistment, maintenance, advancement, outer association, preparing, and staffing and foundation. The review was of illustrative nature with an objective of HR chiefs drawn from select. The connection between workforce assorted qualities and hierarchical execution and diagrams handy strides HR specialists can take to oversee differences activities effectively and improve the positive results.

Onywere and Waiganjo, (2016) did a study on the influence of diversity management strategies on employees' performance in public universities in Kenya, The study found that most public universities in Kenya have been in the forefront in championing diversity cause through the diversity policies position in which the policies are not only in existence but are also fully operational with an awareness campaign and oversight authority to ensure full enforcement. This shows that public universities have put the necessary strategies for proper policy implementation and while the challenges of implementing the diversity policies are numerous, public universities must ensure that these challenges are overcome as there is immense benefit to be reaped.

Be that as it may, all these nearby reviews concentrate on the status of work environment and don't endeavor to address the issue of workforce diversity management strategies and

performance in commercial banks. Singular qualities prompting imbalance has represented the test of accomplishing solidarity in differences and tackling that assorted qualities to enhance representative execution. This review goes for topping off the information holes by building up the connection of area of study. How do the workplace diversity management strategies influences performance of commercial banks in Kenya?

1.3 Research Objectives

The objectives of this study are;

- i. To identify workforce diversity management strategies adopted by commercial banks in Kenya
- ii. To determine the relationship between workforce diversity management strategies and performance of Commercial Banks in Kenya

1.4 Value of the Study

The findings of the study may be beneficial to the management of Kenyan banks as it stresses on multifaceted contrasts impact, be it as far as learning, social, racial among others. This incorporates change of worker execution and thusly, the general performance of the association. The exploration might benefits the workers as far as enhanced relational connections, inter employee's relation, and shared acknowledgment.

The aftereffects of this academic review will be important to specialists and researchers, the review will be a noteworthy commitment on the culturally diverse contrasts and their impact on management aptitudes. It will along these lines frame a reason for scholarly examination

among firms. The discoveries will likewise be a critical commitment to the current assemblage of learning on social contrasts and global business. It will give future analysts the genuinely necessary wellspring of writing.

The findings will be of extraordinary noteworthiness in offering rules to address the present difficulties in strategy, human resource and at last upgrade representative execution in associations. The examination will assist the supervisors by growing the writing in the administration of workforce differing qualities with improving representative execution for upper hand of their different associations.

The study may be beneficial to policy makers, particularly those in the banking sector in workplace diversity management strategies that influences performance. The administration will likewise be a recipient of this review as a noteworthy shareholder in business banks and for future application of workplace diversity management strategies in commercial banks. The usage of the proposed workforce differing qualities administration approaches and methodologies might likewise be of incredible advantage to the bank in openhanded it a focused edge over different banks and miniaturized scale back foundations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews of literature of past studies. It covers theoretical foundation of the study workforce diversity management strategies and organization performance.

2.2. Theoretical Foundation

There are three theories which have been identified as being the foundation of this study. These are Social Identity Theory, Similarity Attraction Paradigm and The Agency Theory and they are discussed next.

2.2.1 Social Identity Theory (SIT)

The theory is defined by Henri Tajfel and John Turner in the 1980s. The SIT hypothesis is known for foreseeing convinced between gathering conduct on premise that saw gathering status contrasts, authenticity and dependability of those status contrasts and, the apparent capacities to move starting with one gathering then onto the next. With regards to this review, SIT will control the scientist to see how representatives' apparent contrasts on the premise of different parts of inner measurement (ethnic legacy, sex and sexual introduction); outside measurement (wage, religion, instructive foundation, work understanding and conjugal status) and; hierarchical measurement of assorted qualities (work content, work area and kind of business) (Kepha, 2014).

The theory application shows the connection between workplace diversity and the execution open associations is principal since it aids in clarifying how essential representatives' social character contrasts or likenesses can moreover improve or hose the nature of administrations given by these different open associations, proficiency and adequacy of the workers in such various associations (Routamaa & Hautala, 2008). A portion of the past explores have supported the use of SIT to clear up and progress our comprehension individuals utilize their associations as a reason for individualism and along these lines, enthusiasm for the utilization of SIT to comprehend hierarchical wonders has thrived (Jayne & Dipboye, 2014).

2.2.2 Similarity / Attraction Paradigm

The theory of Byrne's, (1970) is outline the impact and attraction accept that one's assessment of another is the aftereffect of support related with the other (Byrne, 1971). Closeness/interest speculation puts people like and are pulled into other individuals who are near, rather than remarkable, to themselves; "flying animals of a plume," the saying goes, "run together." Social logical research has given broad support to statutes of the hypothesis since the mid-1900s (Jayne & Dipboye, 2014). The hypothesis gives a closefisted illustrative and farsighted structure for taking a gander at how and why people are pulled into and affected by others in their social universes.

Similarity-Attraction Paradigm sets that people like and are pulled into other individuals who are practically identical, rather than various, to themselves; "winged creatures of a plume," the adage goes, "surge together." Just toward the start of cooperating, heterogeneous gatherings perform less viably than homogeneous ones, because of their disparities (Kavum,

2007). Heterogeneous groups require time to adjust keeping in mind the end goal to cooperate. The diverse work groups maintain a strategic distance from 'group think', therefore support learning and imagination.

2.2.3 Agency Theory

Agency theory is an organization approach where one individual (the agent) follows up for the advantage of another (the primary) and ought to drive the central's destinations (Cox, 1993). The administrator thusly progresses both the principals' purposes of intrigue and his own particular good conditions in the connection. A modify of these interests should be met remembering the true objective to connect at the corporate focuses of the relationship through the administrator since he/she is responsible for the enormous resources of the affiliation. Bakar *et al.*, (2011) argues that the theory of key Management is so key since the movement picked by a particular individual (the administrator) impacts one, and also a couple of various social events (the principals). Accordingly, the authorities' part in key arrangement and the general key organization get ready can't be had a poor opinion of. They say that the firm is consistently depicted as a nexus of both express and evident contracts interfacing the administration and its different accomplices, including claimholders, workers, unions, customers, suppliers and the state among others.

The theory also emphasizes that there should be authentic agreeable vitality between the organization and its accomplices with a particular ultimate objective to work towards a mutual goal. The Agency Theory has also been depicted as the central approach to manage administrative direct. Mohamud *et al.*, (2015) says that the Agency Theory is used as a piece

of the regulatory written work as a hypothetical system for structure and directing contract, which is among the rising issues in key administration. It along these lines clears up the lead of principals and master's associations in execution contracting in administration.

In conclusion in this manner that the Agency theory of key administration winds up being superior to some other theories of key administration with respect to methodology usage progressive system. This is in the light that at each level of the key definition chain of significance, there must be a pro blamed for the obligation of addressing distinctive accomplices at various levels. It is in this manner wise to note that there should be agreeable vitality using the Agency speculation and suitable cognizance between the boss and the Agent for the relationship to finish its objectives profitably and enough (Aosa, 2011). Thusly in conclusion the theory should be given a handle on particularly at the system definition level of vital administration and generally to the general methodology of key Management to update the hierarchical aggressive execution.

2.3. Workforce Diversity Management Strategies

Workforce diversity management strategy alludes to an exhaustive managerial process for working up a space that works for all agents. Differences in the workplace is basic to keeping up a practical business, heterogeneous get-togethers pass on better blueprints and major examination, so one must structure and run your relationship in a way that advances varying qualities. According to Cox, (1993) the trial of tending to the necessities of a socially different workforce and honing workers and chiefs to stands out related from sexual introduction, age, nationality and race attempting to enlarge the potential productivity of all

agents, has made reasonable administration of differences to wind up evidently a fundamental in Strategic Management.

The first workforce diversity management strategy is hiring process. Building diversity with the hiring process is an imperative segment of a vital organization orchestrate. An association's enrolling course of action should merge government Equal Employment Opportunity rules (Mwinami, 2014). This is a beginning stage for guaranteeing that acquiring system enough support a different contender pool. Going honorably past government benchmarks is a functional methodology for building contrasts (Mohamud *et al.*, 2015). Such a methodology can combine requesting social relationship for potential contenders, asking for referrals from existing representatives and choosing on school grounds. Mirroring the qualifications of the social occasion in which your affiliation works is a significant target of this employing procedure.

The second is training employees, diversity is less requesting for more energetic individuals to recognize. For a couple, it may be significantly more troublesome. While these specialists may will to handle contrasts, they won't not know how to do in that capacity consistently. A couple differing qualities preparing musings exist and consider unmistakable spending controls. Pay for each illustrative to encounter a varying qualities preparing program. Despite whether on the web, in-house or off-site, a distinctions preparing framework is a useful wander, empowering your agents to take in opportune issues from authorities (Cox, 2001; Guyo, 2015).

Policy review is another workforce diversity management strategies. While company policies as a rule have a tendency to be comprehensive, guaranteeing a similar treatment for all, this doesn't generally add to empowering diversity. To grasp a more different work environment, organizations must audit polices on vacations, time off and representative correspondence (Mwinami, 2014). While most organizations recognize standard occasions, an organization that needs to grasp the diversity in its workforce will perceive different religious occasions and take into account more adaptable leave for representatives to praise them. Guarantee executives are continually available to deal with request, comments and stresses from people concerning contrasts and different business related issues (Cox, 2001; Guyo, 2015). This will help a bit of the weight that distinctive social occasions regularly defy.

Education is another workforce diversity management strategy. It's not adequate to just set up a couple of notices with respect to assorted qualities in the working environment or to refresh the representative manual. A powerful procedure joins differences preparing in the working environment. Before beginning preparing, notwithstanding, chiefs ought to meet and choose key ranges to concentrate on and examine what they hope to accomplish (Guyo, 2015). There are many organizations that give speakers and corporate introductions on differing qualities, so organizations don't need to depend on their in-house Human Resources offices. Skaggs and DiTomaso, (2014) additionally certified that preparation is only a piece of the general strategy, and focuses secured amid the preparation ought to be fortified in office approaches and strategies (Kandola, 1995).

On Gender, Inmyxai and Takahashi, (2010) showed that there are unmistakable outcomes for business execution when differing sex; male or female headed a firm in different countries. The audits attempted the eventual outcome of business execution on different sex. As per scientists, it is a motivating force for various sexual orientation made a beeline for put resources into various phases of business to amplify its execution and fabricate center abilities through broadening its workforce along these lines, contribute better performance contrasted and contenders.

2.4. Workforce Diversity Management Strategies and Organizational Performance

Workforce diversity management strategies and organizational performance can be by and large characterized as understanding, esteeming, recognizing, tolerating, and praising contrasts among individuals as for class, age, and ethnicity, and sexual orientation, physical and mental capacity. Over the earlier decade the work compel in industrialized countries has ended up being logically heterogeneous. These countries are spending huge aggregate for separating the workforce (Ulrich *et al.*, 2012). Along these lines, grouped qualities is dynamically seen and utilized as a basic hierarchical asset regarding whether the goal is to be a business of choice to give an extraordinary customer advantage or to keep up a focused edge.

The first step to actualizing a diversity plan is the hiring process of people who have an assortment of foundations what's more, who will get a handle on differences. This is possible to oversee without abusing qualified hopefuls who don't meet this criteria, yet will require changing the enlisting procedure to cover more prominent varying qualities issues

(Mwinami, 2014). When posting sets of desires for online classifieds and commercials, join that your hopefuls must be socially careful and prepared to work with an extensive variety of people. This will expel the people who are clearly against varying qualities. Ask arranged qualities related request in the midst of gatherings. Know about equivalent business laws, be that as it may, and submit to each govern to maintain a strategic distance from segregation.

The second is training, there are various determinants that impact the kind of execution measures that are consolidated into the authoritative preparing. In any case, the methodology of the firm is a basic determinant as the technique chooses how and on which perspectives the firm needs to beat its opponents. Taylor *et al.*, (2011) and Cojocaru, (2011) find that associations who take after the "develop" procedure more rely on upon non-cash related criteria, while firms who take after the "gather" technique make more usage of money related measures. As accepting aggregate quality administration requires a more essential reliance on non-cash related quality measures, firms that take after a quality arranged procedure put more weight on money related execution measures (Ulrich *et al.*, 2012).

Third, the measure of strategic policy review and direction additionally decides the reliance on non-money related execution measures and more controlled firms put tolerably more conspicuous weight on non-budgetary execution measures. This shows those organizations have a tendency to make more noteworthy hindrances to client exchanging by giving larger amounts of administration quality and consumer loyalty (Ittner *et al.*, 1997). Keep an open-entryway strategy is another workforce diversity management strategies. Keeping entryways open, metaphorically, diminishes office pressures and enhances the confidence and in

addition the general organizational performance of the individuals who may somehow or another be despondent at work.

Fourth is on education. The fundamental introduce is that heterogeneous gatherings will probably be productive, imaginative, or compelling in fulfillment of hierarchical objectives rather than homogeneous gatherings (Routamaa & Hautala, 2008). The statistic changes happening in many nations exhibit an earnest test for some associations. Given the time of globalization and learning economy, business associations will be fruitful just to the degree that they can grasp and empower assorted qualities by guaranteeing that their work environment is significantly diverse and that their different workforce is regarded, acknowledged and esteemed (Okoro & Washington, 2012). Guyo, (2015) include that even late reviews have demonstrated a solid relationship amongst's instruction and benefits, by utilizing and utilizing relationship building abilities', thoughts and imagination to add to a mutual goal, and doing it in a way that gives the affiliation an aggressive edge.

On Gender, workforce diversity perceives the way that mankind is described by contrasts in sex, age, ethnic root, way of life, religion, and physical capacities. It has been explored and recommended that keeping up a professional differing qualities workplace can effectively outfit a firm with a solid upper hand (Clarke & Iles, 2000). Simons and Rowland, (2011) contend that sexual orientation and various understanding of perspectives into associations are correlated in a universe of moving statistic examples and work hones. The means incorporate the accompanying: Minorities like vagrants can be as often as possible included on sheets that select, evaluate, and propel bosses (Loden & Rosener, 1991).

2.5 Summary of the Literature and Gaps

Theoretical literature has been discussed in chapter on Workforce diversity management strategies are viewed as a vital instrument for innovativeness, development and a reason for different execution upgrades in organizations. Rather, research and theory propose a few conditions important to oversee differing qualities activities effectively and receive organizational rewards. Brief of studies thoughts of Jayne and Dipboye on Leveraging contrasts to upgrade business execution, Munjuri and Maina's thought is workforce assorted qualities administration and worker execution with regards to the managing an account division in Kenya. Moving forward, the writing on workforce differences administration procedures has been surveyed in the past sections has generally underscored on workforce assorted qualities in a summed up perspective yet, the present audit tries to study workforce differing qualities out in the open various leveled setting. This article overviews observational research and speculation on the association between workforce arranged qualities and hierarchical execution and plans feasible steps HR authorities can take to supervise differences exercises successfully and enhance the positive results. Holes in the writing were additionally found in the impact of workforce differing qualities administration procedures.

2.1 Summary of the Literature Gaps

STUDY	OBJECTIVES	METHOD	FINDINGS	GAPS
Onywere, R. and Waiganjo E. (2016)	The goals of the examination were to build up the impact of: diverse training strategy, diverse recruitment and selection strategy, diverse leadership commitment strategy and their influence on employee's performance.	The research methodology applied descriptive research design. Stratified random sampling was used to select a representative sample. Correlation analysis was utilized to portray the quality of the direct connection between two factors.	It can be deduced that public Universities embrace diversity management of workforce. This was evidence by the fact that majority of the respondents (68%) were in agreement that diversity is practiced by JKUAT as a recruitment and selection strategy.	Strategies. Repercussions for not adopting managing strategies for workforce diversity would prompt absence of abilities, capabilities and interests in workers, which will at last increment representative turnover and decrease people and associations execution as it were.
Munjuri and Maina	Performance of male and female, performance of young and older	The investigation was a descriptive research survey done by	The study found adjusted enrollment, support to minorities, diversity training and equal	The paper did not consider how workforce differing qualities administration

(2013)	employees and the performance employees on the basis of the level of education	distributing 129 questionnaire. The respondents were chosen utilizing stratified irregular examining system from 3 branches in Nairobi district	employment opportunities. Workforce differences qualities was in like manner found to impact delegate execution at various degrees considering both administrators and non-administrative representatives of the Bank.	could influence work execution. Decisions - making and that social differing qualities, instructive, singular identities and expert foundation can impact the range and profundity of data utilize.
Jayne and Dipboye (2004)	Recruitment, retention, Improvement, External Partnership, preparing, and Staffing and Infrastructure	The study was of descriptive nature with a target of HM managers drawn from Select Companies.	The study discovered that some assorted qualities administration techniques, for example, accentuation on joint effort develops better associations inside an office and can propel identity inside the workplace or	The audit uncovers constrained findings analyzing how differing qualities is overseen in associations through powerful human asset management.

			affiliation that moves past surface level differences.	
Hafiza and Faiza, (2015)	The purpose of this research is to discover the impact of diversify workforce towards organizational performance which focus into the education sector.	The research was done by distributing 100 questionnaires to the faculty members of 5 different universities of Karachi. The poll results demonstrate that there is an effect on performance when diverse workforce is working in the education sector.	The main factors that focused in this research were gender diversity, ethnic diversity and education diversity with the relationship between experience and efficiency and effectiveness of employees. After this research, the findings say that there is a relationship between gender and experience of employee in education sector.	This research was limited to the education sector of Karachi and in education sector research covered only few universities of Karachi and more explores should be directed to concentrate on various zones like the commercial sector, banking sector, manufacturing industry etc.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This chapter presents the research methodology which include; research design, the population of the study, data collection and data analysis.

3.2. Research Design

This study adopted on a cross sectional survey research design. Descriptive research is a review intended to delineate the members in a precise way. As per Creswell, (2006) the enlightening strategy for research is utilized to assemble data about the present existing condition where the specialist cooperates uninhibitedly with the respondents without undue impact; the accentuation is on portraying as opposed to on judging.

The review utilized this technique because of its propriety to accumulate direct information from the respondents and measure the factors. The technique is favored in light of the fact that it takes into consideration judicious correlation of the exploration discoveries. A distinct research was intended to get data concerning the ebb and flow circumstance and other wonders and wherever conceivable to make legitimate determination from the certainties talked about.

3.3. Population of the Study

Target population in the review characterizes the particular population from which data is intended to be gathered. A population is an overall described or set of people, organizations,

segments, and events, social affair of things or families that are being researched (Hsieh & Shannon, 2005). Since it's a small population a census will be used. The population of this study were all the 42 Commercial Banks in Kenya.

3.4 Data Collection

For the scientist to accomplish the goal of this review the analyst utilized essential information. Primary data was qualitative (Creswell, 2006). The primary data was collected using a questionnaire.

The study utilized essential information which were gathered utilizing Likert sort poll. The survey was regulated through drop and pick later method. The advantages of questionnaire over the different instruments is that data can be gathered from huge examples with no opportunity for bias since it is filled by the respondent alone and confidentiality is upheld.

The questionnaire was self-administered to all the respondents. However, where it demonstrated troublesome for the respondents to finish the poll instantly, the scientist left them with the exploration assistance to pick on a later date. The data sought in this study were precisely provided by one senior Human Resource managers or equivalent per bank, this is because they are knowledgeable on workforce diversity management strategies and performance of Commercial Banks in Kenya.

3.5. Data Analysis

The finished survey were altered for fulfilment and consistency, checked for blunders and oversights and after that coded. Descriptive statistics was to analyse the data. Tables were properly used to exhibit the information gathered for simplicity of comprehension and investigation.

Data analysis is guided by the two objectives; the first section of the questioner tried to achieve on the objective on the identification of workforce diversity management strategies adopted by commercial banks in Kenya.

The second objective which is to determine the relationship between workforce diversity management strategies and performance of Commercial Banks in Kenya is achieved from relating the analysis of section two and three of the questioner. This is done through regression analysis. Regression analysis was used to determine the relationship between variables. The coefficient of assurance (R-Square) coming about because of the direct relapse will be utilized to decide the decency of fit. P-values for the t-test measurements will be utilized to decide the hugeness of the free factors in the relapse display. A straightforward relapse model was utilized as a part of deciding the level of impact the autonomous factors have on ward variable as demonstrated as follows:

$$Y = \beta_0 + a_1X_1 + a_2X_2 + a_3X_3 + a_4X_4 + a_5X_5 + \varepsilon$$

Where;

Y = Organizational Performance

β_0 = Constant Term

a_1, a_2, a_3, a_4, a_5 = Beta coefficients

ε = Error Term

X_1 = Hiring process

X_2 = Employee Training

X_3 = Ethnic Diversity

X_4 = Education Background

X_5 = Gender Equality

CHAPTER FOUR

RESULTS AND FINDINGS

4.1 Introduction

This chapter presents results on analysis on how do the workplace diversity management strategies influences performance of commercial banks in Kenya. The study therefore sought to identify workforce diversity management strategies adopted by commercial banks in Kenya as well as to determine the relationship between workforce diversity management strategies and performance of Commercial Banks in Kenya. The study targeted employees in all the 42 Commercial Banks in Kenya. The data sought in this study were precisely provided by one senior Human Resource managers or equivalent per bank, this is because they are knowledgeable on workforce diversity management strategies and performance of Commercial Banks in Kenya.

4.1.1 Response Rate

The investigation through the questionnaire focused on 42 respondents. While the polls focused on the worker in the bank, out of the 42 expected respondents to the investigation, the examination got 31 respondents. This influenced a reaction to rate of 73.8%. Table 4.1 beneath delineates the reaction rate. As per Cooper (1999) a reaction rate between 55 for each penny of the aggregate specimen size can be summed up to display the conclusion of the whole populace. Thusly, a reaction rate of 73.8% was sufficient for this present examination's motivation.

Table 4.1: Response Rate

Response Rate	Frequency	Percentage
Response	31	73.8
None Response	11	26.2
Total	42	100

Source: Author 2017

4.1.2 Reliability of the Findings

The pilot study included 10 respondents. Cronbach's Alpha is a measure of inward consistency, that is, the way by which immovably related courses of action of things are as a social event. A construct composite reliability co-beneficial (Cronbach alpha) of 0.6 or above, for each one of the creates, is considered as always agreeable. The sufficient steadfastness coefficient is at least 0.6, if the Cronbach alpha is underneath 0.6 the resolute nature of the overview is considered too low and therefore the examination device ought to be corrected (Nunnaly, 1978).

The discoveries of the pilot test demonstrated that workforce diversity management strategies scale had a Cronbach's dependability alpha of 0.797 and organizational performance scale had an unwavering quality estimation of 0.788. This suggests the pilot test demonstrated that the scales measuring the targets had a high unwavering quality. This accordingly showed the exploration apparatus was adequately solid and required no alteration.

Table 4.2: Cronbach's Alpha

	Cronbach's Alpha	No. of Items
Workforce Diversity Management Strategies	.797	18
Organizational performance	.788	10

Source: Author 2017

4.2 Respondents Background Information

This section covers the response obtained from the respondents in terms of the general information, that is, gender, job title, the number of years they have worked for their respective institutions. Descriptive statistics are used to portray the basic features of the data in an examination. They give direct rundowns about the example and the measures. Together with clear outlines examination, they shape the preface of in every practical sense each quantitative examination of data (Tronchim, 2006).

4.2.1 Gender of the Respondents

In this area the researcher looked to set up the gender characteristics of the respondents. The examination set up that the 58% of respondents were male while female were 42%. From the study findings, it could be said that, majority of the respondents were males. Their responses are highlighted in the Table 4.3 below. It depicts therefore that commercial banks in Kenya employs both genders equally.

Table 4.3: Gender of the respondents

	Distribution	
	Frequency	Percentage
Male	18	58.0%
Female	13	42.0%
Total	31	100

Source: Author 2017

4.2.2 Duration in Service

Individual respondent's profile included the amount of years the respondents had worked in the affiliation and the action title or position of the respondents. The amount of years an agent worked in an association implied comprehension of the association's operations subsequently was viewed as vital in assessing the respondents' suitability as important and learned respondents. The outcomes are exhibited in Table 4.4.

Table 4.4: Duration in service

Duration in service	Frequency	Percentage
1 – 5 years	17	54.8%
6 – 10 years	7	22.5%
11- 20 years	5	16.1%
Over 20 years	2	6.6%
Total	31	100

Source: Author 2017

The table above shows years of service of the respondents. It was found that majority of the respondents fell in the bracket 1-5 years of service in the organization. This forms 54.8% of the workforce. Majority of the employee are relatively new to the organization.

4.2.3 Position in the organization

The study also intended to investigate the position of the respondents of the study. Most of the respondents of the study comprised of top level managers (branch managers and operations managers) working in the targeted commercial banks. Also included were middle level managers (departmental supervisors).

4.3 Workforce Diversity Management Strategies

This sub-topic, provides a manifestation of the study variables. Descriptive statistics for each of the research variables were measured using Likert-type scale. The respondents were made a request to demonstrate the degree to which they concurred or couldn't help contradicting the announcements representing hiring process, training, gender, education background and ethnicity and performance of commercial banks in Kenya. A five-point Likert scale was used ranging from (1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree Nor Disagree, 4 = Agree, 5 = Strongly Agree). Table 4.5 to 4.10 presents the summary of means and standard deviation of variation of the study variables.

4.3.1 Hiring Process

This section presents results on the hiring process and its effect on performance of commercial banks in Kenya. The results are based on the Likert scale data collected on the level of agreement of the respondents to the given aspects. The results are as presented in table 4.5 below;

Table 4.5: Hiring process

	Mean	Std. Deviation
Our company's hiring policy integrate the banking equal employment opportunity guidelines	3.3696	.54772
The hiring procedures efficiently encourage a diverse applicant pool	3.2211	.63084
The company hiring process strategy include lobbying cultural organizations for potential applicants	2. 5590	1.49813

Source: Author 2017

Respondents were made a request to give replies on everything that was measured by a five point Likert scale going from 1 (low) to 5 (high). From Table 4.5, mean and standard deviation were utilized to test respondent thoughts where Standard deviation is the square establishment of the distinction. It evaluates the spread of a plan of recognitions. The greater the standard deviation is, the more spread out the discernments are, while mean is the number juggling mean over the recognitions, it is the most extensively used measure of central inclination. It is by and large called the typical.

From the findings, the statement that company's hiring policy integrate the banking equal employment opportunity guidelines was highly agreed as shown with a mean of 3.3696, the statement that hiring procedures efficiently encourage a diverse applicant pool was also strongly supported with a mean of 3.2211. The respondents however gave an averaged response on the company hiring process strategy include lobbying cultural organizations for potential applicants as shown by a response rate of 2. 5590.

4.3.2 Employee Training

The second variable of the study was to examine the relationship between training and organizational performance of commercial banks in Kenya. The table 4.6 below shows the findings.

Table 4.6: Employee Training

	Mean	Std. Deviation
At work, there is lack of confidence due to diversity training program of employees	2.0559	.32863
There are numerous training opportunities for growth and advancement for employees in our organization	4.5526	.36585
Our bank is concerns about the employee's training on organization values, customs, and cultures.	3.6579	.43664

Source: Author 2017

From the findings, respondents strongly agreed that there are numerous training opportunities for growth and advancement for employees in our organization as shown by a mean of 4.5526. Also strongly supported was the statement that banks are concerns about the employee’s training on organization values, customs, and cultures supported by a mean of 3.6579. Majority of the respondents however, strongly disagreed that, there is lack of confidence at work due to diversity training program of employees as shown by a mean of 2.0559.

4.3.3 Gender Equality

Respondents were subjected to items with regard to gender sensitivity and their responses were recorded statistically and are shown in table 4.7 below.

Table 4.7: Responses to items on Gender Equality

Responses to items on Gender Equality	Mean	Std. Deviation
The organization gives women an equal share in employment	3.8289	.58073
Fair treatment is given to male or female employees	4.2921	.55581
Our company attracts and hire minorities regardless of their gender	4.0875	.30444

Source: Author 2017

The count and percentages of all responses for the gender with regard to employee work performance are shown in table 4.7. With regard to the item that banks attracts and hire minorities regardless of their gender, respondents strongly agreed as shown by a mean of

4.0875, the statement of fair treatment is given to male or female employees was also strongly agreed by a mean of 4.2921 as well as the organization gives women an equal share in employment as shown by a mean of 3.8289.

4.3.4 Education Background

Respondents were subjected to items with regard to their perception on education and its role in organizational performance. Table 4.8 below shows the responses, statistically.

Table 4.8: Responses to items on Educational Background

Education Background	Mean	Std. Deviation
The recruitment plan of our company is based on the education background	4.4803	.90813
The company gives equal share in diversity of education background	4.4145	.94358
The team leader is chosen in the company includes all members at different education level	3.9474	1.46821
The differences in education background of employees does not encourage conflict in the work place	4.4507	.74740
The company opportunities for growth and advancement exist for employees better and improved education qualification in promotion	4.5757	.57523
The company gives paid study leave to employees who further their education.	4.3125	.89611

Source: Author 2017

The results presented in Table 4.8 indicate a positive relationship between education background and organizational performance. Respondents strongly agreed on the statement that the company opportunities for growth and advancement exist for employees better and improved education qualification in promotion as shown by a mean of 4.5757. as well as the recruitment plan of the banks being based on the education background, giving equal share in diversity of education background, differences in education background of employees does not encourage conflict in the work place and the company gives paid study leave to employees who further their education all rated above 4.0

4.3.5 Ethnic Diversity

Respondents were asked questions with regard to ethnic diversities and their responses were recorded as shown in the table 4.9 below.

Table 4.9: Responses to items on Ethnic Diversity

Responses to items on Ethnic Diversity	Mean	Std. Deviation
There is ethnicity diversity in our company	4.5230	.71716
The ethnicity differences in education background do not encourage conflict	3.7401	.49197
In the company employees developed low self-esteem due ethnicity background	3.5263	.50663

Source: Author 2017

The count, and percentage of all responses for the ethnic diversity with regard to organizational performance are shown in table 4.9 Majority of the respondents (mean = 4.5230) agreed that there is ethnic diversity in our company. The ethnicity differences in education background do not encourage conflict and the company employees developed low self-esteem due ethnic background were all voted above 3.0

4.4 Organizational Performance

Organization performance was the dependent variable and respondents were subjected to some very specific items in its respect and the responses were recorded statistically in table 4.10 below.

Table 4.10: Organizational Performance

Organizational Performance	Mean	Std. Deviation
The annual turnover is high for the company	3.1382	1.78386
The is high return on investment	4.1651	1.12937
There net profit margin	3.9737	1.53484
Market share (growth)	4.0576	.52301
Customer satisfaction	4.1901	.56279
Market share	3.9592	.70579
Product quality	3.4752	.79227
Leadership and employee satisfaction	3.4770	.67447
Just in time delivery	4.3914	.67589
Achieving strategic objectives	3.5461	.85085

Source: Author 2017

With regard to the items on organizational performance, all respondents agreed that workforce diversity management strategies have greatly improved the high annual turnover of the company, high return on investment, improved net profit margin, growth in market share, unparalleled customer satisfaction, improved market share, higher product quality, competent leadership and employee satisfaction, just in time delivery and achieving strategic objectives as shown by the average mean above.

4.5 Workforce Diversity Management Strategies and Organizational Performance

This segment covers the findings of relapse and relationship investigation. With a specific end goal to build up the connection between workforce diversity management strategies and performance of Commercial Banks in Kenya, the examination led a various relapse investigation. The investigation included; bearing and size of the relationship, decency of attack of the model, trial of centrality of the model, evaluated model and individual essentialness of the model parameters. The discoveries were as appeared in the table 4.11 to table 4.14 below:

Table 4.11: Pearson Correlation

	Organization performance	Hiring Process	Employee Training	Gender Equalities	Education Background	Ethnic Diversity
Organization performance	1.000					
Hiring Process	.364	1.000				
Employee Training	.701	.391	1.000			
Gender Equalities	.203	.285	.382	1.000		
Education Background	.692	.074	.451	0.510	1.000	
Ethnic Diversity	.115	.029	.376	0.016	.029	1.000

Source: Author 2017

4.5.1 Hiring Process and Organizational Performance

The findings shows a positive correlation between organization performance and hiring process with a correlation coefficient of 0.364. This means that the relationship between the hiring process and organization performance is positive. This implies that an increase in competitive hiring process results to an increase in firm's performance and vice versa. This implies that if firm's relay on competitive recruitment and hiring process can lead to an improve performance.

4.5.2 Employee Training and Organizational Performance

The findings shows a strong positive correlation between organization performance and employee training with a correlation of 0.701. This implies that if firms can increase training

time then this can improve performance. This means that the relationship between training and organization performance is positive. This implies that an increase in training results to an increase in firm's performance and vice versa.

4.5.3 Gender Equalities and Organizational Performance

The study shows a weak positive correlation between organization performance and gender equalities with correlation of 0.203. This implies firm's performance does not necessarily mean employing gender balance parameters.

4.5.4 Education Backgrounds and Organizational Performance

The result also shows a positive correlation between education backgrounds and organization performance with a correlation coefficient of 0.692, and is therefore advised that firms should maintain higher educational backgrounds in order to result to higher performance.

4.5.5 Ethnic Diversities and Organizational Performance

There is a weak positive correlation between ethnic diversities and organization performance with a correlation coefficient of 0.115. This implies that the higher the ethnic inclusivity the more profitable a firm is likely to be. The findings illustrates the results obtained from the correlation analysis for the sampled firms for the period of study at 0.05 significance level.

Model Summary

Coefficient of determination reveals how much changes in the dependent variable (Organization performance of Commercial Banks in Kenya) can be elucidated by the alteration in the self-ruling components or the level of assortment in the free factor (workforce diversity management strategies) that is cleared up by all the five self-ruling

elements (Hiring process, Employee Training, Ethnic diversity, Gender equalities and Education background). The two self-governing variables that were mulled over, clear up 58.3% of the alterations in the Organization performance of Commercial Banks in Kenya as addressed by the R^2 . The examination creates the impression that there is a positive critical relationship between workforce diversity management strategies and organization performance of banks in Kenya.

Table 4.12: Model Summary for Goodness of fit

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.763 ^a	.583	.576	.30373

Source: Author 2017

a. Predictors: (Constant), Education background, Ethnic diversities, hiring process, Gender equalities, Employee Training

Analysis of variance

ANOVA findings (P- value of 0.00) in Table 4.12 show that there is correlation between the predictor's variables (Education background, Ethnic diversities, hiring process, Gender equalities, Employee Training) and response variable (Organization performance of commercial banks in Kenya). A F proportion is ascertained which speaks to the change between the gatherings, separated by the difference inside the gatherings. A substantial F proportion shows that there is greater fluctuation between the gatherings (caused by the free factor) than there is inside each gathering, alluded to as the blunder term. A noteworthy F

test shows that we can dismiss the invalid theory which expresses that the populace implies are equivalent. The P esteem is 0.000 which is under 0.05 hugeness level.

Ascertained F-proportion concerning variety between sections is equivalent to or more prominent than its table esteem, at that point the distinction among segments implies is viewed as critical. Thus, the F-proportion concerning variety between lines can be deciphered.

From the ANOVA table, it's found that differences concerning Education background, Ethnic diversities, hiring process, Gender equalities and employee training is significant at 5% level as the calculated *F*-ratio of 92.200 is greater than the value 0.00, but Training, Gender and Education background are significant as the calculated *F*-ratio of 92.200 is more than its table value of 0.00.

Table 4.13: Results of ANOVA of Regression Analysis

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	34.023	5	8.506	92.200	.000 ^b
Residual	24.355	25	.092		
Total	58.378	30			

Source: Author 2017

a. Dependent Variable: Organization performance

b. Predictors: (Constant), Education background, Ethnic diversities, hiring process, Gender equalities, Employee Training

Coefficients

The established multiple linear regression equation becomes:

Forecasted Organization performance in state corporations in Kenya = 0.542+ 0.556 hiring process + 0.095 Ethnic diversity + 0.692 Education background +0.869 Employee Training +0.014 Gender equalities.

Table 4.14: Coefficients of Regression Equation

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.542	.339		1.600	.111
Hiring process	.556	.104	.240	5.362	.000
Ethnic diversity	.095	.085	-.226	-4.632	.000
Education background	.692	.029	.376	10.816	.000
Employee Training	.869	.054	.775	15.977	.000
Gender equalities	.014	.053	-.108	-2.165	.031

Source: Author 2017

a. Dependent Variable: Organization performance

Where

Constant = 0.542, shows that if hiring process, employee training, ethnic diversity, gender equalities and education background were all rated as zero, Organization performance rating would be 0.542.

$\beta_1 = 0.556$, shows that one unit increase in hiring process results in 0.556 units increase in organization performance other factors held constant.

$\beta_2 = 0.095$, shows that one unit increase in ethnic diversities results in 0.095 units increase in organization performance other factors held constant. This means that the relationship between ethnicity and organization performance is a weak positive. This implies that an inclusivity in ethnic results to an increase in firm's performance and vice versa.

$\beta_3 = 0.692$, a unit increase in education background results in 0.692 units increase in organization performance other factors held constant. This means that the relationship between the education background and Organization performance is positive.

$B_4 = 0.869$, a unit increase in employee training results in 0.869 units increase in organization performance other factors held constant.

$B_5 = 0.014$, a unit increase in gender equalities results in 0.014 units increase in organization performance other factors held constant. The regression coefficient for gender is 0.014 which means that the relationship between Organization performance and gender is positive.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This part shows the talk of the exploration findings. The engaging examination displayed in past section is summarized. Furthermore, the proposals of the researcher are incorporated. The last area of this part gives the general finish of the whole research venture.

5.2 Summary of Findings

This section will give a summary of the effect of each tested variable on organizational performance based on the analysis in the previous chapter. The following workforce diversity management strategies summary of their findings under respective headings.

On the effect of hiring process and performance of commercial banks in Kenya, respondents strongly agreed that the company's hiring policy integrate the banking equal employment opportunity guidelines, hiring procedures efficiently encourage a diverse applicant pool and company hiring process strategy include lobbying cultural organizations for potential applicants.

The second variable of the study was to examine the relationship between employee training and organizational performance of commercial banks in Kenya. Respondents strongly agreed that there are numerous training opportunities for growth and advancement for employees in our organization. Also strongly supported was the statement that banks are concerns about the employee's training on organization values, customs, and cultures.

Majority of the respondents however, strongly disagreed that, there is lack of confidence at work due to diversity training program of employees.

From the analysis it became evident that gender equalities was well encouraged. Respondents were subjected to items with regard to gender sensitivity and there was strong support on the statement that banks attracts and hire minorities regardless of their gender, the statement of fair treatment is given to male or female employees as well as the organization gives women an equal share in employment.

Respondents were subjected to items with regard to their perception on education and its role in organizational performance. The results indicate a positive relationship between education background and organizational performance. Respondents strongly agreed that the company opportunities for growth and advancement exist for employees better and improved education qualification in promotion as well as the recruitment plan of the banks being based on the education background, giving equal share in diversity of education background, differences in education background of employees does not encourage conflict in the work place and the company gives paid study leave to employees who further their education.

Respondents were asked questions with regard to ethnic diversities and majority of the respondents agreed that there is ethnicity diversity in their respective company(s) as well as the ethnicity differences in education background do not encourage conflict and the company employees developed low self-esteem due ethnicity background.

Organization performance was the dependent variable and respondents were subjected to some very specific items in its respect and the responses with regard to the items on organizational performance, all respondents agreed that workforce diversity management strategies have greatly improved the high annual turnover of the company, high return on investment, improved net profit margin, growth in market share, unparalleled customer satisfaction, improved market share, higher product quality, competent leadership and employee satisfaction, just in time delivery and achieving strategic objectives.

In the overall summary indicates that there is a relationship between workforce diversity management strategies and performance of Commercial Banks in Kenya. This was indicated by R^2 of 58.3% that indicates that hiring process, employee training, ethnic diversity, gender equalities and education background are significant indicators of performance. The examination creates the impression that there is a positive critical relationship between workforce diversity management strategies and organization performance of banks in Kenya.

5.3 Conclusion

The objectives of this study have been fulfilled with positive results for all the tested variables. From the findings, workforce diversity has a positive significant effect towards employee organizational performance of commercial banks in Kenya. There was no discrimination on the basis of ethnicity, gender and educational background. Normally discrimination either directly or indirectly curtails the potential of available talents or underutilizes the employees. Commercial banks in Kenya have a diverse workforce with a satisfying work environment which is highly socialized. It became clear from the study that higher organizational performance is influenced by workforce diversity management strategies of commercial banks in Kenya.

The results indicated organization performance is significantly affected when the diversity variables of ethnicity, gender and educational background are considered at commercial banks in Kenya. Diversity is a well-accepted phenomenon by commercial banks in Kenya. It is important for an institution therefore to realize the need to capitalize on these statistic classes so as to remain in front of other. The examination encourage contended that great workforce diversity practices are accepted to improve worker and organizational performance.

The study also concludes that level of education, training attended and skills and competence influence employee performance positively. The hiring process in most of the banks in Kenya is based on the education diversity of the employees.

The study suggest that whether or not diversity has positive or negative impact, relies upon various parts of the organization`s strategies, practices and culture. This shows workforce diversity variety might be valuable under specific conditions and may neglect to have any effect in others. The accompanying components are known to influence the adequacy of workforce diversity: hiring process, training, gender, educational background and ethnic diversity of community surrounding an organization.

5.4 Recommendations

As the findings of the study indicated, the more an institution accommodate diverse workforce strategies, the more smoothly the business will operate, so it is necessary for an organization to look into ways that can improve organizational performance. Therefore the researcher makes recommendations on what should be done to ensure productive institutions as follows:

The study recommends that commercial banks in Kenya should consider increasing the skills and competence of their staff by providing them with a paid leave. The study also found that there possibility of increased conflicts with diverse ethnic communities working in the same organization. The study therefore recommends that the management of commercial banks should put more focus on workplace diversity management. It was also found that different languages used to communicate create problems among employees.

The study therefore recommends that commercial banks in Kenya should come up with a policy indicating that staff should only use Kiswahili or English at their workplaces. The study also found that gender diversity influences employee performance. The study

therefore recommends that all commercial banks in Kenya should ensure that they give both male and female staff equal opportunities during recruitment and in other areas like growth and opportunities.

5.5 Suggestions for Further Studies

This study could serve as a guideline for future researches on organizational performance of commercial banks in Kenya. The focus of this research was on workforce diversity. To fully understand the scenario at commercial banks in Kenya, further studies need to be conducted in order to unearth the challenges of organizational performance by commercial banks in Kenya, with a view to discovering what needs to be done to enable increase efficiency and make better its service delivery to the people.

This contemplate was constrained to the saving money industry in Kenya and henceforth more examinations ought to be led to concentrate on different segments like the assembling business.

The investigation additionally recommends that further examinations ought to be directed on the connection between age assorted variety and representative performance in different segments and there was observed to be no relationship in the keeping banking industry.

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APPENDICES

Appendix I: Research Questionnaire

SECTION ONE: RESPONDENTS BACKGROUND INFORMATION

1) What is your gender?

a) Female ()

b) Male ()

2) How long have you been employed in this institution?

a) Less than a year ()

b) 1 – 5 years ()

c) 6 – 10 years ()

d) 11- 20 years ()

e) Over 20 years ()

3) Position in the organization

Senior Manager []

Manager []

Senior Executive []

Executive []

4) Please indicate your job description in the organization.

.....

5) What can you say about work force diversity in your organization?

.....

.....

SECTION B: WORKFORCE DIVERSITY MANAGEMENT STRATEGIES

6) The extent at which you agree on the following work force diversity management strategies. Use a scale of 1 to 5 where Very strongly agree = 5; Strongly Agree = 4; Moderately Agree = 3; Disagree = 2; and strongly disagree = 1

	1	2	3	4	5
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Hiring process				
Our company's hiring policy integrate the banking equal employment opportunity guidelines				
The hiring procedures efficiently encourage a diverse applicant pool				
The company hiring process strategy include lobbying cultural organizations for potential applicants				
Training				
At work, there is lack of confidence due to diversity training program of employees				
There are numerous training opportunities for growth and advancement for employees in our organization				
Our bank is concerns about the employee's training on organization values, customs, and cultures.				
Gender				
The organization gives women an equal share in employment				
Fair treatment is given to male or female employees				
Our company attracts and hire minorities regardless of their gender				
Education background				
The recruitment plan of our company is based on the education background				

The company gives equal share in diversity of education background					
The team leader is chosen in the company includes all members at different education level					
The differences in education background of employees does not encourage conflict in the work place					
The company opportunities for growth and advancement exist for employees better and improved education qualification in promotion					
The company gives paid study leave to employees who further their education.					
Ethnicity					
There is ethnicity diversity in our company					
The ethnicity differences in education background do not encourage conflict					
In the company employees developed low self-esteem due ethnicity background					

SECTION C: ORGANIZATIONAL PERFORMANCE

7) The questions below ask about perceived organization performance. The ratings are:
 Very strongly agree = 5; Strongly Agree = 4; Moderately Agree = 3; Disagree = 2;
 and strongly disagree = 1

	1	2	3	4	5
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The annual turnover is high for the company					
The is high return on investment					
There net profit margin					
Market share (growth)					
Customer satisfaction					
Market share					
Product quality					
Leadership and employee satisfaction					
Just in time delivery					
Achieving strategic objectives					

Thanks for your time

Appendix II: List of Commercial Banks in Kenya as at June 2016

1. ABC Bank (Kenya)
2. Bank of Africa
3. Bank of Baroda
4. Bank of India
5. Barclays Bank
6. Brighton Kalekye Bank
7. CFC Stanbic Bank
8. Chase Bank (Kenya)
9. Citibank
10. Commercial Bank of Africa
11. Consolidated Bank of Kenya
12. Cooperative Bank of Kenya
13. Credit Bank
14. Development Bank of Kenya
15. Diamond Trust Bank
16. Ecobank
17. Equatorial Commercial Bank
18. Equity Bank
19. Family Bank
20. Fidelity Commercial Bank Limited
21. Fina Bank
22. First Community Bank

23. Giro Commercial Bank
24. Guardian Bank
25. Gulf African Bank
26. Habib Bank
27. Habib Bank AG Zurich
28. I&M Bank
29. Imperial Bank Kenya
30. Jamii Bora Bank
31. Kenya Commercial Bank
32. K-Rep Bank
33. Middle East Bank Kenya
34. National Bank of Kenya
35. NIC Bank
36. Oriental Commercial Bank
37. Paramount Universal Bank
38. Prime Bank (Kenya)
39. Standard Chartered Kenya
40. Trans National Bank Kenya
41. United Bank for Africa
42. Victoria Commercial Bank

Source: Central Bank of Kenya (2016)