ABSTRACT
The purpose of the study was to examine the relationship between various workforce diversity elements namely; age, gender, work experience, and culture among employees and the performance of organizations with specific reference to telecommunication firms in Kenya. It further sought to determine as to whether employee engagement moderates the relationship between workforce diversity and organizational performance. Continuous attention to the issues of workforce diversity is important because it can be a major source of conflict leading to poor employee relations and low employee engagement. Workforce diversity issues may also adversely affect an organization’s public reputation, competitiveness and can significantly threaten the bottom line. However, there is a level of diversity that would be counterproductive to an organization. Too low levels of diversity (extreme homogeneity) in terms of age, gender, work experience and cultural diversity would lead to few innovations, limited knowledge transfer and monotony of ideas while too high levels (extreme heterogeneity) of the same aspects of diversity may not be desirable as well as it would lead to team conflict, delayed decisions, resistance to change, and disengagement. The theory of optimum diversity suggests that organizations should endeavor to identify, maintain and work within an optimum level of diversity. The study used descriptive research design with application of quantitative research techniques. The target population for the study was managerial staff in all mobile telephone and internet service providers in the telecommunication industry in Kenya. Secondary and primary data is collected and analyzed from 14 telecommunications firms for a period of five years (2010-2014). A sample of two hundred and seventy (270) managers, from the telecommunication firms were used as respondents to a structured questionnaire for the purpose of collection and analysis of both secondary and primary data with respect to age, gender, work experience and culture of employees as well as on organizational performance. Blau’s index (measure of heterogeneity) was used to operationalize the four aspects of workforce diversity. Financial measures of performance and in particular growth in sales was used to measure firm performance due to its popularity as a measure of performance among the targeted firms. Various statistical techniques including both descriptive and inferential statistics were used to find out the level and direction of correlations between variables. These techniques included but not limited to descriptive analysis, correlation analysis, analysis of variance, simple & multiple regression analysis. The correlation coefficients (r) for all the variables were positive, statistically significant (p<.05). Age diversity and work experience diversity had the highest correlation at .767, followed by age diversity and gender diversity at .734 and finally the lowest correlation was between gender diversity and cultural diversity at 0.543.
Thus, the variables were significantly correlated. Further, an examination of Pearson correlation coefficients between the independent variables indicated that the correlation coefficients (r) were all less than 0.8 indicating absence of multicollinearity. The overall model of multiple linear regression indicated that R= .839 and R²= .704. This implied that a combination of factors with respect to age diversity, gender diversity, work experience diversity and cultural diversity would explain 70.4% of the variation in performance of the telecommunication firms in Kenya, the rest (29.4%) being explained by other factors. This is a further indication that a strong and positive relationship exists between age diversity, gender diversity, work experience diversity and cultural diversity and the performance of telecommunication firms in Kenya. The study further found that when Age diversity, Work experience diversity, Cultural diversity and Gender diversity are kept constant at zero the performance of telecommunication firms in Kenya would be at 2.736%. A one percent (1%) change in Gender diversity will lead to zero decimal seven per centum (0.07%) variations in the performance of telecommunication firms in Kenya. Also, a one percent (1%) change in Work experience will lead to zero decimal six four three per centum (0.643%) variations in the performance of telecommunication firms in Kenya. Further, a one percent (1%) change in Cultural diversity will lead to zero decimal five zero per centum (0.050%) variations in the performance of telecommunication firms in Kenya and finally a one percent (1%) change in Age diversity will lead to zero decimal three three zero per centum (0.330%) variations in the performance of telecommunication firms in Kenya.

**Keywords:** Workforce Diversity, Employee Engagement, Organizational Performance.

**INTRODUCTION**

The changing workforce demographics in the United States of America, has led to a growing age diversity concerns to become part of many public and private sector organizations, (Kunze, Boehm & Bruch, 2011). A growing body of research has sought to establish links between workforce diversity and organizational performance with only a handful of such studies having been conducted globally (Nathan & Lee, 2013). Studies on the role of workforce diversity on firm-level performance rely on the notion that organizational diversity are resources that are valuable, rare and difficult to imitate, and therefore sources of sustained competitive advantage (Richard, Barnet, Dwyer & Chandwick, 2004). In the past twenty years, the growing diverse work forces in organizations has led scholars to pay increased attention to the issue of workforce diversity (Gupta, 2013). The recognition of workforce diversity as a source of competitive advantage has become a reality in organizations today and has generated an enormous amount of interest over the recent years among business leaders, governments and within the civil society (Kochan, Ely, Joshi & Thomas, 2002).

Childs, (2005) argues that any business that intends to be successful must have a borderless view of the workforce by ensuring that workforce diversity is part of its day to day business conduct. Today’s workforce is getting more and more heterogeneous due to the effects of globalization (Kurtulus, 2012). When workforce diversity is not leveraged properly, there will be a potential for higher voluntary employee turnover, difficulty in communication and destructive interpersonal conflicts (Elsai, 2012). The reverse leads to a more engaged workforce and subsequently improved organizational performance. If firms use their diverse human resources in the right way, then it will be very profitable for them because human diversity increases the flow
of new, creative and innovative ideas (Afzal, Mahmood, & Sajid, 2013). Research findings on certain dimensions of diversity such as gender, or ethnicity have shown that diversity rarely has an unambiguous effect but is a “double edged sword” (Horwitz & Horwitz, 2007).

2. STATEMENT OF THE PROBLEM
Globally, the case of diversity is enjoying high profile in organizational debate partly due to changes in workforce demographics (Armstrong & Mkamwa, 2010). The impact of workforce diversity on organizational outcomes such as employee satisfaction, low turnover and high employee engagement, has made it an essential consideration and business problem (Sanjoo & Rainy, 2010). The question of workforce diversity and its contributions to organizational performance and economic growth has not been given full attention in the East Africa Community (EAC) partner states. Otike, Messah & Kitatu , (2010) carried out a study on the effects of workforce diversity management on organizational effectiveness in Kenya Commercial Bank within the EAC region and found out that workforce diversity initiatives have not been fully embraced in the banking sector.

The thrust of this study focused on the performance of telecommunication firms in Kenya which notably varies greatly in terms of growth in sales, profits, customer subscriptions (market share) & technological innovations despite them having operated in the same level playing ground with regard to political and socio-economic environment since their inception more than a decade ago. Specifically, in 2013, market share stood at Safaricom (66%), Airtel (18%), Essar Telcom Ltd, YUmobile (9%) & Orange (7)% respectively (CCK, 2013). In fact, the dismal performance of Essar Telcom Ltd further necessitated its sale of assets and subscribers to Safaricom Ltd and Airtel respectively in the year 2015. Additionally, it is noted that the current female representation in top management at Telkom Kenya (Orange) and Safaricom Ltd 8% and 31% respectively. This is an indication that gender diversity is not fully leveraged in the telecommunication firms for optimal performance. While appreciating that many factors work in synergy to determine the level of organizational performance, the role of workforce diversity cannot be underestimated. The above preliminary statistics on performance and workforce diversity in the telecommunication sector in Kenya have therefore acted as the trigger to the study on the relationship between workforce diversity and the performance of telecommunication firms in Kenya.

3. SPECIFIC OBJECTIVES OF THE STUDY:
(i) To explain the relationship between age diversity and the performance of telecommunication firms in Kenya
(ii) To examine the influence of gender diversity on the performance of telecommunication firms in Kenya
(iii) To explore how work experience diversity influences the performance of telecommunication firms in Kenya
(iv) To determine if cultural diversity significantly affects the performance of telecommunication firms in Kenya
(v) To find out how employee engagement moderates the relationship between workforce diversity and the performance of telecommunication firms in Kenya

4. THEORETICAL REVIEW OF LITERATURE
Many of the theories relating to workforce diversity and performance stem from basic in-group /
out-group psychology. These theories treat diversity as a universal concept that encompasses multiple dimensions (Pitts & Jarry, 2009). They include but not limited to the following: Blau’s Theory of heterogeneity; Social categorization theory. Similarity/Attraction theory and Resource Based View Theory.

**Blau’s Theory of Heterogeneity**

Blau, (1977) argued in his theory of heterogeneity that firms with different levels of cultural diversity experience dissimilar dynamics and organizational outcomes. Within culturally homogeneous groups, members will tend to communicate with one another more often and in a greater variety of ways resulting in in-group attachments and shared perceptions. This enhances group cohesion and subsequent organizational outcomes. An important but ignored topic of study in the research on group diversity is the basis for work group formation. Many organizational groups, such as functional departments, may be experiencing greater gender and culture diversity as the increasing diversity of the workforce brings a more diverse set of workers to organizations. However, the inflow of diverse workers does not necessarily mean that all organizational groups will assemble in a diverse way (Blau, 1977). Blau’s, (1977) discussion of group heterogeneity and social structure may be instructive. On the one hand, Blau asserts that similarities on one nominal parameter (e.g., race) will promote social associations. On the other hand, he maintains that people will associate not only with members of their own groups but also with members of other groups. Social cultural dimension (values, customs & attitudes) of diversity can be influenced by one’s nationality background. This can further influence how workers feel about their jobs and organizations and ultimately their productivity (Griffin, 2009). The relevance of Blau’s theory of heterogeneity to the study would therefore be in the area of how cultural diversity relates with the performance of telecommunication firms. The telecommunication firms in Kenya are multinationals that draw the employees from a global market place. They are global and multicultural in nature and they are employers of a diversified workforce drawn from varying racial, ethnic and cultural backgrounds.

**Social Categorization Theory**

Social-categorization theory, by (Turner, 1987) suggests that people belong to many different social groups (e.g. nation, employer, or school). It predicts that individuals sort themselves into identity groups based upon salient characteristics and that they act in concert with their categories and favour contexts that affirm group identity (Hogg & Terry, 2000). In consequence, dissimilar individuals are less likely to collaborate with one another compared to similar individuals. In this way, social categorization may disrupt elaboration of task-relevant information because of possible biases towards in-group members and negative biases towards out-group members. (Knippenberg, Kleef & De-Dreu, 2007). This is a theory of the self, group processes, and social cognition (Turner et al., 1987) which emerged from research on social identity theory. It is concerned with variation in self-categorization (in the level, content and meaning of self-categories. It focuses on the distinction between personal and social identity. Social-categorization theory seeks to show how the emergent, higher-order processes of group behavior can be explained in terms of a shift in self-perception from self-categorization in terms of personal identity to self-categorization in terms of social identity. Thus employees in an organization may sort themselves in social categories of
particular age group, gender or culture. This may influence their group behavior as well as their responses to the micro and macro economic environment. Such responses may affect their work behavior leading to varying organizational outcomes.

**Similarity/ Attraction Theory**

Byrne’s, (1970) theory of effect and attraction assumes that one’s evaluation of another is the result of reinforcement associated with the other. Similarity/attraction theory posits that people like and are attracted to others who are similar, rather than dissimilar, to themselves; “birds of a feather,” the adage goes, “flock together.” Social scientific research has provided considerable support for tenets of the theory since the mid-1900s. The theory provides a parsimonious explanatory and predictive framework for examining how and why people are attracted to and influenced by others in their social worlds. In addition to people’s inclinations to be attracted to those who share similar attitudes, people are also attracted to others who manifest personality characteristics that are similar to their own. (Byrne, 1971). Various researchers from a variety of fields such as marketing, political science, social psychology, and sociology have supported the assumptions of similarity/attraction theory. The argument is that people of similar cultural background, ethnicity, age group and gender may tend to prefer to work together due to their common characteristics thus enhancing group cohesiveness and performance. In addition, interactions that may be perceived to be discriminatory on the basis of religion, ethnicity, age and gender may lead to harmful and negative effects on team cohesiveness (Triana, Garcia & Colella, 2010).

**Resource Based View Theory**

Resource Based View (RBV) Theory views organizations as consisting of a variety of resources generally including four categories viz; physical capital, financial capital, human capital, and corporate capital, (Barney & Clark, 2007). The varying attributes or characteristics of resources held by firms can contribute and determine their level of performance (Yang & Konrad, 2013). Resources that allow a firm to implement its strategies and/or programmes are viewed as valuable and can be a source of competitive parity Barney & Clark D, (2007).

Resources that are viewed as valuable and rare can be a source of sustainable competitive advantage to an organization. Those that are valuable, rare and inimitable can be a source of sustained competitive advantage (Barney & Clark, 2007). Moreover, to achieve a sustained competitive advantage, a firm needs to have the ability to fully exploit the potential and stock of its valuable, rare and inimitable resources. Such ability and potential often resides in the diverse characteristics of its workforce. Barney (1986, 1991) summarized four empirical indicators of the potential of firm resources to generate sustained competitive advantage in a VRIN model signifying \( V=\text{Valuable}, \ R=\text{Rare}, \ I=\text{Imperfectly Imitable} \text{ and } N=(\text{Non})=\text{Substitutability}. \) The resource-based view (RBV) as a basis for the competitive advantage of a firm lies primarily in the application of a bundle of valuable tangible or intangible resources at the firm's disposal. To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous in nature and not perfectly mobile. Peteraf, (1993). RBV theory
asserts that hiring and managing a demographically diverse workforce can be a source of competitive advantage to the firm. Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort. Barney, (1991). If these conditions hold, the bundle of resources can sustain the firm’s above average returns. The VRIO and VRIN model also constitutes a part of RBV. Moreover, to achieve a sustainable competitive advantage, a firm needs to have the ability to exploit the full competitive potential of its valuable, rare, and inimitable resources(Barney & Clark, 2007). Such resources often reside in the firm’s diverse characteristics of its employees and the ability often resides in the firm’s structures, procedures, and practices.

5. THE CONCEPTUAL FRAMEWORK
Mugenda and Mugenda, (2003) describes a conceptual framework as a hypothesized model identifying the concepts under study and their relationship. The purpose of the conceptual framework is to help the reader to see the proposed relationships at a glance. The constructs of research in this study are described and diagrammatically illustrated in the framework below:-

![Conceptual Framework Diagram]

**Figure 2.1 The Conceptual Framework**

6. EMPIRICAL REVIEW OF LITERATURE
Age diversity

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Unlike other forms of equality such as race and gender, age discrimination as a policy issue has only began to emerge over the past twenty years (Riach, 2009). Duncan, (2003) has argued that the business case for age diversity may also be used to stake claim against recruiting older workers, on account of higher employment costs. Diversity scholars have argued that age-diverse workforces display a host of different knowledge, values and preferences. Their perspectives, including their mental models are different. (Richard & Shelor, 2002). Thus as a team, they have a larger pool of knowledge and a larger problem solving toolbox leading to improved firm performance (Gelner & Veen, 2013). (Wiersema & Bantel, 1992) have observed that younger managers are more likely to have attended school in a more diverse environment, or worked with minority groups at some point during their careers. Age-diverse workforces display a host of different knowledge, values, perspectives, interpretations and preferences that are prerequisites for innovation (Richard & Shelor, 2002; Page, 2007). Moreover, younger managers are more likely to have greater learning capabilities, are more recently educated, and thus are more likely to be more risk-taking, flexible, and innovative. Combining young and old cohorts of workers with different knowledge pools can therefore increase innovation as compared to having homogeneous workers (Gelner & Veen 2013). Our argument is that in this age of technology, young employees can be more creative, learn faster and can drive innovation in an organization as compared with older employees leading to high organization performance more so in the area of technological innovations. Due to their different way of socialization and exposure, they can easily embrace change that drives innovation and organizational performance. Age of employees may also influence their level of commitment and engagement with the organization. Certain employees approaching their retirement age may unconsciously begin to disengage with the organizations they work for as they begin to prepare for their retirement. They may constantly absent themselves from work or report late to work. Old employees may also spend more time seeing doctors due to age related illnesses as opposed to younger employees. This in essence could affect their individual contributions on their work performance and subsequently the overall performance of the organization. It is therefore hypothesized that (H_{A1}) There is a relationship between age diversity of employees and the performance of telecommunication firms in Kenya.

Gender Diversity

The increase in gender diversity at the workplace has attracted the attention of both researchers and practitioners and a particular question that arise is whether gender composition in an organizations’ workforce will affect individual, group or organizational level performance (Gupta, 2013). Due to rapid environmental changes, many countries are changing to accommodate the increasing diverse workforce in their organizations, (Elsaid, 2012). Several researchers investigating workforce diversity have found that gender diversity in the boardroom can positively affect firm performance (Carter, Simkins & Simpson 2003). However, other studies have reported contrary findings of a negative relationship between women in boards and firm performance (Dwyer, Richard & Chandwick, 2003) while (Dimovski & Brooks, 2006) reported no direct relationship between gender diversity and firm performance. Several researchers have argued that high levels of gender diversity are a source of competitive advantage. Men’s and Women’s differences may provide insights into the different needs of male and female customers. Researchers have argued that men and women may also have different cognitive abilities. A mix of cognitive abilities in a gender diverse team may enhance overall creativity and innovation.
Gender differences in an organization have in the past been viewed only on their face value of an employee being either a male or a female without much consideration of their strengths, weaknesses or other inherent capabilities. Thus, our view is that different gender are endowed with different capabilities that can work together to promote positive organizational outcomes. Different gender in work teams can also be a source of harmonious relations and favorable attitudes within an organization. This can further work to promote contribution of different viewpoints and ideas thus enhancing team performance. Based on literature and this argument is the proposed hypothesis that (H2): There is a relationship between gender diversity and the performance of telecommunication firms in Kenya.

Work Experience Diversity
Avolio, Waldman & McDaniel, (1990), noted that work experience was a better predictor of performance than age. A breakdown of jobs into five occupational groupings revealed a moderating effect for occupational type. Findings also showed that age and experience exhibit nonlinear relationships with performance. Experienced workers generally are viewed as dependable, loyal, and dedicated. They are also viewed as having a strong work ethic, solid performance record, due to possessing years of working related experience. Work experience can also have a positive effect on ones value system, problem solving capabilities, emotional intelligence, leading to improved individual productivity and overall organizational performance. (Avolio, et al, 1990). Two studies have shown that the length of work experience is positively related to work performance. Such experience involves the development of well practiced work skills,( McDaniel, Schdmit & Hunter, 1988; Schmidt, Hunter & Outerbridge, 1986). Avolio, Waldman & McDaniel, (1990) have also argued that experienced workers can make faster work related decisions, resolve problems quickly, which lead to a more satisfied customers and increased market share. Avolio, Waldman & McDaniel, (1990) have further argued that as employees continue to serve in their organizations, they are likely to gain more expertise due to their exposure relating to different work environment. They can therefore handle work challenges with more confidence and make faster decisions relating to customer complaints. We also view experienced workers as being more aware of the organization and well versed with the operational environment thus being able to identify and manage business risk more effectively. Based on this argument and reviewed literature, it is hypothesized that (H3): There is a positive relationship between work experience diversity and the performance of telecommunication firms in Kenya.

Cultural Diversity
Majority of research on diversity as a social phenomenon comes from psychologists and sociologists. (Pitts & Jarry, 2009). Differences in cultural characteristics can predict team scores which can further be interpreted as an advantage of having ethnically different views for a team, resulting in increased problem solving and team performance. Many private firms have also manifested this kind of diversity, although a good number- especially the multi nationals and those that have adopted professionalism as a value hire purely on merit. ( Zgourides & Watson, 2002). It is evident that research about how ethnic diversity operates at the work place is necessary, (Rainy, 2003). While there have been a significant number of studies that have explored the effect of diversity at individual and group level, there is little theoretical guidance and a scarcity of empirical findings concerning the potentially beneficial impact of firm-level cultural diversity on...
organizational outcomes (Richard et al., 2007). Ethnic diversity would benefit organizational performance due to a more diverse pool of skills and knowledge that leads to complimentary team performance and mutual learning (Gupta, 2013). Most of the organizations come forward and take imperative actions by nourishing positive committed cultures within the organization that helps the employees in coping with work desired environment, Bano, Khan, Habibullah & Butt, (2013).

Researchers have observed that diversity on a cultural context can influence innovativeness, and implementation of technological programmes (Gomez-Mejia & Lipach, 1997). Cultural diversity can further influence interpersonal dynamics within an organization. Interpersonal barriers rooted in cultural differences may impede the flow of information on a corporate wide basis. Cultural norms and practices may further influence the manner in which human resource programmes are implemented (Gomez-Mejia & Lipach, 1997). The argument is that a combination of employees drawn from diverse nationalities could bring to an organization diverse experiences, perspectives, approaches to work and different levels of commitment to work thus influencing the overall performance of organizations. Nationality of employees presents mainly as a form of social-cultural diversity among employees working in an organization. Organizations therefore must cultivate a positive cultural diversity climate so as to promote and sustain an open environment conducive to maximizing the benefits of heterogeneity (McKay, Avery & Morris, 2009). Social cultural dimension (values, customs & attitudes) of diversity can be influenced by one's nationality or cultural background. This can further influence how workers feel about their jobs and organizations and ultimately their productivity (Griffin, 2009).

Being a form of social cultural diversity, nationality of employees can influence their perceptions, attitudes and norms. Where their perceived level of discrimination on the basis of culture is high, their team performance may be adversely affected. It may further influence their level of engagement with the organization and subsequently the level of organizational performance. A combination of employees drawn from diverse nationalities (cultural backgrounds) could bring to an organization diverse beliefs, cultures and perspectives to work. Exchange of ideas may be more enhanced among employees benefiting from international exchange programmes in the multinational firms. This further facilitates creativity, innovativeness and group synergy. Thus in this study, it is hypothesized that (H4) Diverse nationality (cultural diversity) of employees can positively affect the performance of telecommunication firms in Kenya.

**Employee Engagement**

Employee engagement is a psychological state that enables employees to present themselves physically, cognitively and emotionally during the role performance (Khan, 1990). Kahn’s (1990) psychological presence model proposes that intergroup relations affect the psychological context at work, thus influencing personal engagement of employees. Several organizational variables like organizational support have been considered as predictors of employee engagement (Saks, 2006; Rich, Lipine & Crawford, 2010). Researchers in various academic disciplines have indicated that employees’ overall satisfaction, commitment, intention to stay, customer satisfaction & loyalty, productivity, profitability and actual financial returns are the main outcomes of employee engagement (Saks, 2006; Macey & Schneider, 2008). Workforce diversity and employees commitment in the context of globalization has attained significant attention in today’s workplace (Bano Khan & Butt, 2013). A study by Ruccuci, (1998) received significant attention in the
business community because of correlations between employee engagement and desirable business outcomes such as retention of talent, customer service, individual performance, team performance, business unit productivity, and even enterprise-level financial performance. A multicultural environment is more likely to engender workgroup cohesion and organizational commitment or engagement. Indeed, more employee attachment to an organization is explicit in organizations that espouse multiculturalism. (Ivancevich M & Gilbert A, 2001).

Our argument is that a multicultural work environment in terms of ethnicity, religion, race, minimizes organizational conflict, increases job satisfaction leading to a more engaged workforce which can further result in improved organizational performance. We further argue that aging employees anticipating to retire are less engaged with the organization as compared with those in prime age and still growing in their careers. Poor gender composition of work teams can also affect employee morale, communication, perceptions leading to low employee engagement and reduced organizational performance. It is also our view that if inexperienced employees are placed in challenging jobs, their level of engagement with the organization may decline due to associated work stress. This may ultimately affect the overall performance of the organization. Therefore, it is hypothesized that (H₅ₐ) Employee engagement has a moderating effect between diversity and the performance of telecommunication firms in Kenya.

Organizational Performance

Organizational performance is one of most important variables in the area of management research. Although the concept of organizational performance is very common in academic literature, its definition is not yet a universally accepted concept (Gavrea, Ilies & Stegereen 2011). Doyle, (1994), argues that there is no single or best measure of organizational performance. He however, has argued that profitability was the most common measurement used for organizational performance. Indeed, even the optimal definitions or measures of performance remain controversial. Fortunately, when these propositions are assessed, the results are often encouraging. Practices that improve the commitment and attitudes of employees do indeed enhance many financial indicators of workplace performance (Gong, Law, Chang, & Xin, 2009). Research on performance has gone through many phases in the last 30 years. Initially, they were focused mostly on financial indicators but with time, the complexity of the performance measurement system increased by using both financial and non financial indicators (Gavrea et al, 2011). Below is a discussion on key measures of organizational performance proposed by various scholars from which this study derived and anchored the measurement of the dependent variable which was organizational performance. Financial performance is one of the key indicators of overall organizational performance. In the private sector, the bottom-line indicator of performance is profitability.

In the last 30 years, firm’s performance has widely been measured through various indicators of its financial success. The financial performance of most profit oriented organizations can be assessed both in terms of its top line (e.g sales ) as well as its bottom line (e.g profitability) measures. In the recent years, financial ratios (ROI & ROA) have been used by researchers to measure organizational performance. The use of these financial ratios provide a comprehensive & fair view of a firm’s financial performance as opposed to using only one measurement such as
sales, profits, assets etc. (Abu-jarad, Yusof & Nikbin, 2010). Many researchers utilize traditional accounting measures of profit. One of the most common used indices, for example, is return on assets or return on investments (Staw & Epstein, 2000; Wan & Hoskisson, 2003). Roughly, return on assets is the annual profit or net income divided by the average assets over the year. More precisely, to compute the numerator, researchers usually subtract the interest expense and the interest tax savings from the annual profit. As Van Dyck, Frese, Baer, and Sonnentag (2005) highlight, return on assets is a measure of operating efficiency, reflecting the long term financial strength of organizations. Some researchers have utilized subjective estimates of financial performance where a measure that, in essence, combines the benefits of objectives indices with the merits of subjective indices are applied. Specifically, participants are asked to complete a series of subjective questions, which are intended to gauge objective indices. These measures have been shown to correlate appreciably with objective measures (Delaney & Huselid, 1996).

Although related to profit, some researchers instead compute the general productivity of employees. Roughly, employee productivity is the revenue divided by the total number of employees. Many researchers, however, prefer to compute the natural log of revenue divided by the total number of employees (Subramony, Krause, Norton, & Burns, 2008). In their study, (Subramony, Kraus, Norton, & Burns, 2008). showed that perceptions of pay affected employee productivity. That is, productivity, as measured by the natural log of revenue divided by the total number of employees, increased if employees’, one year earlier, had reported they felt their pay was competitive. Sales are often used to gauge the performance of organizations. Nevertheless, several variants of sales have been utilized. In one study, for example, conducted by Salamon and Robinson (2008), sales relative to targets was calculated. That is, senior management had estimated the sales target of each site, depending on the product lines, characteristics of the clientele, and other factors. To compute sales performance, actual sales was divided by target sales, and then multiplied by 100. This study showed that sites in which employees felt trusted by management experienced a sense of responsibility and accountability, which translated into improvements in this sales index (Salamon & Robinson, 2008). Many related measures of sales are also used.

Typical examples are total sales growth, rather than merely sales, as well as market share (Gong, Law, Chang, & Xin, 2009). In lieu of more objective measures of workplace performance, some researchers also assess subjective indices. One of the most common subjective indices is customer service. To illustrate, in the study undertaken by Salamon and Robinson (2008), customer surveys were conducted. This particular survey comprised 10 questions, such as whether customers were assisted or greeted appropriately. Customer service was rated more favorably if employees felt trusted by management.

**Workforce Diversity Metrics**

Hubbard,(2004), argues that diversity measurement is not just about numbers and representation by age, gender, race, national origin or disability. It is about measurement in the context of employee functions in the work environment. Diversity measurement involves four interrelated aspects of the workplace. These include workforce diversity -- age, race, gender, national origin, disability and sexual orientation, and behavior diversity, which involves differences in values and belief systems, work and thinking styles. Workplace diversity measurement includes both quantitative and qualitative metrics. Quantitative measurement includes additional factors,
reported by job classification, including the number of new hires, number of employees with individual development plans, pay, promotions, turnover, and accessibility to programs and services, such as the reasonable accommodation under the Americans with Disabilities Act. Qualitative measures are based on diversity perceptions, activities and outcomes. Data for these measures are gathered using employee satisfaction surveys, cultural audits, focus groups, incentive plans, training and education records, customer satisfaction surveys, and employee complaints and grievances. The two can be expressed quantitatively by use of descriptive statistics like standard deviation, coefficient of variation and Blau’s index of heterogeneity. Blaus Index allows one to calculate the level of diversity present among a group of individuals. A perfectly homogeneous group would receive a score of 0, while a perfectly heterogeneous group would receive a score of 1. (Pitts & Jarry, 2009). This Index is calculated as $1 - \sum P_i^2$ where $P$ is the proportion of individuals in a category and $i$ is the number of categories. The index could theoretically range from 0-1 indicating the level of heterogeneity in a category. Other measures of diversity include but are not limited to the following; organizational tenure, age proportionality, culture distance index.

7. METHODOLOGY
A descriptive research design taking a survey approach was used in the study. Cooper and Schindler, (2011) observe that a research design is a plan and structure of investigation formed to provide answers to research questions. (Kothari, 2008) defines a research design in the following terms:- as a detailed plan on how the research will be conducted; it constitutes the blueprint for collection, measurement and analysis of data. It is the structure of the research; it is the “glue” that holds all the elements in a research project together; it is a plan for collecting and utilizing data so that the desired information can be obtained with sufficient precision. Descriptive studies are those that focus attention on the purpose of the study, data collection methods, the sample size, data processing and analysis and reporting the findings. In this study, the researcher adopted a descriptive research design with application of both quantitative research techniques. The researcher adopted quantitative techniques because the research variables to be measured were quantitative in nature.

Data Analysis And Presentation
The researcher used various statistical techniques including both descriptive and inferential statistics were used to find out the level and direction of correlations between variables. These techniques included but not limited to descriptive analysis, correlation analysis, analysis of variance, simple & multiple regression analysis

Operationalization Of Diversity Variables
The researcher used Blau’s Index of heterogeneity to operationalize the workforce diversity variables. Blaus Index allows one to calculate the level of diversity present among a group of individuals. A perfectly homogeneous group would receive a score of 0, while a perfectly heterogeneous group would receive a score of 1. (Pitts & Jarry, 2009). This Index is calculated as $1 - \sum P_i^2$ where $P$ is the proportion of individuals in a category and $i$ is the number of categories. The index could theoretically range from 0-1 indicating the level of heterogeneity in a category. The examples in Figure 3.2 below illustrates how Blau’s Index was computed on the diversity variables for the purpose of data analysis.
Blau’s Index of Heterogeneity

<table>
<thead>
<tr>
<th>Blau’s Index Of Heterogeneity:</th>
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<tbody>
<tr>
<td>[ D = 1 - \sum p_i^2 ]</td>
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<tr>
<td>Where</td>
</tr>
<tr>
<td>( p = ) Proportion of individuals in a category/group</td>
</tr>
<tr>
<td>( i = ) The number of different categories</td>
</tr>
</tbody>
</table>

Example (1)

**Age Diversity**

An organization is comprised of 20% of employees in (18, 30 years) age bracket, 40% in (31-40 years) 25% in (41-50 years) and 15% in (51 and above years). As a result, \( D = 1 - [(0.20)^2 + (0.40)^2 + (0.25)^2 + (0.15)^2] \), or 0.285. When four categories of age proportionality are used, the values of the variable range from 0 (perfect homogeneity) to 1 (perfect heterogeneity).

Example (2)

**Cultural Diversity**

An organization is comprised of 80% whites, 10% African-Americans, 5% Hispanics, and 5% from all other categories. As a result, \( D = 1 - [(0.80)^2 + (0.10)^2 + (0.05)^2 + (0.05)^2] \), or 0.345. When four categories of ethnicity are used, the values of the variable range from 0 (perfect homogeneity) to 1 (perfect heterogeneity).

8. **FINDINGS AND DISCUSSIONS**

**Correlation Analysis**

The four independent variables, and the dependent variable were each subjected to bivariate correlation analysis. The correlation results for each of the variables are shown in the Table 1 below. The correlations for all the variables were positive, statistically significant (\( p<0.05 \)). Age diversity and work experience diversity had the highest correlation at .767, followed by age diversity and gender diversity at .734 and finally the lowest correlation was between gender diversity and cultural diversity at 0.543. Thus, the variables were significantly correlated implying that they could be grouped together. Further, an examination of Pearson correlation coefficients between the independent variables indicated that the partial correlation coefficients were all less than 0.8 indicating absence of multicollinearity. Field (2005) suggested that correlation coefficient greater than 0.8 indicate presence of multicollinearity.
Table 1: Correlation Analysis On The Study Variables

<table>
<thead>
<tr>
<th></th>
<th>Age diversity</th>
<th>Work experience diversity</th>
<th>Gender diversity</th>
<th>Cultural diversity</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age diversity</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work experience</td>
<td>.767 (**)</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender diversity</td>
<td>.734 (**)</td>
<td>.614 (**)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural diversity</td>
<td>.618</td>
<td>.546</td>
<td>.543</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Performance</td>
<td>.755</td>
<td>.705</td>
<td>.676</td>
<td>.656</td>
<td>1</td>
</tr>
</tbody>
</table>

Multiple Regression Analysis

Pearson’s correlation analysis was carried out before multiple regression analysis to rule out the existence of multicollinearity between the variables under study. Multicollinearity exists when there is a strong correlation between two or more independent variables and this poses a problem when running multiple regressions. According to Field (2009) multicollinearity exists when correlations between two independent variables are at or in excess of 0.80. In this study, the highest correlation was between age diversity and work experience diversity where \( r = 0.767, p < 0.05 \) which rules out multicollinearity. The multiple regression analysis models the linear relationship between the dependent variable which is performance of telecommunication firms in Kenya and independent variables which are age diversity, gender diversity, work experience diversity and cultural diversity. The multiple regression output summary indicated a coefficient of determination \( R^2 \) and correlation coefficient \( r \) that show the direction and the degree of association between independent variables and performance of telecommunication firms in Kenya.

Table 2: Multiple Regression Analysis (Model Summary 1)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R-Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.839</td>
<td>.704</td>
</tr>
</tbody>
</table>

Table 2 above shows the results of multiple linear regression indicating that \( R = .839 \) and \( R^2 = .704 \). This implies that a combination of factors with respect to age diversity, gender diversity, work experience diversity and cultural diversity would explain 70.4% of the variation in performance of the telecommunication firms in Kenya, the rest (29.6%) being explained by other factors. This is a further indication that a strong and positive relationship exists between age
diversity, gender diversity, work experience diversity and cultural diversity and the performance of telecommunication firms in Kenya. Table 3 indicates that p value = 0.000 which is less than 0.05 (the predetermined level of statistical significance). This shows that the overall model is statistically significant. It further implies that age diversity, gender diversity, work experience diversity and cultural diversity have a significant effect on the performance of telecommunication firms in Kenya.

Table 3 ANOVA for Workforce Diversity And Performance

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Regression</td>
<td>1809.028</td>
<td>4</td>
<td>361.806</td>
<td>87.391</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>761.775</td>
<td>195</td>
<td>4.140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2570.803</td>
<td>199</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance of telecommunication firms in Kenya

Table 4: Predication model of the study variables

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig (p)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta (β)</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.736</td>
<td>.872</td>
<td>3.138</td>
<td>.003</td>
</tr>
<tr>
<td>Gender Diversity</td>
<td>.070</td>
<td>.048</td>
<td>.182</td>
<td>1.457</td>
</tr>
<tr>
<td>Work Experience Diversity</td>
<td>.643</td>
<td>.114</td>
<td>.617</td>
<td>5.624</td>
</tr>
<tr>
<td>Cultural Diversity</td>
<td>.050</td>
<td>.042</td>
<td>.139</td>
<td>1.210</td>
</tr>
<tr>
<td>Age Diversity</td>
<td>.330</td>
<td>.113</td>
<td>.353</td>
<td>2.924</td>
</tr>
</tbody>
</table>

From the above table the established multiple regression equation was; 

$$Y = 2.736 + 0.070X_1 + 0.643X_2 + 0.050X_3 + 0.330X_4 + e$$

From the above multiple regression equation, the study found that when Age diversity, Work experience diversity, Cultural diversity and Gender diversity are kept constant at zero the performance of telecommunication firms in Kenya would be at 2.736%. A one percent (1%) change in Gender diversity will lead to zero decimal seven per centum (0.07%) variations in the performance of telecommunication firms in Kenya. Also, a one percent (1%) change in Work experience will lead to zero decimal six four three per centum (0.643%) variations in the performance of telecommunication firms in Kenya. Further, a one percent (1%) change in Cultural
diversity will lead to zero decimal five zero per centum (0.050%) variations in the performance of telecommunication firms in Kenya and finally a one percent (1%) change in Age diversity will lead to zero decimal three three zero per centum (0.330%) variations in the performance of telecommunication firms in Kenya. The result shows that the performance of telecommunication firms in Kenya has a positive relationship with age diversity, gender diversity, work experience diversity and cultural diversity. This implies that Work experience contribute more to the variations in the performance of telecommunication firms in Kenya followed by Age diversity. According to the results in the prediction model in table 4.25, it is evident that the workforce diversity factors were significant predictors of firm performance.

The Moderating Effect Of Employee Engagement On The Relationship Between Workforce Diversity And Firm Performance

To test the hypothesis, Baron and Kenny’s (1986) approach to test the moderating effect of employee engagement factors on the Workforce Diversity – Firm Performance relationship was used. According to Baron and Kenny (1986) a moderation effect is present if the interaction term is significant. Table 5 indicates the linear regression F-test results and with F= 133.540, and degrees of freedom, (5, 194), at 0.05 level of statistical significance and the critical values for F-test alpha was 1.22) is less than the computed F-value, then we rejected the null hypothesis and concluded that there is a linear relationship between workforce diversity and the performance of telecommunication firms in Kenya which is moderated by employee engagement factor.

Table 5: Analysis of Variance (ANOVA) –Factoring Employee Engagement

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig (p).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>365.170</td>
<td>5</td>
<td>73.034</td>
<td>133.540</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>211.106</td>
<td>194</td>
<td>.547</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>576.276</td>
<td>199</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), age diversity, gender diversity, work experience diversity and cultural diversity and employee engagement
b. Dependent Variable: Firm performance

Table 6 : Hierarchical Multiple Regression Analysis (Model Summary 2)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>.857a</td>
<td>.734</td>
<td>.629</td>
<td>.73953</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), age diversity, gender diversity, work experience diversity and cultural diversity and employee engagement
b. Dependent Variable: Firm Performance

Model Summary 1 in Table 1 showed a significant total effect of workforce diversity on firm
performance ($r^2 = 70.4\%$, $F = 87.391$, $p < 0.05$). Model 2 in Table 6 shows an increase by 3.0% in R-square when employee engagement was added (change of $F = 16.399$, $p > 0.05$). In model 2, Table 6, when the interaction term of workforce diversity on firm performance (employee engagement) was added, the explanation power of the model increased significantly to 73.4 percent ($R^2 = 0.734$, $p<0.05$), indicating that the interaction term contributed to a small but significant increment in explaining the variance in firm performance (change of $F = 133.540$; $p < 0.05$). Hence hypothesis 5, predicting that employee engagement moderates the relationship between workforce diversity and organizational performance, was supported. These results partially support the findings of Sangeeta & Harter, (2014). In their two studies, they found that employee engagement and gender diversity independently predicted financial performance and additive effect of both is larger than the independent effect of each on business –unit performance.

**Table 7 Unstandardized and Standardized Multiple Regression analysis**

<table>
<thead>
<tr>
<th>Model 2</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig (p)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta (β)</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.138</td>
<td>0.3917</td>
<td>2.905</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Work experience diversity</td>
<td>.479</td>
<td>.2397</td>
<td>.586</td>
</tr>
<tr>
<td></td>
<td>Age diversity</td>
<td>.423</td>
<td>.1897</td>
<td>.609</td>
</tr>
<tr>
<td></td>
<td>Gender diversity</td>
<td>.258</td>
<td>.1222</td>
<td>.387</td>
</tr>
<tr>
<td></td>
<td>Cultural diversity</td>
<td>.254</td>
<td>.1208</td>
<td>.343</td>
</tr>
<tr>
<td></td>
<td>Employee engagement Factor</td>
<td>.311</td>
<td>.220</td>
<td>2.548</td>
</tr>
</tbody>
</table>

a Dependent Variable: Firm Performance:
The Unstandardized regression function or model was:

$$FP = 1.138 + 0.479\text{WED} + 0.423\text{AD} + 0.258\text{GD} + 0.254\text{CD} + 0.311(\text{WED*AD*GD*CD}).$$

**8. CONCLUSIONS**

Age diversity of the employees had a weak but statistically significant relationship with Performance. Our argument is that in this age of technology, young employees can be more creative, learn faster and can drive innovation in an organization as compared with older employees leading to high organization performance more so in the area of technological innovations. Due to their different way of socialization and exposure, they can easily embrace change that drives innovation and organizational performance. Age of employees may also influence their level of commitment and engagement with the organization. Certain employees
approaching their retirement age may unconsciously begin to disengage with the organizations they work for as they begin to prepare for their retirement. They may constantly absent themselves from work or report late to work. Old employees may also spend more time seeing doctors due to age related illnesses as opposed to younger employees. This in essence could affect their individual contributions on their work performance and subsequently the overall performance of the organization.

Gender diversity had a statistically significant relationship with firm performance. Thus, our view is that different gender of employees are endowed with different capabilities that can work together to promote positive organizational outcomes. Different gender in work teams in an organization can also be a source of harmonious relations and favorable attitudes within an organization. This can further work to promote contribution of different viewpoints and ideas thus enhancing team performance. Gender differences in an organization have in the past been viewed only on their face value of an employee being either a male or a female without much consideration of their strengths, weaknesses or other inherent capabilities. Work experience diversity was found to have a moderately strong relationship with performance. We view experienced workers as being more aware of the organization and well versed with the operational environment thus being able to identify and manage business risk more effectively.

The relationship between cultural diversity and performance of telecommunication firms was statistically significant. The argument is that a combination of employees drawn from diverse cultures(nationalities) could bring to an organization diverse experiences, attitudes, perspectives, approaches to work and different levels of commitment to work thus influencing the overall performance of organizations. Where there are perceived level of discrimination on the basis of culture team performance may be adversely affected. It may further influence their level of engagement with the organization and subsequently the level of organizational performance. A combination of employees drawn from diverse cultures, nationalities could bring to an organization diverse beliefs, cultures and perspectives to work.

Lastly the study concluded that employee engagement moderately influences the relationship between workforce diversity and the performance of telecommunication firms in Kenya. It was clear that engagement of employees of certain telecommunications firms in Kenya like Safaricom Limited was at fairly acceptable levels. This could explain the consistent high levels of performance in this particular organizations in terms of growing sales, and customer subscriptions. Notably, diversity in terms of age, gender, work experience and culture was also well balanced and leveraged in the performing organizations.

9. RECOMMENDATIONS
The study recommends that management in the telecommunication firms in Kenya should consider workforce diversity as a strategic imperative. Both old and young employees are key resources to an organization given that each of the categories has unique capabilities and contributions that they make in relation to the performance of their organizations. Hence it is recommended that organizations operating in both the private and public sectors of the economy should have in place all inclusive policies that nurture and protect the potential of employees in
different age groups. Other programmes that seek to keep the aging employees in the organization like providing them with good medical cover so that opportunity is allowed them to transfer knowledge and experience to the upcoming employees. We would also recommend a review and/or development of national policies, laws and regulations that recognize and protect the importance of age diversity in organizations. Telecommunication firms in Kenya should encourage age diversity and recruit both younger and older workers. Age-diverse workforces display a host of different knowledge, values and preferences. Their perspectives, including their mental models are different. Thus as a team, they have a larger pool of knowledge and a larger problem solving toolbox leading to improved firm performance. Both old and young employees are key resources to an organization given that each of the categories has unique capabilities and contributions that they make in relation to the performance of their organizations.

Gender mainstreaming would also call for development and implementation of strategies and programmes that keep employees of different gender well engaged with the organization. Programmes like flexible working hours and establishment of baby care units that allow young mothers to take care of their young families and remain in employment as well. Legislation that discourages discrimination among employees on basis of gender both in private and public sector should be developed and implemented for the interest of both the organizations and the employees as well. We would also recommend a review and/or development of national policies, laws and regulations that recognize and protect the importance of gender diversity in organizations for optimum. It is recommended that organizations should adopt a more inclusive policy of recruiting employees of diverse cultures drawing them from different nationalities in an effort to tap from their strengths and capabilities since cultural diversity appears to be a key factor that could drive organizational performance. Employee exchange programmes are recommended so as to have them exposed to different global cultures. This would help them keep abreast with emerging issues Cultural diversity would benefit organizational performance due to a more diverse pool of skills and knowledge that leads to complimentary team performance and mutual learning relating to their work, thus making them more adaptive to the changing environment.

10. CONTRIBUTIONS OF THE STUDY
This study has added significantly to the existing literature by providing a deeper look at the interactive effect of multidimensional aspects of workforce diversity, employee engagement on organizational performance. Using a multidimensional approach to workforce diversity and integration of various aspects of diversity in a single study has brought out different results from earlier studies. Several studies on the relationship between diversity and firm performance have focused mainly on a single aspect of diversity. The combination of several aspects of diversity in a single study has brought out observations and findings that present several relevant implications on management practice. The idea of measuring and analyzing workforce diversity firm performance relationship from the existing and actual organizational data as opposed to measuring opinions leading to more reliable results is a key contribution of the study to management practice. Most previous studies on the relationship between diversity and firm performance have measured opinions of employees to determine levels of workforce diversity in the targeted organizations. Using managers to provide information on aspects of diversity and firm performance in their organizations leads to more reliable results as managers are considered to have good knowledge.
of their organizations. The results of this study can therefore be considered as more reliable for making management decisions and development of diversity programmes that promote organizational performance. The findings of this study therefore provides the managers in the telecommunication sector and other sectors of the economy an in-depth understanding of best practices in human resource management in as far as workforce diversity and firm performance is concerned. Organizations therefore need to maintain and leverage on optimum workforce diversity levels for more effectiveness and optimum efficiency.

11. THEORY OF OPTIMUM WORKFORCE DIVERSITY
The study developed a theory of optimum diversity. The theory suggests that there is a level of diversity that would be counterproductive to an organization. Too low levels of diversity (extreme homogeneity) in terms of age, gender, work experience and cultural diversity would lead to few innovations, limited knowledge transfer and monotony of ideas while too high levels (extreme heterogeneity) of the same aspects of diversity may not be desirable as well as it would lead to team conflict, delayed decisions, resistance to change, and disengagement. The theory of optimum diversity suggests that organizations should endeavor to identify, maintain and work within an optimum level of diversity. Figure 5.1 is a model that illustrates the consequences of very low and high levels of diversity with negative consequences to organizational outcomes. It also proposes and explains optimum levels of diversity that would lead to positive organizational outcomes. Zone A, represents area of diversity level of 0-0.3. Zone B represents area of optimum diversity at a level of 0.4-0.7 while Zone C would represent diversity level of 0.7-1

This theory is supported by the findings of research. Telecommunication organizations which had diversity scores (heterogeneity index) of 0.4-0.7 with respect to age, gender and work experience had also performed better than those which had diversity scores of less than 0.3 during the five years of analysis. These included Safaricom Ltd and Airtel Ltd with an average growth in sales of 14% and 12% respectively. The same organizations commanded a large portion of market share as opposed to the rest within the telecommunication sector in Kenya. On the other hand Iway Africa and Aldean Networks which had low diversity scores recorded low growth is sales of 6% and 5% respectively.
12. LIMITATIONS OF THE STUDY

The study has considered only four elements of workforce diversity. Considering the broad view of workforce diversity, this restricted view of diversity will present a limitation to the study whose results may then not be generalized. The effects of other extraneous variables (other independent variables that are not the purpose of this study) will pose a limitation in the absence of effective control mechanisms. The study findings may therefore be confounded by the element of their effect and may not be generalized. It may not be possible to control for all the extraneous variables which may further minimize the generalizations of the study results.

The focus of this study is the telecommunication industry within the private sector of the economy. Human resource practices in private and public sector of the economy may vary greatly especially with respect to issues of workforce diversity. This variation in practice could pose a limitation to the study findings which may not be generalized to apply to all the sectors of the economy. To mitigate against this limitation, further research in other sectors of the economy have been suggested that will enable results to be compared between the private and public sectors of the economy and across industry.

Required information for measurement of key variables on gender diversity, age diversity, and cultural diversity is considered to be very sensitive. This may lead to provision of incorrect information and subsequent biased effect of the workforce diversity on organizational performance. The research findings may therefore not be generalized. To mitigate
against this limitation the study used relevant secondary data with respect to the study variables which was easily availed by management staff who are reliable custodians of company records.

13. FUTURE RESEARCH
This study has mainly explored the relationship between workforce diversity and the performance of telecommunication firms within the private sector in Kenya with respect to age, gender, work experience and culture. A research with a focus to public sector organizations is therefore recommended to establish the relationships between the same variables. The study recommends that more studies be conducted in the other sectors of the Kenyan economy and more so within the same industry of the East African Community partner states. It is further recommended that future studies covering a broader scope of diversity within other industries.

The dynamics of age diversity and organizational performance may vary greatly among public and private sector firms due to variations in organizational policies and unique human resource practices in the sectors. Further research on other diversity elements and their effect on organizational performance is also recommended. The moderating variable for the study was employee engagement. An investigation of other moderating variables such as organizational structure, company policies, firm size should also be considered for incorporation in future studies on workforce diversity and firm performance relationship.

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