

Effect of Workforce Diversity Management on Employee Performance in the Public Sector in Kenya

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1.1 Abstract

It is generally recognized that there is diversity in the workforce of any enterprise, be it business, government, or civil society. The World's increasing globalization requires more interactions among people from diverse cultures, beliefs and backgrounds than ever before. Diversity is increasingly recognized and utilized as an important organizational resource in regards to whether the goal is to be an employer of choice, to provide excellent customer service, or to maintain a competitive edge. For this reason public and non-profit organizations need to come up with more creative mechanisms for managing their workforce diversity and embracing change. Diversity management is particularly important in the management of Human Resources in the public sector given the concerns that have been raised previously regarding frosty workplace relationships between the older and younger employees. The younger employees in the public sector in Kenya have for a long time looked at their older colleagues as being less educated, generally bureaucratic and averse to change. The objectives of this study were; to investigate the influence of employees' educational diversity on employee performance in the public sector in Kenya and to examine the effect of age diversity on employee performance in the public sector in Kenya. A case study design was used where 180 line officers and 10 management level officers from the department of Probation and Aftercare Services were selected using simple random sampling technique. Data collected was analyzed using both descriptive and inferential statistics. Study findings established a statistically significant positive relationship between educational diversity and employee performance and further found that age diversity had a statistically weak relationship with employee performance. Findings of this study present stakeholders in the public sector in Kenya with vital information regarding the need to espouse workforce diversity as a strategy for spurring organizational performance.

Keywords: Workforce diversity, Educational background, Age differences and Public Sector Performance.

1.2 Introduction

Carrell (2006) defines workforce diversity as the ways that people differ which can affect a task or relationship within an organization such as age, gender, race, education, religion, and culture. Chatman and Spataro (2005) rightly note that there are a number of activities that an organization can engage in to manage the diversity of their workforce. Carrell (2006) comments in *Labor Law Journal* that although workforce diversity has become a reality in organizations today as predicted by *Workforce 2000* in a 1987 report by the Hudson Institute, the ways that organizations define and manage workforce diversity are still evolving. The increasing trend of workforce diversity along racial, ethnic and gender lines, as well as an increasing percentage of the workforce that is below the age of 30 and over the age 55 have several implications for HRD professionals, employees and company in general. This arises out of the prejudices that may persist, cultural insensitivity and language differences, increasing numbers of women in the workforce and the aging of the workforce.

Academicians and practitioners have sought to understand the impact of diversity and its management on organizational effectiveness. Empirically, work place (workforce) diversity is found to have a contrasting dual implication on organizational effectiveness. Milliken and Martins (1996), opines that 'diversity appears to be a double-edged sword, increasing the opportunity for creativity as well as the likelihood that group members will be dissatisfied and fail to identify with the group'. Some studies have found that various forms of diversity are associated with greater innovation, improved strategic decision making, and organizational performance. Other research shows that various types of team and organizational diversity sometimes increase conflict, reduce social cohesion, and increase employee turnover (Jackson, Joshi, & Erhardt, 2003; Webber & Donahue, 2001).

Managing diversity in the workplace should be the concern of every organization (Alserhan, Forstenlechner and Al-Nakeeb, 2010). In order to survive, a company needs to be able to manage and utilize its diverse workplace effectively. Managing diversity in the workplace should be a part of the culture of the entire organization (Anderson, 2012). Valuing and recognizing diversity is imperative in order to maintain competitive advantage. Diversity management practices enhance productivity, effectiveness, and sustained competitiveness. Organizations that promote and achieve a diverse workplace will attract and retain quality employees and increase customer loyalty (Alserhan, Forstenlechner and Al-Nakeeb, 2010). Human resource diversity management strategies have broadened beyond affirmative action and equal employment opportunity staffing efforts.

However, the challenges that organizations face in promoting teamwork with employees from diverse cultural background, age, gender, race, education religion and harmoniously directing their efforts towards the

achievement of organizational goals and objectives, still shows that there is much to be done in terms of the improvement of workforce diversity management strategies (Talent Management, 2012).

1.3 Objectives of the Study

The study was guided by the following two objectives;

- i. To establish the effects of educational diversity on the performance of employees in the public sector in Kenya.
- ii. Examine the effects of age diversity on the performance of employees in the public sector in Kenya.

1.4 Study Hypotheses

H₀₁: There is no significant relationship between educational diversity and employee performance in the public sector in Kenya.

H₀₂: The relationship between age diversity and performance of employees in the public sector in Kenya is not statistically significant.

1.5 Theoretical Framework

There are various theories of managing workforce diversity such as the Equal opportunity approach, Diversity Management approach, and Strategic Diversity Management approach. This study is based on strategic diversity management approach which involves the entire organization in the diversity management process. Ross and Schneider (1992) advocate a strategic approach to managing diversity that is based on their conception of the difference between seeking equal opportunity approach and managing diversity approach.

The strategic diversity management approach seems better as it deals with the loopholes in the Equal Opportunities approach and the Managing Diversity approach. It consists of effective leadership, empowerment, balanced/diverse recruitment and selection, employee support and diversity training, internal equity and all-inclusive organization culture, staff collegiality/teamwork, internal supervision and staff motivation/ get together parties/ outings as ways of effectively managing workforce diversity. The Strategic Diversity management approach is an integration of the social theory, management theory and psychology which all converge on both the positive and negative effects of workforce diversity. Although these theories have ceaselessly attempted to come up with viable workforce diversity management strategies, they call for more research due to the complexity of the human person and the varying environments.

Schneider and Northcraft (1999) argue that functional and social category diversities enhance creativity, adaptation and innovativeness. Schneider and Northcraft (1999) see the value of the social theory in understanding and solving dilemmas. Graen (2003) points out those readily visible characteristics identify people of varying genders, age, ethnicity and religions which demand prescriptions based on solid theories and research. Graen (2003) rightly notes that diversity may be an asset or liability depending on how it is integrated into the organization. Hiller and Day (2003) in Graen (2003) that reliance on surface level diversity tends to produce dysfunctional results for both individuals and their organizations than deep level diversity.

1.6 Conceptual Model

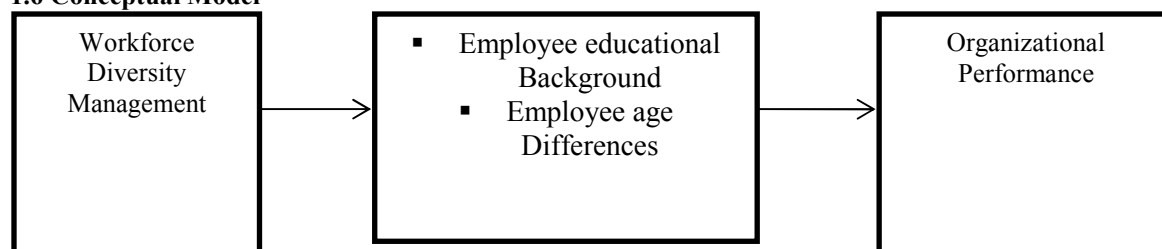


Figure 1.1: Conceptual Model

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There are a number of demographic characteristics contributing to diversity. This study looked at education and gender. The changing age composition of the workforce is forcing organizations to make a number of adjustments. One is learning how to deal effectively with older workers. The key here is that organizations cannot discriminate on the basis of age. Organizations must begin to listen to their older employees, determine how their needs are different from those of younger workers, and learn to draw from the expertise and experience that older employees can offer. Organizations must also learn how to deal with younger employees, who have values markedly different from those of their older counterparts.

Employees possess different levels of education hence this is an aspect of diversity that should be well handled so that everyone can be a positive contributor towards organizational effectiveness despite their level of education. Most organizations with a diverse workforce find it difficult to cope with the above challenges. The

way age and educational level as dimensions of diversity are managed may have an impact on the performance of individual workers. When these are effectively managed, a conducive work climate is created which reduces conflict and raises the level of employee job satisfaction. This consequently makes employees to exert extra efforts in their work resulting to increased performance. This view is shared by Adler (2005).

1.7 Methodology

The study methodology is presented below;

1.7.1 Study Design

This study adopted a case study design collect descriptive data from a sample obtained from an identified section within a main study group. This enabled the study to have an in-depth investigation of the study constructs. The target population for the study consisted of the 633 probation officers spread across all the 47 counties of Kenya. The study used simple random sampling to select 180 line officers and 10 management level officers to take part in the study as respondents. The justification for the use of this study design was that a case study provides a great deal of accurate information for data that is gathered at a particular point in time for use in describing existing conditions (Yin,1984).

1.7.2 Research Instruments

The research instruments that were used in conducting this research are questionnaire and interview schedules. The questionnaire is a convenient tool especially where there are large numbers of respondents to be handled because it facilitates easy and quick derivation of information within a short time (Kerlinger, 2004). The structured (closed-ended) and unstructured (open-ended) items were used so as to get the responses from respondents. The researcher used interview schedules since it provides face-to-face interaction with respondents from management category. It also enabled clarifying doubts and ensured that the responses were properly understood, by repeating or rephrasing the questions. The researcher also picked up nonverbal cues from the respondent. This tool also gave the researcher an opportunity to get a chance to probe the respondents on issues that may not be captured in the questionnaire. The response rate was 100%.

1.7.3 Data Analysis and Presentation

The data obtained from the field was organized, edited to ensure completeness, comprehensibility and consistency, classified and coded according to research hypotheses and objectives for analysis. Study data was analyzed by use of both descriptive and inferential statistical procedures by the use of the Statistical Package for the Social Sciences (SPSS) version 20.0 for windows. Each question related to a variable was assigned a score or numerical value by use of likert scale method. The number on a likert scale was ordered such that they indicate the presence or absence of the characteristics being measured.

Descriptive statistics were used to summarize and describe demographic characteristics of the study respondents and presented in the form of tables and figures of frequencies and percentages. Inferential statistics used in the study was Pearson Product Moment Correlation Coefficient and the same was used to determine relationships between variables of the study in all the two objectives. All statistical measurements were performed at 95% confidence level.

1.8 Results and Discussions

This section presents the study findings.

1.8.1 Demographic characteristics of Respondents

This section of the study presents the respondents personal information. It captures the age distribution of the respondents, gender, length of service in the organization and education level. These aspects were captured since they were thought of as being able to influence the study objectives. This information is presented below.

Table 1.1: Ages of Respondents

Age	Frequency	Percentage (%)
30 years and Below	52	27.37
31 – 40 years	66	34.74
41 – 50 years	37	19.47
Above 50 years	35	18.42
Total	190	100.0

Source: Research data, 2015.

Findings in table 1 indicate that majority of the respondents, (34.74%) were aged between 31 and 40 years while 27.37% were 30 years and less. The least number of respondents were those aged above 50 years and they constituted 18.42% of the respondents. This is indicative of a youthful workforce that is dynamic and energetic in the discharge of their functions to achieve the desired performance levels as set out in the core objectives of their employer. It also implies that the department of Probation and Aftercare services has within its ranks a mix of officers of different age categories which makes it possible for succession planning and management.

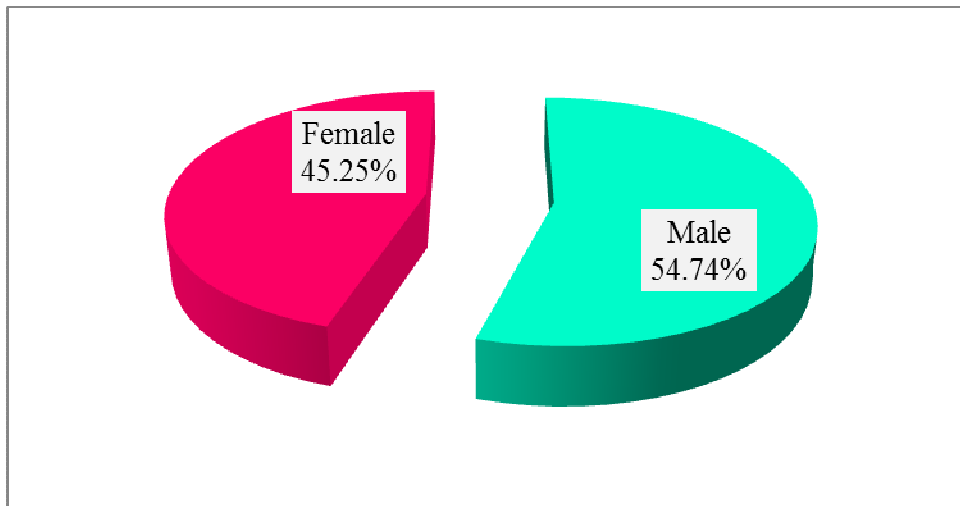


Figure 1.1: Gender distribution of Respondents

Source: Research data, 2015.

On the gender, the study established that the majority of respondents were male employees (54.74%) while their female counterparts comprised 45.25% of the study respondents. It depicted therefore that the department of probation and aftercare services has attained the Kenya constitutional requirement for workplace gender representation that not more than two thirds of the same gender shall be employed in the same organization.

Table 1.2: Length of Service of Respondents

Duration of Service	Frequency	Percentage (%)
Less than 5 years	42	22.11
5 - 10 years	63	33.16
11 - 15 years	34	17.89
16 – 20 years	24	12.63
More than 20 years	27	14.21
Total	190	100.0

Source: Research data, 2015.

Findings in table 2 show that most of the respondents (33.16%) had worked with the department under study for a period of 5 to 10 years while 22.11% had worked for less than 5 years. It was further established based on the study findings that 17.89% of the respondents had worked 11 to 15 years, 14.21% for more than 20 years while 12.63% had worked for 16 to 20 years. Such a diverse mix of work experience derived from length of service assures the department of probation and Aftercare Services a sense of continuity and availability of candidates to select from during succession management.

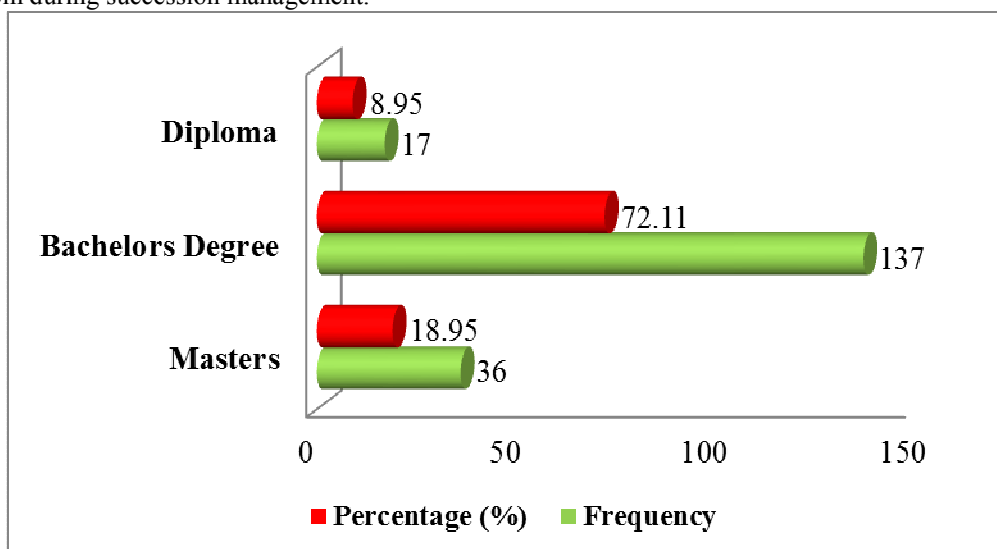


Figure 1.2: Education Level of Respondents

Source: Research data, 2015.

Results in figure 3 depict respondents' highest level of education. Findings reveal that 72.11% of the respondents had bachelor's degree as their highest level of academic while 18.95% had Masters degrees. It was also established that 8.95% had Diploma qualifications. This shows that employees in the department of probation and Aftercare services have diverse educational background. It also shows that the study respondents were highly educated individuals capable of understanding the study constructs and appropriately responding to the data collection instruments.

Table 1.3: Categorical Diversity Measures

Composite Diversity Variable	Composite Diversity Index
Educational Level differences	0.46
Age differences	0.79

Findings in table 3 shows the Blau's heterogeneity index for educational level and age. Composite educational diversity is 0.46 while the composite age diversity index is 0.79.

1.8.2 Effect of employees' educational background on the performance of employees of the department of children's services.

The first objective of the study sought to determine the effect of educational background on the performance of employees of the department of children services in Western Kenya. In order to achieve this objective, the following research non-directional null hypothesis was formulated;

H₀₁: The relationship between employees' educational background and performance at the department probation and Aftercare services was not statistically significant.

Study constructs relating to educational background and employee performance were analyzed using Pearson Product Moment Correlation Coefficient and findings presented in table 4.

Table 1.4: Correlation Coefficient for the relationship between Educational Diversity and employee performance.

		Employee Performance
Educational Background	Pearson Correlation	.299**
	Sig. (2-tailed)	.019
	N	180

**correlation is significant at 0.05 level (2- tailed)

*Correlation significant at 0.01 level (2 - tailed)

Source: Research data, 2015.

Findings in table 4 reveal a statistically significant positive relationship between educational diversity and employee performance ($r=0.299$; $P<0.05$). This means that educational diversity has a significant positive effect on employee performance in the department of probation and aftercare services. From the table above, there is positive relationship between education background diversity and employee performance because the obtained correlation coefficient is positive. The value of this correlation coefficient (0.299) falling between within the range of ± 0.01 to ± 0.30 . This is a relatively weak correlation. The relationship between educational diversity group and employee performance is nevertheless significant because the p-value 0.019 is less than alpha value 0.05. Since educational diversity is significantly related to employee performance at the level of significance of 0.05, the null hypothesis is rejected and its alternative accepted. The study findings are in line with findings in a study by Schmidt et al .(1986) who concluded that education contributed to job experience which in turn leads to the acquisition of skills, techniques, method, psychomotor habits, etc. that directly produced improvements in performance capabilities and thereby aid in strategy implementation. Adler (2005) also found out that increasing diversity expands the breadth of perspectives and ideas available to organisations in making decisions and that cultural diversity, educational, individual personalities and professional background can influence the range and depth of information use. According to findings in another study by Ancona & Caldwell, (1992), education diversity when managed effectively results in good decision making.

1.8.3 Effects of age diversity on performance of employees of the department of probation and Aftercare Services

The second objective of the study was to ascertain the effects of age diversity on the performance of employees. In order to achieve this objective, the following non-directional null hypothesis was formulated and tested;

H₀₂: There relationship between employees' age diversity and performance at the department of probation and aftercare services was not statistically significant.

Study findings for the constructs of age group and performance group were analysed using Pearson Product Moment Correlation Coefficient and findings presented in table 5.

Table 1.5: Correlation Coefficient for the Relationship between Age Diversity and employee performance.

Age Diversity		Employee Performance
	Pearson Correlation	.196**
	Sig. (2-tailed)	.047
	N	180

**correlation is significant at 0.05 level (2- tailed)

*Correlation significant at 0.01 level (2 - tailed)

Source: Research data, 2015.

Findings in table 5 reveal a statistically significant positive relationship between age diversity and employee performance ($r=0.196$; $P<0.05$). This means that age diversity has a significant positive effect on employee performance in the department of probation and aftercare services. From the table above, there is positive relationship between age diversity and employee performance because the obtained correlation coefficient is positive. The value of this correlation coefficient (0.196) falling between within the range of ± 0.01 to ± 0.20 . This is a relatively weak correlation given that the P value (0.047) was relatively high and tending towards 0.05. Since age diversity is significantly related to employee performance at the level of significance of 0.05, the null hypothesis is rejected and its alternative accepted. Findings from this study are in line with findings from empirical studies that sought to establish the relationship between age diversity and employee performance. According to Winnie (2008), youngsters who are their learning stage are more willing to learn new things and accept new ideas. Older people who have more life experiences are more mature and possess better problem solving skills. As an addition, the researcher also stated that the values possessed by different age groups can complement each other in companies and this tends to achieve better firm performance.

1.9 Conclusions

The results of this study indicate that the effect of workforce heterogeneity on organizational performance was statistically significant. However, this singular case study may not be generalized, considering some caveats. For example the study focused on only two diversity dimensions, education and age, which may have limited the robustness of the study. Each of these diversity attributes measured may also be associated with other unmeasured, but theoretically interesting dimensions of diversity, such as work experience, ethnicity, marital status or religion. The sample size used for the study may also have contributed in part for the research outcome. These limitations notwithstanding, this study has enriched the diversity literature, by demonstrating empirically, that there is causal relationship between workforce diversity and organizational performance.

1.10 Recommendation

Diversity sometimes is associated with effectiveness, other times with negative outcomes, and often it has no effects at all. Organizational leaders implement educational diversity initiatives in efforts to motivate and encourage each individual to work effectively with others so that organizational goals are achieved. A person's educational background can be a significant indicator of their knowledge, skills, and capability. Furthermore, the choice of a specific educational major may reflect one's cognitive strength and personality. For instance, an individual educated in computer science can be expected to have a somewhat different cognitive disposition than an individual educated in marketing or advertising. As in functional expertise, dissimilarity in educational background seems to have a positive impact on team performance because it fosters a broader range of cognitive skills.

The demographic composition of today's workplace, occasioned by the international trend toward increased immigration and the globalization of firms, is increasingly becoming diverse. The demographic trends in developed and developing countries, aging workforce and the rising number of young people in developing countries has altered homogeneous work settings of the recent past. Thus, given these demographic and organizational trends, organizations are contending with the challenges of effectively managing a diverse workforce.

1.11 Suggestions for Further Research

In line with the findings of the study, it is recommended that more research be undertaken to establish the relationship between other forms of workforce diversity like gender, cultural and racial diversities on employee performance. This will stretch the frontiers of knowledge as regards the general understanding of the role of workforce diversity on employee performance.

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