# Effects of Managing Gender of Employees in Enhancing Organizational Performance. A Case Study of Kenya Ports Authority

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# Abstract

More than ever before managers are finding themselves at the center of managing workforce diversity as they align their business to cope with the fast changing business requirements and people demands. Indeed workforce diversity is top of the mind of business leaders who are keen to positively influence labor productivity and organization success. This is because they see diversity as a significant business risk whose constraints impact the growth and profitability of their organization. Besides a huge percentage of the global Chief Executive Officers expect significant change in the way their organizations manage workforce diversity. This change is expected to go beyond the generally held believe that diversity management deals with fair employment to strategic consideration of the broad effects and hidden potentials of diversity. The aim of this research was to explore the effects of managing gender diversity to enhance organizational performance. This study was a descriptive research. Data was collected from sixty employees of the Kenya Ports Authority (KPA) which is a profit making public institution in Kenya. Theoretical model and hypothesis in this study were tested using Statistical Package of Social Sciences (SPSS). The results indicated that gender, age and marital status greaty impact on organization performance and success. In addition the study recommended that KPA should recruit a more diverse workforce as it will result to improved synergy in decision making, better understanding of customer's needs, and increased flexibility in staffing. This should however be reinforced through well formulated human resource policies and practices.

Key Words: Gender, diversity, organizational performance, workforce.

# **Background Information**

The world's increasing globalization requires more interaction among people from diverse cultures, beliefs, and backgrounds than ever before. People no longer live and work in an insular marketplace. They are now part of a worldwide economy with competition coming from nearly every continent. For this reason profit and non-profit organizations must embrace diversity, creativity and flexibility. Maximizing and capitalizing on workplace diversity has become a strategic challenge for management today. Demographic changes, increasing rate of women in the workplace, organizational restructuring, and equal opportunity legislation require organizations to review their management practices and develop new and creative approaches to people management.

The gender diversity-performance relationship can be derived from the resource-based view of the firm. According to this view, a firm can gain a sustained competitive advantage if it takes advantage of its valuable, rare, inimitable, and non-substitutable resources Barney, (1991). Barney (2001) noted that past empirical research on the resource based view of the firm suggests that intangible and socially complex resources such as employee competence are a better source of sustained competitive advantage than tangible resources such as scale of operations. The intangible and socially complex resources that derives from gender diversity include market insight, creativity and innovation, and improved problem- solving (McMahan,B ell &Virick 1998) Men's and women's different experiences (Nkomo&Cox,1996) provide insight into the different needs of male and female customers. Further, gender diversity enhances employees' overall creativity and innovation because of the combination of different skills, perspectives and backgrounds (Egan, 2005). In addition a gender-diverse workforce can produce high quality decisions because men and women bring different perspectives leading to

varied alternatives (Rogelberge&Rumery, 1996). These varied alternatives are then evaluated from different angles, leading to a better understanding of their impact on both soft and hard measures of organizational performance such as corporate reputation and financial performance (Campbell&Minguez-Vera, 2008). The resources of market insight, creativity, innovation, and improved problem solving are valuable, rare, inimitable and non-substitutable. They are valuable because they drive business growth (Robinson&Dechant, 1997). They are also considered rare. For instance, creative ideas which lead to competitive strategies are rare (Oetinger, 2001). These resources cannot be easily accessed or copied by homogenous organization (Frink et al., 2003). Therefore, they are largely inimitable. There are no readily-available substitutes for these resources. In sum, organizational gender diversity is associated with intangible and socially complex resources that can provide a firm with a sustained competitive advantage. This competitive advantage should lead to higher organizational performance (Gant, 1991).

Empirical research supports the argument that gender diversity is positively linked to an organization's performance. McMillan-Capehart (2003) used the resource-based view of the firm to argue that gender diversity at the management and organizational levels can provide a firm with a competitive advantage. The study's result found a positive relationship between gender diversity and performance when performance was operational zed as a return on equity. Further, Frink et al.(2003) conducted two organizational level empirical studies to examine the relationship between women's representation and performance, measuring performance differently in each study. The overall results support the authors' argument that an organization's performance would increase when gender diversity is maximized (50 percent women representation). Perceptions of organization's attractiveness are important, as they impact on valued organizational outcomes such as competitiveness in the labour market (Ryness& Barber, 1990; Thorsteinson &Highhouse, 2003). Researchers found that a greater organizational emphasis on gender diversity management programs have a positive effect on organizational attractiveness among women, as women are the intended beneficiaries of the programs Konrad & Hartman, (2001); Kravitz &Platania, (1993) K.M.Thomas &Wise, (1999) Touga & Beaton, (1992). The effect on the other hand is negative on men, who are "non-beneficiaries" Truxillo &Bauer (1994). However, empirical tests of these propositions have produced inconsistent findings Kravitz et al., 1997; Truxillo &Bauer, (2000).

For example whereas some researchers have indicated that women react positively to diversity that benefits men Beaton &Touglas, (2001); Touglas&Beaton, (1993,) others have found it to be the reverse Matheson, Echenberg, Taylor, Riverse, &Chow,(1994).

In order to help explain the mixed findings, researchers have called for studies that look beyond between -sex differences and incorporate within -sex differences in individual characteristics such belief and attitudes Bell, Harrison & McLaughlin,( 2000), Harrison, Kravitzetal (1997) Mayer, Leslie & Lev-Arey,( 2006 ) Konrad & Hartmann, (2001) Truxillo & Bauer, (2000). Gender identity centrality is an indicator of the strength of a person's consciousness of belonging to his or her gender group (Cameron, 2001). Prior to social identity research has found that individuals who identify more strongly with their demographic group are more likely to view a sense of common fate with the group Tajfel,1982, Turner, (1987). Thus, both men and women with stronger gender identity centrality feel a greater vested interest in the fortunes of their respective gender group than with men and women with weaker gender identity centrality. The former is likely to favor programs they perceive as furthering the interests of their gender group and be opposed to those that perceive as hurting their interests Cameron, (2001), Lowery, Unzueta& Knowles, (2006); Randel, (2002). Furthermore, individuals who identify strongly with their demographic group desire to see their group portrayed in a positive light.(Tajfel,1982,Turner ,1987,). Thus, prior research conducted by Cameron &Lalonde,( 2001) Lowery et al.(,2006) and Randel, (2002) suggest that both men and women with higher gender identity centrality will show greater desire to see their respective gender groups valued through appointment to top management positions than with those with lower gender identity centrality. Therefore the more an individual identifies with his or her gender, the more personal and self-relevant will be gender diversity management effort on assessment of organizational attractiveness. Researchers have noted that both men and women differ within their demographic groups as to how positively they view affirmative action policies Kravitz &Platania, (1993), Truxillo& Bauer, (2000). Whereas some view them as positive ,others see them as unnecessary Swim, Aikin, Hall &Hunter, (1995) Women see affirmative action portraying them as weaker candidates and feel uncomfortable with the stigma of being perceived as benefiting from preferential treatment Heilman, Simon& Repper, (1987), Mathelson et al.(1994). Men with positive attitudes towards affirmative action for women perceive that such programs are required to facilitate equality in the workplace. Individuals may differ to the extent to which they believe that workplace discrimination against women exists

Gender often plays a significant role in affecting employee performance, performance ratings, and related human resource decisions Sturman, (2003). The effect of gender on different outcomes is especially important in the work environment (Nelson and Burke, 2002). When job performance is assessed by supervisors and managers, ratings of male and female workers may be influenced by gender stereotyping leading to more negative evaluations of women's job related activities (Maurer and Taylor, 1994; Nieva and Gutek, 1989). Indeed recent studies support the view that sex-role stereotypes still exist in the workplace Goldman et al., (2006) and that they are likely to be associated with men receiving more favorable performance appraisals than women Lyness and Heilman, (2006) Watkins et al., (2006)

# **Objectives of the Study.**

The general objective of the study is to explore the effects of managing workforce diversity to enhance organizational performance.

The specific objectives of the study is;-

- 1. To determine the effects of gender of employees on organizational performance
- 2. To examine the effects of age of employees organizational performance
- 3. To highlight the effects of marital status of employees on organizational performance

# **Research Questions**

In order to effectively achieve the above objectives, the researcher used the following questions during the study:

- 1. What are the effects of Gender of employees on organizational performance?
- 2. What are the effects of age of employees on organizational performance?
- 3. What are the effects of marital status of employees on organizational performance?

# Scope of the Study

The study sought to examine the effects of workplace diversity on enhancing organization performance a case study of Kenya Ports Authority which is located in Mombasa County. The research took three months. The information obtained will enable the Kenya Ports Authority to improve on it diverse workforce as a competitive advantage.

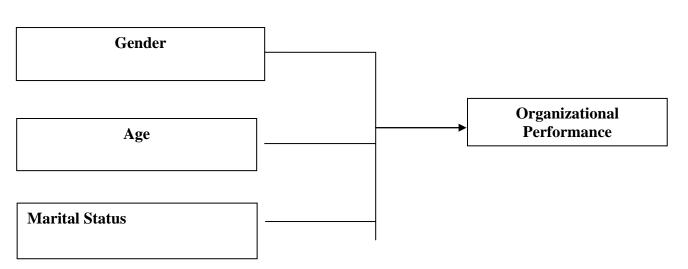
# **Conceptual Framework**

The independent variable include gender, age and marital status which affects the dependant variable; organization performance.

# Figure: 2.3. Conceptual Frameworks

#### **Independent Variables**

Dependent Variable



#### Source: Author 2013

#### **Research Methodology**

A descriptive research methodology was used for this study. The target population of this study consisted of employees of KPA from the entire selected six department, namely; Human resources, administration, pension, Information technolog, Bandari College & Accounts. A non-probability restricted purposive judgmental sampling was used to divide the population into two homogenous groups; managers and administrative staff. A stratified random sampling was used before a simple random sampling was conducted to obtain a sample of 20% of the employees of KPA comprising of 10 managers and 40 staff. Both qualitative and quantitative methods were used to collect data using a semi-structured questionnaire sent through email and others administered by hand delivery. Data was analyzed using Statistical Package for Social Sciences (SPSS) and presented in the form of frequencies and percentages, charts and tables.

#### **Research findings and discussions**

The researcher administered 60 questionnaires and fifty five of them were returned duly filled and completed. This gives a response rate of 91.7 percent. The respondents were asked to indicate their gender to enable the researcher to get an in-depth analysis of the response along gender lines, should the need arise. The responses are as presented in the table 1.1 below:-

Table 1.1 The gender of the respondents				
Gender	Frequency	Percentage		
Male	30	55%		
Female	25	45%		
Total	55	100%		

The following section shows how the objectives were measured by analyzing specific items which were targeting particular variables in the study.

# Whether or not gender diversity of employees affects organizational performance

The researcher sought to establish from the respondents whether gender of employees affect organizational performance or not?

# Table 1.2 Whether or not gender of employees affect organizational performance

#### Does gender affect organization performance

	Frequency	percentage
Yes	20	36%
No	35	64%
Total	55	100%

From table 1.2 above, 36 % of the total sampled employees believe that gender of employees does affect organizational performance as compared to 64% who believe that gender of employees does not affect organizational performance.

#### The extent to which gender of employees affects organizational performance

The researcher went ahead to ask the respondents to what extent does gender of employees affect organizational performance and the outcome is shown in the Table 2.2 below:-

 Table 2.2 Extent of the effects of gender on organizational performance

#### Explanation of the effects of gender of employees on organizational performance

There were varying opinions on their explanations as to the effects of gender on organizational performance. Some gave varying views that most women go on maternity leave and because an alternative may not be found immediate work suffers, while others intimated that it is performance that matters. Others were of the view that

#### To what extent does gender affect organization performance

	Frequency	percentage
Very high extent	2	4%
High extent	8	15%
Low extent	29	53%
Very low extent	16	29%
Total	55	100%

some jobs &positions are meant for men only while others said there is no gender balance in their work place.

#### Summary on the effects of gender of employees on organizational performance

The objective of the study was to examine the effects of gender of employees on organizational performance. As a result and in relation to effects of gender of employees it was established that gender of employees does not affect organizational performance with 36 % of the total sampled employees indicating that gender of employees does affect organizational performance as compared to 64% who believe that gender of employees affect organizational performance. It is a fact that whenever women go on maternity leave, another alternative has to be sourced and this affects performance on the job However gender is still a major issue at KPA because the male counterparts still believe that there are some jobs and positions that are meant for men only which reinforces the point that there is gender imbalance at KPA which in effect affect organization overall performance.

#### Discussions

A diverse workforce is a reflection of a changing world and workplace. Diverse work teams bring high value to organizations. Respecting individual differences will benefit the workplace by creating a competitive edge and increasing work productivity. Diversity management benefits associates by creating a fair and safe environment where everyone has access to opportunities and challenges. Management tools in a diverse workforce should be used to educate everyone about diversity and its issues, including laws and regulations. Most workplaces are made up of diverse cultures, so organizations need to learn how to adapt to be successful

A well planned communication process together with flexibility and sensitivity will facilitate a better understanding of each other's differences. We propose that a viable approach to managing the ageing workforce and the broader issue of workforce diversity would be to view these as a central aspect of formulating corporate human resource strategy.

The extent to which managers recognize diversity and its potential effects defines an organization's approach to managing the diversity Adler, (1997). No organization in this world of globalization would survive without workforce diversity. It is the duty of the management to critically evaluate the effects of workforce diversity in their organization. On the other hand the management should put in place conditions which would enhance the workforce diversity in their organizations, more especially in their strategies formulation on the diversity of the workforce. Hence, with the diversity of the workforce, the organization would be internally and externally competitive. Although, the process of diversification of organizations has six stages: denial; recognition; acceptance; appreciation; valuing; and utilization Porras, (1991). It is believed that organizations are still stuck on the problem of getting people to value diversity and have not yet determined ways to utilize and exploit it (Porras, 1991). It is the approach to diversity, not the diversity itself which determines the actual positive and negative outcomes (Adler, 1997). Managing diversity in organizations is absolutely dependent upon the acceptance of some primary objectives to which employees are willing to commit, such as the survival of the firm (Gentile, Afr. J. Bus. Manage. 1994). In today's fast-paced work environment a successful organization is one where diversity is the norm and not the exception Lawrence, (2001).

It is extremely important for KPA to understand that workforce diversity if properly enhanced will help create a work environment in which male and female employees and customers feel integrated. The demographics of Kenya and the world at large are rapidly changing, and workforce diversity is vital for firms that desire to thrive in the future. Discrimination is costly not only on the individual level, but also on the corporate level and even on a national level.

#### Recommendations

**1.** A more diverse workforce at KPA will result to improved decision making, better understanding of customers' needs, and increased flexibility in staffing.

**2.** The number of women, minorities, younger and older workers continues to increase; KPA must ensure that they meet the needs of these workers and not to discriminate in their human resources policies and practices.

**3.** Individuals have careers that generally progress through a series of stages that each has a different set of concerns and issues, although boundaries less careers have become more common.

**4.** KPA should introduce family-friendly benefits, such as flexible work schedules, liberal leave policies, dependent care, and work-stress management seminars, to help workers meet the challenges faced by two-career families, single parents, and the older and younger workers, among others.

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