

WORKFORCE DIVERSITY MANAGEMENT PRACTICES AND EMPLOYEE PERFORMANCE AMONG SELECTED CIVIL SOCIETY ORGANIZATIONS IN KENYA

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Abstract: *This study explored the relationship between workforce diversity management practices and employee performance among selected Civil Society Organizations (CSOs) in Kenya. The independent variables were inclusive work environment and leadership, while the dependent variable was employee performance. The theories reviewed for this study included institutional, optimal capital, and social identity theories. The mixed methods methodology was used while the sample was selected through stratified random sampling. A sample of 96 human resource professionals from a population of 2,328 professionals participated in the study. The data was collected using self-administered virtual questionnaires, while descriptive statistics were adopted to analyse quantitative data. Pearson's Product Moment and multiple linear regression analysis were used to measure how workforce diversity management practices influence employee performance. Findings demonstrated a significant positive relationship between diversity management practices and employee performance. Diversity management practices related to work environment and inclusive leadership have a significant positive impact on employee performance. The study recommended that organizations encourage an inclusive culture and values, flexible working arrangements, and reasonably adjust management approaches to accommodate the needs of diverse employees. Future studies explore the impact of diversity management practices on employee experience at various stages of the employment life cycle, the intersectionality of technology and data analytics with diversity management and their impact on employee behaviour in the workplace.*

Keywords: *Civil Society Organizations, diversity management practices, employee performance*

1. BACKGROUND OF THE STUDY

According to Bohnet & Chilazi (2020), diversity refers to the existence and suitable representation of people from various backgrounds, while inclusion is the quality of meaningful participation, equal rights, and access to resources and opportunities. Romansky et al. (2021) identified seven dimensions of diversity: representation, fair treatment, integrating differences, psychological safety, decision-making, trust, and belonging. Diversity and inclusion in the workplace aim to ensure equal representation, create a culture of support, reduce disparities, and ensure every employee feels valued. Organizations are increasingly adopting management practices that promote diversity, equity and inclusion. Research has shown that organizations with diverse workforces have a competitive advantage and are better positioned to connect with a diverse clientele than their less diverse counterparts. However, studies show that most corporate diversity programs fail due to a lack of inclusivity, inadequate commitment from leaders, lack of employee engagement and the challenge of

changing entrenched organizational cultures (Papadimitriou, Norlen & Del Sorbo, 2020; Ramachandran & Sharma, 2021).

The world of work is changing, as do demands for employee experience and wellbeing at the workplace. Global trends such as great resignation and quiet quitting are increasing focus on all aspects of employee experience, including diversity management (Evenden, 2023). Besides, globalization, telecommuting, multigenerational workforce, social justice movements, legal and reputational risks related to discrimination, and emphasis on employees' mental health are elevating the need for effective diversity management practices (Ramachandran & Sharma, 2021). The Gartner HR Priorities Survey (2021) indicated that about half of HR leaders worldwide identified diversity, equality, and inclusion efforts as top priorities for their organizations. In addition, nearly every HR leader, 94%, highlighted the need to redefine diversity, equity, and inclusion metrics. However, most organizations face encounters attracting and retaining a gender-diverse workforce (Romansky et al., 2021; Etaan & Jain, 2019). Evenden (2023), quoting the Workday survey of HR and business leaders, noted that nearly half (48%) of organizations recognize and value. Research also pointed out an improvement in leadership commitment from 34% in 2021 to 42%. The study recommended improvement incorporating the power of technology and data, adopting a diversity and inclusion strategy and including DEI as a core part of the organizational structure and culture.

Kedem (2023) noted that African organisations would attain diversity and inclusion in the workplace if they had parity in the top management. Moodley et al. (2019), in McKinsey's *The Power of Parity* report, noted that Africa has the highest female representation at the board level compared to other regions. Female representation on corporate boards is at 25% compared to a global average of 17%. However, the gender parity in leadership positions was just 33%, below the worldwide average of 37%. Some African countries were found to be doing better in implementing diversity policies and programs, such as Kenya, Rwanda and South Africa. In contrast, Nigeria, Egypt, Morocco and Côte d'Ivoire were found to have lower female representation in leadership positions. While gender parity in Africa was relatively better than in other parts of the world, women are disadvantaged in more workplace areas. Gender biases, discrimination, societal role expectations and gender perceptions remain drivers of gender inequality in the continent.

Studies by Odhiambo et al., (2018) and Mwangi (2021) on workforce diversity in Kenya revealed that embracing diversity benefits organizations through innovation, talent acquisition and retention, and decision-making by bringing different perspectives. Besides, Kenya's Constitution and labour laws require employers to treat employees with dignity, promote equal opportunity, and eliminate workplace discrimination. Neglecting diversity and inclusion principles is costly for organizations in Kenya through bad reputation, talent attrition and expensive rulings for illegal, discriminatory practices. In recent years, there has been a steep rise in the volume of cases heard by the Employment and Labour Relations Court on diversity management breaches. Among the high-profile rulings include an order to a major telecommunication company to pay compensation for denying employment to a Person with Disability (PWD) by virtue of their disability (Kiplagat, 2021).

Akala (2019) noted that Kenya still lags towards attaining gender equality in higher education and employment. Men participate more in the labour market, earn more than women, and have relatively more opportunities to participate in the formal economy. The USAID *Status of Equality and Inclusion in Kenya* (2020) report indicated that while national population data indicate near parity between males and females, the female share of total wage employment was about 37% compared to 63% of their male counterparts. Moreover, most female wage employees are employed in services, family enterprises, and agriculture or agricultural-related activities,

with most men employed in more lucrative industries such as science, technology, engineering, manufacturing and other technical sectors. At the leadership level, Ngugi (2021), quoting the 2021 Kenya Institute of Management (KIM) Board Diversity and Inclusion Report, noted that over the last decade, the share of women leaders in Kenyan corporate circles had gone up from 12 % in 2012 to 36 % in 2021 (Equileap, 2019).

Mande (2020), in a qualitative study on the missing link in gender diversity among the academic staff in public universities in Kenya. He observed that despite legal and constitutional provisions, gender inequality is yet to be attained in the higher learning sector in Kenya. The author noted that more efforts are needed to achieve gender equality and stressed the sense of urgency owing to changing workplace demography in Kenya and worldwide. These findings align with Shikuku et al., (2020) study of gender equality in the oil industry in Turkana County. The research found a difference in hiring men and women, and gender role perceptions influenced by cultural beliefs were prevalent in the sector.

Statement Of Problem

Despite overwhelming evidence on the business case of embracing workforce diversity, organizations in Kenya face challenges in managing diversity and inclusion (Odhiambo et al., 2018; Mwangi, 2021). Some of the challenges experienced by organizations in Kenya include lower-than-expected diversity ratios, occupational segregation, pay inequality, stereotypes and biases, and exclusionary leadership styles. The research also shows gender imbalances across occupations and sectors in Kenya (Mwangi, 2021). Some occupations continue to be dominated by one gender. For instance, service-oriented fields like nursing, human resources and teaching are often predominantly female, while engineering, finance and technology have a higher male representation. This occupational segregation contributes to unequal pay and access to opportunities. Studies also show that people management practices in Kenya are not inclusive; the available data show that women are underrepresented as you move up the corporate ladder. Onyambu (2019), in a study of gender disparity in management roles in the higher education sector in Kenya, noted that gender representation in top management positions stood at 29% for female managers compared to 71% for male managers. Besides, Igadwah (2023) observed that women's representation at entry-level roles in Kenya has reduced by ten (10) per cent in the last decade; that is, 31% in 2020 compared to 41% women's representation in 2010. Ineffective diversity management practices hinder an organization's ability to hire and retain a diverse workforce. A research-practice gap is evident in transforming academic research findings into successful workforce diversity management practices.

Studies also show the prevalence of diversity quotas and tokenism in most organizations, making diversity management efforts superficial or symbolic. Organisations in Kenya sometimes include individuals from underrepresented groups without addressing systemic biases and creating a respectful work environment where all employees can thrive (Chepkemai et al., 2022). Focusing on attaining a certain diversity quota decreases attention to other inclusive management practices, hence perpetuating disparities (Georgeac & Rattan, 2019). Besides, studies on the workplace environment and culture show that employees face negative workplace experiences in Kenya, thus hindering their optimal performance. The available data show that harassment and discrimination, including sexual harassment, are rampant in Kenya. The average harassment prevalence is 47%, with female employees having a harassment prevalence rate of 58%, while men have a 35% prevalence of being harassed because of gender (Hivos, 2020). Such behaviours affect the victim's well-being, create hostile work environments, and hinder career progression. Diversity management is not carried out in isolation, and there is a need to contextualise diversity management practices.

Against this backdrop, this study explored the relationship between workforce diversity management practices and employee performance among selected CSO organizations in Kenya. The focus of this study was aspects of inclusive environment and leadership, considering that the previous studies had addressed the issues of diversity representation.

Research Objectives

1. To explore the extent to which work environment and leadership practices are inclusive among selected civil society organizations in Kenya.
2. To explore the relationship between inclusive work environment and employee performance among selected civil society organizations in Kenya.
3. To explore the extent of the relationship between inclusive leadership and employee performance among selected civil society organizations in Kenya.

2. THEORETICAL LITERATURE REVIEW

Institutional Theory

According to Berger and Luckmann (2016), the institutional theory originated from the social constructionism perspective, and eventually, the theory was integrated into management studies. Institutional theory highlights the role of environment and institutions in explaining organizational behaviours and decisions. The theory suggests that organizations are greatly affected by external pressures from their operating environment. For an organization to survive, it needs to conform to the rules and norms in its environment to gain legitimacy. Galleli et al., (2022) identified vital concepts of institutional theory as coercive, mimetic, and normative pressures. Coercive pressure relates to adopting diversity management practices due to legal and regulatory requirements; mimetic pressure arises when organizations imitate the management practices of others, while normative pressure practices are adopted because they are perceived as socially acceptable (Latif et al., 2020). The theory distinguishes between organizations that adopt diversity measures merely for compliance and those that do so genuinely to enhance employee experience and wellbeing. However, critics argue that institutional theory often promotes conformity and isomorphism, discouraging organizations from radically changing diversity management practices. Evans (2013) argued that this can hinder the pursuit of innovative and more effective approaches to diversity and inclusion efforts.

Optimal Distinctiveness Theory

Optimal Distinctiveness Theory suggests that social identities result from the tension between the need for inclusion and distinctiveness (Ma & Rast, 2017). People aim to balance being part of a group and maintaining their individuality. The need for inclusion is the desire to belong, connect with others, and feel accepted within a specific social context. The need for inclusion is a compelling force that drives individuals to seek common ground with others. The need for inclusion stems from the human instinct to form connections and relationships, fostering a sense of belonging and security within a social setting. People engage in behaviours and adopt identities that align with the groups they wish to be part of, striving to satisfy their need for inclusion. Leonardelli et al. (2011) noted that humans have an innate desire to maintain a unique and distinct identity within a social group. The need for distinctiveness complements the need for inclusion. While individuals seek to belong to a group and share common identities to satisfy their need for inclusion, they also desire to stand out and be acknowledged for their distinct qualities and contributions. Diversity management practices should

encourage employees to maintain their unique identities while fitting into the broader organization. This balance can reduce the feeling of isolation and foster a sense of belonging and acceptance within a diverse workplace (Newaz et al., 2023).

Social Identity and Categorization Theory

Social Identity Theory affirms the inherent human desire to be part of a social group and the tendency to make favourable comparisons between their specific social group and others. The theory postulates that people are likely to strive to preserve a positive social identity and may seek to leave a group or explore ways to retain a positive social identity where they perceive an unsatisfactory identity. This desire can lead to intergroup prejudice, biases/discrimination, racial conflict, and gender differences (Harwood, 2020). On the other hand, social categorization theory explains the natural cognitive and spontaneous process by which people define or categorize themselves versus others into social group identities. Social categorization occurs when an individual thinks of self or others as a male versus a female, black versus white, or young versus old. The theory explains intergroup relations and prejudice, social influences and conformity, categorization and stereotyping of collective action and social changes, and crowd behaviour (Turner, 2010). This theory highlights humans' natural tendency to connect and place people into groups based on perceived stereotypes that significantly influence management practices. The theory also raises an essential issue of conscious and unconscious bias and contextual factors that can cause workplace discrimination. The review also shows that work environment and contextual factors may influence even people who hold egalitarian beliefs (Charlesworth & Banaji, 2021).

Empirical Review

Mwangi (2021) conducted a descriptive study to investigate the influence of workforce diversity management on employee performance in the civil service in Kenya. The study's independent variables were diversity policies, affirmative action, work teams and diversity committees, while the dependent variable was employee performance. The study involved a sample size of 384 respondents drawn from a target population of 256,651 civil servants based in Nairobi City. The study found a positive significant relationship between diversity policies, diversity training, work teams, affirmative action, work committees and employee performance. The study identified management practices such as creating awareness and training on workforce diversity management as critical components for employee performance. Resources should be allocated to promote the workforce diversity management process. The study recommended similar studies in other sectors, namely parastatals, county government, private sector and non-governmental organizations. The regression model of this study only explained 75% of changes in employee performance related to workforce diversity management. The study recommended that future researchers explore other variables related to employee management practices.

Gerdeman (2019) explores how gender stereotypes kill women's self-confidence and exclude women's voices in the organization. Despite women taking up equal employment opportunities as men, they have fewer leadership positions and earn less, especially in male-dominated occupations. Stereotypes make women downplay their abilities and not take praise concerning their capabilities as men do. For instance, women have lower confidence in areas they believe to be dominant, like science, technology, engineering, and mathematics. The study recommended that to address gender stereotypes, organizations should develop decision-making models that ensure inclusion and that the most talented people's contribution is recognized. Gender stereotype also affects men who are in jobs that are associated with women. Women also shy away from expressing their input when their ideas are not appreciated; confidence levels, therefore, impact workers' performance, an area

that all leaders should investigate. Gender stereotypes should be confronted since these beliefs are shaped since childhood and impact the selection of fulfilling careers, especially for women.

Wangusi and Abuya (2019) conducted a cross-sectional study to investigate the influence of gender equality initiatives on the performance of female journalists in Kenya with a critical focus on promotions/career advancement, job assignments, the flexibility of working arrangements, and the composition of employees. The respondents were selected randomly from 320 male and female journalists from four major media houses in Kenya. The findings established that gender equality initiatives significantly influence female journalists' performance and account for roughly 25 per cent variation in the performance of female journalists. They call upon the organizational management to be aware of how gender equality initiatives can be used to develop and influence the performance of female employees. The study only focused on media sectors, and the researchers recommended that future studies cover the other sectors of the economy in Kenya.

Kaur and Arora (2020) conducted an in-depth review of the trends in gender diversity with a critical focus on Indian organizations. They systematically reviewed secondary data from over 60 sources ranging from research papers to reports and organizations' websites. The study found that gender diversity and inclusion are both social and moral issues in the workplace and a fundamental prerequisite for growth. Healthy gender inclusion can positively influence innovation, reputation, productivity, and decision-making. On the flip side, the study found a low representation of women in the workplace is prevalent in Indian organizations. Besides, the researchers noted that the organizations had a long way to go in terms of adopting and implementing policies and strategies that are gender friendly and inclusive in the workplace. The study urged that attaining holistic diversity and inclusion is an urgent strategic objective for successful organizations.

Mousa (2021) conducted a quantitative study on how gender diversity affects organizational inclusion and happiness. The study targeted 320 participants from three public universities in Egypt. The study found that diversity management and organizational inclusion are significant in maintaining satisfaction in the workplace. The study also found that female academics perceive diversity favourably than their male counterparts. The study was inclusive of the relationship between gender diversity and organizational inclusion. The author recommended testing these variables in other non-academic organization settings and with diverse respondents to avoid statistical inflation. The study findings revealed an interesting phenomenon in gender differences in perceptions towards diversity policies, with women valuing diversity initiatives more than men. The authors also noted a study gap in how organizations can develop diversity management practices that are genuinely inclusive to employees from diverse backgrounds.

Conceptual Framework

The independent variables are conceptualized as workforce diversity management practices, which entail an inclusive work environment and inclusive leadership. The dependent variable is employee performance, which involves goal attainment, employee engagement, performance reviews, and behavioural competencies.

Independent Variables

Dependent Variable

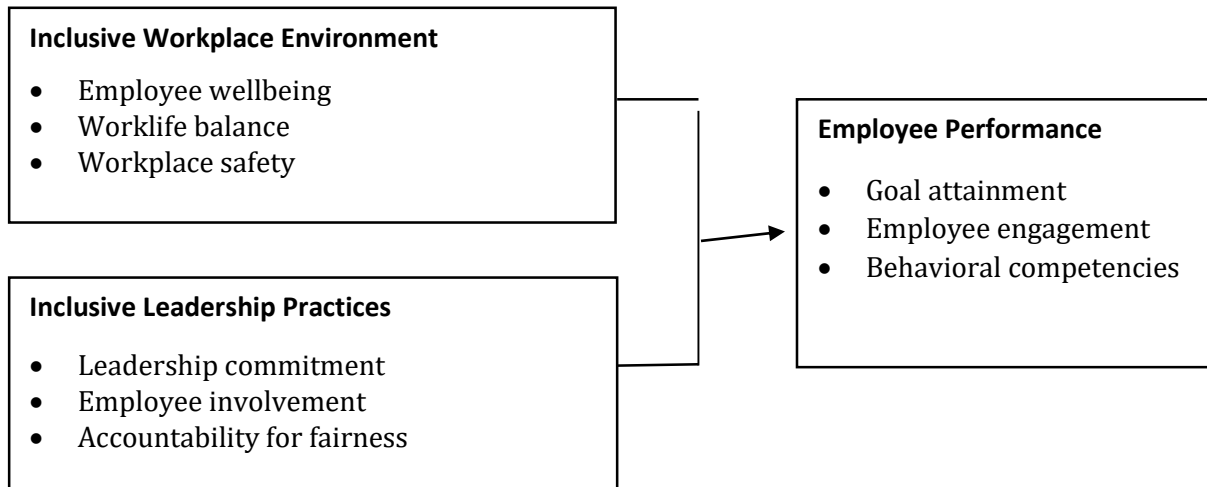


Figure 1: Conceptual framework

3. RESEARCH METHODOLOGY

This study adopted a concurrent triangulation research design and a mixed-methods research approach. The mixed-method approach is a social inquiry that offers a broad and synergistic view of data than when quantitative and qualitative data collection and analysis are used separately and is ideal for depth and breadth of understanding and corroborating variables. The concurrent triangulation design was adopted to comprehensively understand the research problem and collect qualitative and quantitative data (Kumatongo & Muzata, 2021). The population of this study was 2,328 human resource and administration professionals working for selected civil society organizations based in Kenya. According to the NGOs Coordination Board (2020) annual report, 1,791 civil society organizations are based in Nairobi. The study sample size was calculated using the Yamane formula and arrived at the sample size of ninety-six (96) human resources professionals. The following multiple linear regression model was mapped to guide the study:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

Where:

α = Y-intercept (constant)

X_1 = Inclusive Work Environment

X_2 = Inclusive Leadership.

β_1 and β_2 = Model coefficients with significant influence on the model

ε = Error term

4. RESEARCH FINDINGS AND DISCUSSION

Description of Inclusive Work Environment

Results from the respondents on whether the work environment was inclusive in CSO organizations are shown in the frequency table 1 below.

Table 1: Descriptive Analysis of Inclusive Work Environment

Statement	N = 87	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev.
My organization provides facilities to support work-life balance (parental and family leave, breastfeeding amenities, and daycare, among others).	Freq . %	- -	12 14%	9 10%	39 45%	27 31%	3.93	0.99
My organisation has flexible working arrangements, family-friendly work schedules and workload that allow employees to have meaningful time in non-work personal activities.	Freq . %	- -	18 21%	12 14%	39 45%	18 21%	3.66	1.03
My organization promotes a safe work environment and employees have latitude to express safety and well-being.	Freq . %	6 7%	15 17%	27 31%	27 31%	12 14%	3.28	1.12
My organization offers mental health and stress management amenities to support employees' psychological, emotional and social well-being.	Freq . %	6 7%	3 3%	33 38%	34 34%	15 17%	3.52	1.04

The results show that 76% of the respondents agreed that their organization provides resources to support worklife balances (mean = 3.93; std dev =0.99). On the contrary, 14% disagreed with this assessment, while one out of ten respondents (10%) were neutral. Based on these findings, CSO provides a working environment accommodating employees from different backgrounds and contexts. Previous studies observed that organizations with work-life balance initiatives are more inclusive; employees can integrate their professional and personal lives, enhancing wellbeing and reducing occupational stress and burnout (Rashmi & Kataria, 2022). On flexible working arrangements, two-thirds of the respondents agreed that CSO organisations have family-friendly work schedules and workloads that allow employees to have meaningful time in non-work personal activities. However, 21% of the study respondents were not satisfied with the flexible working arrangements offered by their organizations (mean = 3.66; std dev =1.03). EIGE (2019) observed that flexible working arrangements can significantly increase chances for diversity and inclusion in the workplace.

The study findings show that 45% of the respondents acknowledged that the CSOs have diversity consciousness for workplace safety programs. The findings also show that employees have latitude to express safety issues without fear of retaliation and are confident that issues are dealt with consistently and promptly (mean = 3.28; std dev =1.12). However, 24% are dissatisfied with workplace safety amenities, while 31% returned a neutral response. An inclusive workplace is characterized by employees feeling confident in contributing their insights, challenging the status quo, and voicing dissenting opinions (Gallo, 2023). Based on these findings, CSOs in Kenya need to improve their workplace safety programs, which are crucial for creating a supportive and nurturing environment within an organization.

On whether the CSOs in Kenya offer resources for managing emotional wellbeing, the study found that half of all respondents (51%) agreed that their organizations offer mental health support to their employees. 10% expressed dissatisfaction with wellbeing resources offered by CSOs in Kenya to support psychological, emotional and social well-being, while 38% did not express an opinion on this issue (mean = 3.52; std dev =1.04). The work environment can trigger workplace stress, including high workloads, unrealistic expectation deadlines, harassment, poor communication, and toxic workplace culture (Stich, 2020). As such, organizations should avail resources to promote mental health and well-being at work. From these findings, we concluded that the work environment in CSOs promotes mental wellbeing, which would translate to a more inclusive workplace.

Description of Inclusive Leadership

The study results in frequency table 2 show the extent of inclusive leadership in CSO organizations.

Table 2: Descriptive Analysis of Inclusive Leadership

Statement	N = 87	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev.
I believe leaders in my organization demonstrate commitment towards diversity and inclusion in the workplace.	Freq. 3	12	12	42	18	3.69	1.06	
	% 3%	14%	14%	48%	21%			
My organization hosts trainings for managers on strategies for mitigating bias and creating solutions for diversity in the workplace.	Freq. 2	15	32	27	12	3.41	0.93	
	% 2%	17%	36%	31%	14%			
My organization involves employees in crucial decisions and value and encourage diverse perspectives.	Freq. -	24	27	30	6	3.21	0.93	
	% 0%	28%	31%	34%	7%			
Managers are held accountable for ensuring inclusive leadership across the organization.	Freq. 9	27	15	27	9	3.00	1.21	
	% 10%	31%	17%	31%	10%			

Bourke and Titus (2020) observed that leadership commitment is a pillar of an inclusive organization. Leaders should be at the forefront of promoting diversity and inclusion and be willing to evolve their leadership approaches to meet the diverse needs of employees. This study sought to gauge respondents’ perceptions of leadership commitment to diversity and inclusion in CSO organizations. The research findings show that 69% of respondents were satisfied with the management’s commitment towards diversity and inclusion. On the contrary, 17 per cent of the respondents felt that the leaders lacked commitment towards inclusion, while 14 per cent remained neutral (mean = 3.69; std dev = 1.06).

Despite a remarkable leadership commitment, only 45% of the respondents acknowledged that their organizations host inclusive leadership training, a crucial aspect of workforce diversity and inclusion efforts. 36% indicated they were unsure if these trainings are offered, while 19% noted that they were missing (mean = 3.41; std dev = 0.93). Gino and Coffman (2021) noted that inclusive leadership training raises managers' self-awareness and helps them tackle biases. Through inclusive leadership trainings, managers gain insights into leveraging different skill sets and contributing to a diverse talent pool. As such, these findings indicate that CSOs have a chance to incorporate inclusive and bias training in their management development programs to make their workplace more equitable, diverse, and inclusive.

The study sought to establish if CSO organizations involve employees in crucial decisions and value and trust their views. The survey results show only 41 per cent of respondents agreed that there is employee involvement in their organizations. On the other hand, nearly a third of respondents (28%) noted absences of employee involvement in their organizations, while 31% offered a muted reaction to this issue (mean = 3.21; std dev = 0.93). Employee involvement fosters a culture of inclusion where differences are valued, enhancing employee satisfaction and a more inclusive environment (Turi et al., 2022). The studies underscore the need for CSO organizations to equip managers with competence and sensitivity to harness employee involvement in decision-making. On the accountable mechanism for ensuring diversity and inclusion, 41% of respondents perceive that leaders were held accountable. On the other hand, 41% expressed displeasure with the available leadership accountability mechanism on diversity, while 17% of respondents were neutral (mean = 3.00; std dev = 0.21).

Description of Employee Performance

The study results on the extent of employee performance in CSO organizations are shown in frequency table 3.

Table 3: Descriptive Analysis of Employee Performance

Statement	N = 87	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev.
Employees in my organization achieve or exceed performance targets and expectations.	Freq . %	3 3%	3 3%	12 14%	33 38%	36 41%	4.0	1.33
The quality, delivery timelines and work ethics are within desirable performance targets and behavioural competencies.	Freq . %	3 3%	6 7%	24 28%	30 34%	24 28%	4.0	0.94
Performance ratings are accurate, reflect actual performance, and are consistent across genders.	Freq . %	6 7%	6 7%	12 14%	36 41%	27 31%	3.40	1.27
Employees in my organization demonstrate collaboration, innovation and creativity in their work.	Freq . %	6 7%	9 10%	18 21%	27 31%	27 31%	3.30	1.25

My organization does realize a Freq 3 6 21 30 27 3.90 0.99
 return on investment from HR .
 initiatives such as training and % 3% 7% 24% 34% 31%
 development.

The study sought to establish if employees in CSO organizations achieved agreed performance targets in the last three performance cycles. The results show that 79% of the respondents agreed that employees achieved their performance targets. On the contrary, fourteen (14) per cent of the respondents were undecided, while six per cent disagreed (mean = 4.10; std dev = 1.00). Further, the study results show that 62% of the respondents agreed that their employees in their organization delivered quality work within agreed delivery timelines and behavioural expectations. Conversely, 28% of the respondents provided neutral responses, with only 10% feeling the employee performance was below the quality standards (mean = 3.76; std dev = 1.05).

The study sought information on the performance ratings that reflected actual performance and were consistent across genders. The results showed that most respondents (72%) agreed that employee performance ratings reflected actual performance. In addition, the findings showed no performance differences between men and women in CSO organizations. Contrary to previous research findings that women are likely to be short-changed by performance reviews, the study results in the CSO sector show no difference in perspectives on performance reviews of both men and women (Rivera & Tilcsik, 2019).

The study also explored whether employees in CSO organizations demonstrated collaboration, innovation and creativity in their work. The results show that 62% of respondents agreed that employees were creative and innovative, while a similar number of respondents (17%) disagreed (mean = 3.30; std dev = 1.25). Odhiambo et al. (2018), in a study of the relationship between gender diversity and employee performance in public universities in Kenya, also concluded that innovation and creativity were essential aspects of measuring employee productivity. The study also sought the respondents' perception of whether CSO organizations realize benefits from their human capital and people management initiatives. The findings show that 65 per cent of respondents believe the CSOs positively benefit from investing in their people. On the contrary, a meagre 10% of respondents felt that their organization did not realize the return from their human capital, while 21% of participants were neutral (mean = 3.90; std dev = 0.99).

Correlation Analysis

Inclusive Workplace Environment and Employee Performance

A correlation analysis was conducted to test the relationship between inclusive work environment and employee performance. The results indicate that an inclusive workplace environment can contribute up to 72.5% of changes in employee performance. The analysis confirmed that the work environment profoundly influences employee performance. Access to safe workspaces, flexible work arrangements and wellbeing resources boost employee motivation, enthusiasm, creativity, and efficiency. A previous multi-mediation model study by Zhenjing et al., (2022) on the impact of workplace environment on employee performance revealed that work environment can improve employee performance, commitment level and ability to achieve their tasks.

Table 4: Correlation Analysis for Inclusive Work Environment

		Inclusive environment	Employee Performance
Inclusive work environment	Pearson Correlation	1	.725**
	Sig. (2-tailed)		< 0.001
	N	87	87
Employee Performance	Pearson Correlation	.725**	1
	Sig. (2-tailed)	< 0.001	
	N	87	87

Correlation Analysis for Inclusive Leadership and Employee Performance

The study found a strong positive relationship between inclusive leadership and employee performance ($r=0.789$, $p < 0.001$). The result indicates that the association with inclusive leadership variables can explain 78.9% of the variations in employee performance. Organizations that prioritize and foster inclusive leadership are likely to benefit from improved productivity, teamwork, innovation, and retention. Inclusive leaders encourage and recognize the contributions of all employees, irrespective of their background. Studies have shown that recognition boosts employees' confidence and inclination to share their ideas and perspectives (Fang et al., 2019). Leaders who promote inclusivity are more likely to stimulate innovative thinking among their team members, inspiring new ideas and solutions that can positively impact the organization's performance (Sharifirad, 2023).

Table 5: Correlation Analysis for Inclusive Leadership and Employee Performance

		Inclusive Leadership	Employee Performance
Inclusive leadership	Pearson Correlation	1	.789**
	Sig. (2-tailed)		< 0.001
	N	87	87
Employee Performance	Pearson Correlation	.789**	1
	Sig. (2-tailed)	< 0.001	
	N	87	87

Regression Analysis

The correlation coefficient, multiple R, indicates a strong linear relationship between predictor variables (inclusive workplace environment and inclusive leadership) and the response variable (employee performance). The coefficient of determination, the R^2 was 0.717, indicating that the model is a good fit and has explanatory power to explain. The inclusive workplace environment and inclusive leadership can explain 71.1% of employee performance in CSO organizations. An adjusted R squared of 0.711 presented the adjusted number of predictors and showed that the model covered most variables that can explain employee performance.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.847 ^a	0.717	0.711	0.478

Predictors: (Constant), inclusive workplace environment and inclusive leadership.

From the ANOVA model, results show that the overall multiple regression model is significant, meaning that independent variables are jointly significant. The coefficients of determination for employee performance are significant by the ratio of $F = 106.79$, and its associated probability value of less than 0.001, thus found to be significant at a 5% level ($F=106.79, P < 0.05$). The model was fit to predict employee performance using aspects of diversity management practices (workplace environment and inclusive leadership).

Table 7: ANOVA Model

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	48.827	2	24.413	106.79	<.0001 ^b
Residual	19.202	84	0.228		
Total	68.030	86			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Inclusive Workplace Environment and Inclusive Leadership

The dependent variable, employee performance, was regressed on the predicting variables of gender diversity management practices to test the link and prediction. The linear regression model for this study was modelled as $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon$ (1)

Table 8 displays regression coefficients of the independent variables (inclusive workplace environment and inclusive leadership).

Table 8: Multiple Linear Regression Coefficients

Variable	Beta	Std. Error	t	Sig.
(Constant)	0.496	0.235	2.110	0.037
Inclusive workplace environment	0.449	0.080	5.554	0.032
Inclusive leadership	0.520	0.084	6.128	0.027

The above regression model was determined as follows;

$$Y = 0.496 + 0.449 X_1 + 0.520 X_2 \dots\dots\dots (2)$$

The findings show diversity management practices at constant zero; the employee performance would be at 0.496. The results also show that inclusive workplace environment variables have a significant positive relationship with employee performance ($\beta = 0.449, \rho < 0.05$). A unit increase in an inclusive workplace environment would improve employee performance by a factor of 0.449. Further, the results show that an inclusive workplace environment is a reliable predictor of employee performance, with a t-value of 5.554, indicating greater confidence. The regression model confirmed a significant positive relationship between inclusive leadership practices and employee performance. A change in one unit in inclusive leadership practices would cause an increase of 0.520 in employee performance in an organization ($\beta = 0.520, \rho < 0.05$). Further, the results show that inclusive leadership is a reliable predictor of employee performance, with a t-value of 6.128, indicating greater confidence.

Discussion

The study shows a positive relationship between workforce diversity management practices and employee performance in CSO organizations in Kenya. In particular, the results show that employees in organizations with initiatives to support worklife balances performed better than those without such initiatives. Organizations with work-life balance initiatives are more inclusive; employees can integrate their professional and personal lives, enhancing wellbeing and productivity. (Rashmi & Kataria, 2022). CSOs also provide a working environment accommodating employees from different gender backgrounds and life contexts. Besides, most CSO organizations offer flexible working arrangements that allow employees to maintain equilibrium between personal and professional spaces. The study noted that flexible work arrangements and worklife balance boost employee motivation, enthusiasm, creativity, efficiency, commitment level and ability to achieve their tasks. Studies by EIGE (2019) and Zhenjing et al., (2022) also observed that flexible working arrangements can significantly increase chances for gender equality in the workplace, improving employee performance.

The findings also show employee wellness and safety influence employee performance (Raj, Johns & Jose, 2020; Gallo, 2023). The study noted the presence of diversity-conscious workplace safety programs, including psychosocial safety, allowing employees to express their concerns without fear of retaliation. The result also showed that many CSO organizations uphold mental wellness and well-being in the workplace. The study found that these wellness and safety programs enable employees to navigate work-related challenges. Moreover, these initiatives promote a sense of belonging, a foundational element of employee performance. From these findings, it is evident that the work environment in CSOs promotes emotional wellbeing, which would translate to effective employee performance.

The study found that inclusive leadership styles positively correlated with employee performance. CSO leaders are committed to diversity and inclusion and lead by example by respecting employees from all backgrounds. As a result, the study observed that inclusive leadership practices boosted employee commitment towards achieving performance targets, contributing to the overall productivity and success of the organization. Moreover, respondents perceived that employees were being heard and involved, thus ensuring the retention of a diverse workforce. However, just a handful of organizations build the capacity of their leaders on how to manage diversity and inclusion efforts. CSOs should include training on managing workplace bias in their management development programs (Bourke & Titus, 2020; Gino & Coffman, 2021). Additionally, only a few organizations hold their manager accountable for ensuring diversity and inclusion (Coe et al., 2019).

The study also found that employee involvement is significantly practised within CSO organizations and contributes to employee performance. This study shows that when employees are engaged in decisions, it fosters a sense of value and respect, creating and enhancing an inclusive environment. Furthermore, employee participation in decision-making enables CSOs to integrate diverse perspectives and experiences, thus enhancing quality and productivity. Inclusivity in decision-making processes enhances cultural competence and reduces the risk of bias by considering a variety of viewpoints. Employee involvement can create management policies and practices that address the aspirations of different employee groups, contributing to an equitable and inclusive workplace. By valuing employees' input, organizations can harness the power of diversity to develop more effective strategies, enhance cultural competence, and create a workplace where every individual's voice is heard and considered (Benson & Lawler, 2016).

5. CONCLUSION

An inclusive workplace environment reliably predicts employee performance. In particular, the results show that worklife balance, wellness initiatives and flexible work arrangements positively influence employee

performance. An inclusive work environment accommodates the needs and experiences of employees from different backgrounds, profoundly influencing employee performance. Flexible work arrangements and worklife balance boost employee commitment levels and ability to achieve their tasks while maintaining balance with their personal lives (Rashmi & Kataria, 2022). The findings also show that employee wellness and safety programs are potent contributors to employee performance. The study noted the presence of diversity-conscious workplace safety programs, including prevention of sexual harassment and psychosocial safety, to allow employees to express their concerns without fear of retaliation. More importantly, the study noted that the work environment should support a safe, supportive and healthy environment to facilitate employee performance. The physical, physiological, and psychological risks vary across diverse groups, and these differences should be considered in the workplace (ILO, 2021b). The study concluded that an inclusive work environment promotes a sense of belonging and inspires employee performance. These findings show that if an organization invests in creating an inclusive work environment, it will translate to effective employee performance ((Kearney & Baghurst, 2022).

Inclusive leadership is a positive predictor of employee performance. The study noted that crucial factors of inclusive leadership were the leader's commitment to diversity and inclusion, employee involvement, and manager accountability mechanism. The study noted that these inclusive leadership practices individually and collectively influence employee commitment to work and improve performance. Managers should lead by example on diversity matters and seek employees' input when decisions affect their work. Such involvement addresses the needs of different groups of employees, thus contributing to an equitable and inclusive workplace and, eventually, job performance. Furthermore, employee involvement facilitates diverse perspectives and experiences, thus enhancing quality and productivity (Coe et al., 2019; Ugwu et al., 2020).

This study also noted that inclusivity leadership and accountability mechanisms enhance decision-making processes, leverage cultural competence and mitigate bias. (Benson & Lawler, 2016). The study shows leaders' decisions drive diversity and inclusion. This conclusion affirms that effective diversity management practices stimulate employee engagement and accommodate employees' diverse needs. The study also observed that managers should be trained on inclusive behaviours and how to mitigate bias and inaccurate assumptions. These trainings should also include unconscious bias; Atewologun et al. (2018) supported inclusive leadership trainings to raise awareness on mitigating bias in the workplace. Above all, leaders should balance work commitment with employee wellness considerations to foster a diverse and inclusive workplace and performance (Ugwu et al., 2020).

Recommendations

Managers are encouraged to ensure that management practices are accommodating and objective to inspire a diverse and inclusive workforce. Managers should encourage flexible working arrangements and adjust work plans for employees with personal responsibilities outside work. Managers should consider employees' wellbeing goals and involve them in decisions affecting their work and career lives. Organizational leadership must also re-look at their managerial development programs to ensure they contribute to diversity and inclusion in the workplace. Policymakers need to develop diversity management policies that can gradually contribute to an equitable and inclusive workplace. Future studies should focus on these variables since HRM practices must work holistically to create synergy and optimal impact. Further research is also required to evaluate the effects of business management technology and data analytics on diversity, equity, and inclusion. Besides, future studies should adopt a longitudinal research design to explore how diversity management practices holistically affect employees across the career life cycle.

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