



**ASCRPTIVE BOARD DIVERSITY, BOARD BEHAVIOURAL INTENTIONS AND PERFORMANCE OF SELECTED  
WATER AND SANITATION COMPANIES IN KENYA**

**Judith Jepkemboi Siginwo, Sr. Dr. Lucy Wanza, PhD, Dr. Francis Omillo, PhD & Dr. David Sergon, PhD**

**ASCRPTIVE BOARD DIVERSITY, BOARD BEHAVIOURAL INTENTIONS AND PERFORMANCE OF SELECTED WATER AND SANITATION COMPANIES IN KENYA**

<sup>1</sup> Judith Jepkemboi Siginwo, <sup>2</sup> Sr. Dr. Lucy Wanza, PhD, <sup>3</sup> Dr. Francis Omillo, PhD & <sup>4</sup> Dr. David Serгон, PhD

<sup>1</sup> Student Catholic University of Eastern Africa, Kenya

<sup>2</sup> Senior Lecturer, Catholic University of Eastern Africa, Kenya

<sup>3</sup> Senior Lecturer, University of Eldoret, Kenya

<sup>4</sup> Senior Lecturer, Moi University, Kenya

**Accepted: September 19, 2024**

**DOI: <http://dx.doi.org/10.61426/sjbcm.v11i4.3070>**

**ABSTRACT**

*Board ascriptive diversity has the tendency to enhance organizational performance. However, as much as enormous efforts have been made in Water and Sanitation Companies to diversify boards in Kenya, the performance of most of these companies is wanting because some of the companies are unable to meet their financial and service obligations. This study sought to determine the moderating role of board behavioral intentions on the relationship between board ascriptive diversity and the organizational performance of water and sanitation companies in Kenya. The research questions that guided the proposed study were: what was the effect of board ascriptive diversity on organizational performance and to establish how the moderating effect of board behavioral intentions affects the relationship between board ascriptive diversity and organizational performance of water and sanitation companies in Kenya. The main theory which the study was anchored on was Upper Echelons theory by Donald and Mason (1984). The study employed descriptive design of cross-sectional survey design. The study was undertaken in selected water and sanitation companies in Kenya. The target population was 79 companies which had a total of 589 board members. The sample size was 189 board members selected from four water development agencies. The main respondents in the study were the board members who filled the questionnaire while secondary data was collected using a document analysis guide. The study tested content validity where the statements were validated by experts or specialists who included; supervisors and experts in corporate governance matters. Reliability of the instruments was tested using cronbach alpha. Data collected was analyzed using descriptive statistics such as mean, standard deviation, frequencies and percentages. Inferential statistic adopted was moderated multiple regression analysis. The study findings confirmed that behavioral intentions as a moderator was significant on the relationship between ascriptive diversity and organizational performance whilst statistically insignificant on the relationship between expertise diversity and organizational performance ( $\beta=0.305$ ,  $CI=.050$ ,  $.560$ ,  $p<0.05$ ). The study concluded that there was a statistically significant moderation effect of behavioral intentions on the relationship between ascriptive diversity and organizational performance of public water and sanitation companies in Kenya. The study recommended further studies to be done using behavioral intentions as a moderator in other sectors and spheres of society, on organizational performance for comparative purposes with the findings of this study.*

**Keywords:** *Ascriptive Board Diversity; Behavioural Intentions and Organizational Performance*

CITATION: Siginwo, J. J., Wanza, L., Omillo, F., & Sergon, D. (2024). Ascriptive board diversity, board behavioural intentions and performance of selected water and sanitation companies in Kenya. *The Strategic Journal of Business & Change Management*, 11 (4), 91 – 120. <http://dx.doi.org/10.61426/Sjbcm.v11i4.3070>

## BACKGROUND

Ascriptive board diversity, encompassing factors such as gender and age has been increasingly recognized for its potential influence on firm performance. Firstly, diverse boards can enhance decision-making processes by incorporating a wider range of perspectives and experiences (Wirtz & Powell, 2017). Research indicates that boards with diverse compositions are more likely to consider a broader array of strategic options, leading to more innovative and adaptive responses to challenges and opportunities in the business environment (Campbell & Minguez-Vera, 2018). Secondly, ascriptive board diversity can improve corporate governance practices and mitigate risks associated with groupthink. By fostering constructive debate and scrutiny, diverse boards are better equipped to identify and address potential ethical lapses or governance failures, thereby enhancing overall organizational resilience and stakeholder trust (Post & Byron, 2015).

Moreover, ascriptive board diversity can positively impact corporate reputation and stakeholder relations. Companies perceived as promoting diversity and inclusion on their boards often enjoy

enhanced brand reputation and attractiveness to diverse talent pools. This reputation can translate into improved employee engagement and customer loyalty, contributing to long-term performance and competitive advantage (Roberts & Alvarez, 2018). Diverse boards are better positioned to understand and navigate diverse markets and regulatory environments. Boards that reflect the demographics and cultural nuances of their markets can make more informed decisions regarding market expansion, product adaptation, and compliance with local regulations, thereby fostering sustainable growth and market penetration (Williams & O'Reilly, 2018).

### Concept of Performance

Organizational performance is an important aspect in every institution as it defines the actual output or results of an organization as measured against its intended outputs, goals and objectives. According

to Gabriela (2020) organizational performance refers to the degree to which the organization's informational, financial and human resources positions itself effectively on the business market. It is the overall effectiveness, efficiency, as well as success of an organization in terms of achievement of its goals as well as objectives (Taouab & Issor, 2019). Organizational performance comprises of financial key performance indicators, operational efficiency, customer satisfaction, employee engagement, and innovation among others (Schneider et al., 2018).

Organizational performance can be assessed using both quantitative and qualitative key performance indicators where it takes into account both short-term as well as long-term outcomes (Torlak & Kuzey, 2019). Financial performance are those that focus on an organization's financial health, profitability, revenue growth, as well as cost management (Wang, 2022). Financial Key Performance Indicators include; revenue, profit margin, return on investment (ROI), as well as cash flow among others (Söderlind & Geschwind, 2019). Operational efficiency refers to how well an organization is able to manage its resources so as to produce goods or be able to deliver services (Anwar & Abdullah, 2021). It involves but not limited to optimization of processes, improvement of productivity, as well as achievement of operational excellence.

Customer satisfaction usually focuses on the ability of the organization to meet customer needs as well as customer preferences (Sangwa & Sangwan, 2018). When the level of customer satisfaction is high it indicate that the organization's products or services are able to meet or exceed the expectations of the customers (Para-González et al., 2018). Non-financial key performance indicators are associated but not limited to enhancement of quality, organizational learning, market responsiveness, as well as human resource efficiency (Saad-Alessa, 2021). In this study, organizational performance will be operationalized using water supply coverage, utility ranking and

amount of revenue. The study seeks to determine water supply coverage, utility ranking and amount of revenue of selected water and sanitation companies in Kenya and how board diversity affects it. The study further seeks to determine when behavioral intentions is adopted as a moderator, how has it affected the relationship between ascriptive board diversity and performance of water and sanitation companies in Kenya.

### **Concept of Ascriptive Board Diversity**

Ascriptive board Diversity is a concept that has been adopted world wide. For example most people who serve on corporate boards in the United Kingdom, the United States, and Australia are still white men (Mishra, 2016; Gordini & Rancati, 2017). They suggest that the homogeneity of corporate boards may raise significant ethical, political, and economic issues (Kanyutu, 2021); while women and minorities are continuing to become a larger proportion of the workforce. According to the findings of Conyon and He (2017) the diversity of board members has recently been given a stronger strategic relevance within businesses for a variety of reasons.

Organizations' boards of directors are responsible for the oversight of systems and processes that direct, control, and govern an organization's strategy, leadership decisions, regulatory compliance, and overall performance (Mowbray, 2014). Most of the successful organizations in performance is associated with an effective and functional boards of directors (Asahak et al., 2018). According to Chem, Block and Yariet (2022) every public company must have a board of directors; it is also noticed that some of the private companies and nonprofit organizations also have them. However, the notion of good corporate governance and leadership tends to be one of the factors that increases the attention to diversity and inclusion of boards. Through managing diversity, a company is able to increase creativity, productivity, as well as integrate new attitudes, new language skills, global understanding, new processes, and new solutions to difficult problems (Kanyutu, 2021).

As much as ascriptive board diversity is important in enhancement of organizational performance, factors such as independence of the board, corporate governance and size of board influences the relationship between ascriptive board diversity and organizational performance (Brundin & Nordqvist, 2018). Boards can be large boards, medium sized boards or small boards (Mitton, 2022). On corporate governance, each company has a system of rules, practices, as well as processes that are used to direct as well as control firms. These rules, practices, as well as processes differs from one firm to another and by extension there effect on the relationship between board diversity and organizational performance differs across firms (Norwani et al., 2021). Independence of the board might differ across firms and therefore its effect on the association between board diversity and organizational performance differs as well (Brown & Caylor, 2016).

In India, the major significant factor influencing board performance is its composition, that is, the types of directors who form the board. There is a growing concern that diversity in board composition is necessary for effective board performance (Mishra, 2016). Recently in Germany, there is a new law concerning board diversity where among the board members, their must be female board members. In Germany, ascriptive board diversity is characterized by gender and age (Eulerich & Vanuum, 2014).

In Nigeria, ascriptive board diversity is in terms of gender as well as people with different educational levels of the directors (Ali et al., 2022). In South Africa, Nureen and Taryn (2017) posit that all boards much comprise of people from different backgrounds, ethnicity, social economic status, educational levels and nationalities. All which have been observed in almost all parastatals and therefore board diversity has helped organizations to record good performance.

In Ghana, ascriptive board diversity played an important role in the field of corporate governance. It has made organizations to record remarkable

performance due to effectiveness of boards (Abor, 2017). Ascriptive board diversity in Ghana is in terms of people from different races, identity as well as ethnicity. It also comprised of people of different abilities as well as experience, religion as well as sexual orientation (Adeabah, 2019). These board diversity components have contributed to improvement in the performance of organizations. In Zambia, board diversity is comprised of people from different ethnic foundations (Mumba, 2017). It also comprises of people from various cultural setting, educational abilities, gender and abilities all which have led to improvement in performance of the organizations (Mumba & Kazonga, 2021).

In Uganda, gender diversity is mandatory in all boards. This is because organizations have realized that it helps to improve financial performance (Manyaga & Taha, 2020). It also creates organizational opportunities to attract a wider pool of talent. It has helped organizations to become more responsive to the market and organizations that uphold gender diversity have ended up strengthening its corporate governance policies (Doldor, 2022). However, according to an African Development Bank survey report in 2016, it revealed that women represent a total of 12.9% in all boards in parastatals in Uganda. There are some listed companies which does not have even one woman on their board while some have up to three women but on average most boards have one woman which affects organizational performance (Mukyala, 2021).

In Kenya, ascriptive board diversity has improved over the last decade, although there is still room for improvement. According to the Kenya Institute of Management Board Diversity and Inclusion Report (2021), gender diversity in the boardroom is at 36% which is way above the global average of women holding board positions which is at 23.3%. In Kenya, companies that have prioritized gender diversity within their boards in 2021 are; East Africa Breweries Limited where female directors are 36% (Barako, 2018). Standard Chartered Bank Kenya Limited at

45% as well as Equity Group Holdings Limited at 38% (CBK, 2019). This shows that board gender diversity has been embraced and organizations are working hard towards increasing women representation on their boards.

According to the KIM Report (2021) both gender and age diversity are important in enhancement of organizational performance, decision-making as well overall organizational productivity. According to Mutero (2022) although companies have embraced board diversity which is not only limited to age, gender as well as demographics, it also revolves around educational as well as professional diversity all which affects organizational performance. According to KIM Board Diversity & Inclusion Report (2021) as organizations work towards achieving board diversity. It is important for organizations to fully understand the components of board diversity and its need in enhancing organizational performance.

### **Concept of Behavioral Intentions**

Intention is the most proximal mediator of behavior as it is the construct which is most likely to predict behavior that is voluntary (Webb & Sheeran, 2020). Intentions are self-instructions used to perform certain behaviors or to obtain certain results. Behavioral intentions are known to be the immediate precursors of behavior and more specifically it is associated with the motivation or intention to perform a certain behavior at a certain date in future (Gadeyne et al., 2023). Behavioral intention refers to a person's perceived likelihood or subjective probability that he or she will engage in a given behavior (Sowmya & Panchanatham, 2021).

Behavioral intentions are influenced by attitude towards the behaviour, subjective norms as well as the perceived control over the behaviour (Omar & Addruce, 2019). Behavioral intentions are also influence by an individuals currently active goals (Brezavšček et al., 2016). Behavioral intentions are known to contribute to actual behaviour as well as can be used for prediction as well as modification of

human actions (Frese & Zapf, 2021). Board behavioral intention is used to explore the factors that influence whether board members will or will not engage in a certain behavior (Zhou et al., 2022). According to Qadri et al. (2020), board behavioral intention can influence the relationship between ascriptive board diversity and organizational performance.

According to Conner and Norman (2022) posit that board behavioral intentions should be adopted as a moderator when studying the relationship between board diversity and organization. The factors associated with board behavioral intentions that might influence board diversity and organizational performance might include; board independence, corporate governance and board size among others (Webb & Sheeran, 2020). In this study, the sub-indicators of board behavioral intentions that will be adopted while considering the moderating effect of board behavioral intentions on the relationship between ascriptive board diversity and organizational performance include; attitudes, subjective norms and perceived behavioral control.

#### **Water and Sanitation Companies in Kenya**

As per the current Water Services Regulatory Report No. 4 (2011), there are seventy-nine government water and sanitation companies that operate in Kenya. The Government of Kenya has created Water Services Boards which is responsible for the efficient as well as economical provision of water services and it happens through an agent which is licensed by the Water Services Regulatory Board (The Water Act, 2002). The water and sanitation companies usually ensure acceptable standards are adhered to in the whole process of providing water as well as waste water disposal through the development of properly organized and efficient systems of sanitation (Yabs, 2018).

Water and Sanitation companies usually engage in provision of water and sewerage services to the residents in the regions where the companies are located (Karani, 2020). The water and sanitation companies operate in an autonomous manner

which makes them able to run in an efficient manner (Mulwa, 2023). The companies also have an independent Board of Directors whose number differs from one water and sanitation company to the other. An independent Board of Directors constitutes of professional individuals who are drawn from private sector organizations professional bodies, and the NGO sector among others (Gichuki, 2023).

#### **Statement of the Problem**

Organizational performance is an important aspect in every institution as it defines the actual output or results of an organization as measured against its intended outputs, goals and objectives. In water and sanitation companies the performance is achieved through water supply coverage, utility ranking and acquisition of revenue which enables operations of the organization. Water and sanitation companies are important in enhancement of the GDP of a country and domestic provisions for sustainable livelihoods (Doldor, 2022). Due to its infinite need and demand, the companies are expected to operate a financially stable balance sheet that guarantees desired service delivery.

However according to performance report of Kenya Water Sector, (2022) it indicated poor performance of utilities which is supported by the number of utilities registering performance above the mid-point (50%) at 30%. This shows that 70% of the utilities registered below 50 % of the expected performance ranking. The above happens at the backdrop of intentional and deliberate initiatives, including finance and infrastructure, aimed to improve the service delivery in the WSPs over the last 15 years. The report points at governance crisis as the main problem bedeviling the sector (Kenya Water Sector, 2022).

Despite embracing board diversity as a governance aspect in these companies, liquidity challenges has persisted resulting in poor provision of water and sanitary services to the people (WHO, 2020).

According to a report by Kenya National bureau of Standards (2024), more than a quarter of these companies in Kenya experience operational challenges occasioned by inability to cover their financial obligations, board diversity notwithstanding.

Consequently, domestic and industrial consumers experience shoddy services, leading to disruptive subsistence and economic livelihoods as well as upsurge in water related diseases and ailments. Therefore, the study sought to determine the moderating effect of board behavioral intentions on the relationship between board diversity and organizational performance of the selected water and sanitation companies in Kenya. The study yielded policy recommendations geared towards enhancing the organizational performance of water and sanitation companies in Kenya.

#### Research Questions

- What is the effect of ascriptive board diversity on the organizational performance of selected government water and sanitation companies in Kenya?
- How does board behavioral intentions affect the relationship between board ascriptive diversity and organizational performance of selected government water and sanitation companies in Kenya?

#### Research Hypotheses

**Ha<sub>1</sub>:** Board ascriptive diversity has a significant effect on the organizational performance of selected government water and sanitation companies in Kenya.

**Ha<sub>2</sub>:** Board behavioral intentions significantly moderates the relationship between board ascriptive diversity and organizational performance of selected government water and sanitation companies in Kenya.

## LITERATURE REVIEW

### Theoretical Framework

The study adopted the Upper Echelons theory which was developed by Donald and Mason (1984).

The theory assumes that the top managers decision-making processes determine competitive strategies and that such strategies affect organizational performance (Kagzi & Guha, 2018).

The theory is adopted in this study because it states that having a diverse board of directors increases the resources of the information that is available to the board, strengthens the board's capacity to identify strategic opportunities, develop successful plans, and tackle disputes, and improves the overall performance of the firm (Hsu et al., 2019). As a result of women's increasing participation in business and society, several stakeholders support the role of female directors (Daily et al., 2013; Hillman et al., 2007). According to Hafsi and Turgut (2013), many people feel that men and women do not significantly differ in their demands for things like leadership, accomplishments, self-confidence, antagonism, target orientation, determination, independence, non-conformity, and a locus of control.

Despite this, female board directors act in a manner that is distinguishable from their male counterparts. According to Hsu et al. (2019), they typically bring up more governance issues during the board meeting, which results in improved control over senior management and more protection of shareholder rights. According to Hsu *et al.* (2019), boards of directors with a majority of women are more likely to adhere to conservative views.

According to Kagzi and Guha (2018), the Upper Echelons theory asserts that directors have varying degrees of cognitive capacity, which affects company performance in turn. The educational variety of a board may also affect the company's performance. Chief executive officers (CEOs) with graduate degrees perform better than those without such a degree, and CEOs with MBAs do much better than those without such a degree (Wang et al., 2017). Age diversity on the board is another important feature that should not be overlooked. As suggested by Upper Echelons theory, observable demographic characteristics

such as age form the values and beliefs of individual directors.

If the board members are of the same age group, the decision-making and leadership styles may be biased to a specific age division in the market because the directors may have comparable information and experiences (Abdullah & Ismail, 2013). This is because the directors may have similar information and experiences.

Studies in water and sanitation companies have adopted the Upper Echelons theory of management suggests that younger directors have a stronger

propensity for taking risks. The board should reflect the society, which consists of individuals from a wide range of backgrounds (Abdullah & Ismail, 2013). The theory has been criticized on the grounds that it does not consider the challenges that diverse board of directors face and affects organization performance. Despite the criticism, the current study is anchored on this theory because it covers well aspects of board membership diversity and organizational performance.

### Conceptual Framework

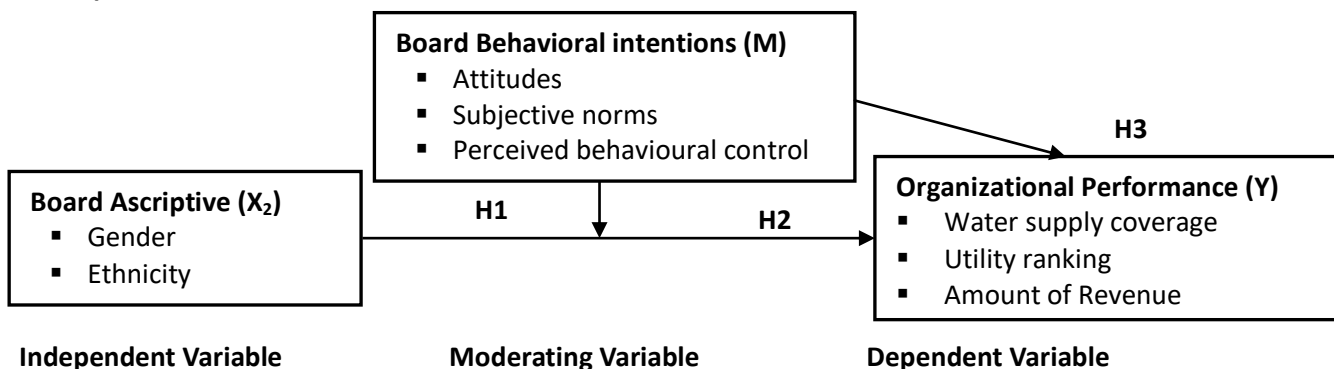


Figure 1: Conceptual Framework

Source: Adopted from Brown and Caylor (2016) and modified by the Researcher (2024)

### LITERATURE REVIEW

In Spain, Gallego-Álvarez, and Rodríguez-Dominguez (2020) studied the influence of gender diversity on corporate performance of Spanish corporations listed on the Madrid Stock Exchange over the period 2014-2016 were selected. The study used panel data that was analyzed using panel regression model. The study established that gender diversity has no significance effect on corporate performance. The study has had not provided justification for the research design adopted and therefore a methodological gap exists which the current study seeks to address.

A study examined in united states on the relationship between demographic diversity on boards of directors with firm financial performance. The study used 1993 and 1998 financial

performance data (return on asset and investment) and the percentage of women and minorities on boards of directors for 127 large US companies. Correlation and regression analyses indicated that board diversity is positively associated with financial indicators of firm performance,(Erhardt *et al.*, 2020).

A study done in Mauritius examined the key elements of board diversity (or heterogeneity) among the listed companies operating in an emerging economy and the extent to which these influence financial performance.The findings showed that women remain poorly represented on boards while there was a relatively satisfactory level of heterogeneity in terms of educational background, age and independence in relation to developed countries. It also showed that there was



a significant regression coefficients for all four variables in terms of their impact on short-term performance, (Mahadeo et al, 2021).

In Europe, a study was conducted by Scheppink (2018) on board gender diversity and firm performance. The study further examined the effect of National culture. The study used an ex-post facto research design and sampled 1,499 firms from 23 countries. The total observations in the study were 7,125 for a period of 7 years. The study used secondary data which was analyzed using both descriptive statistics and inferential statistics. The study established that board gender diversity enhances firm performance. The data collection procedure was not clear and therefore a methodological gap exists which the current study seeks to address.

In Kenya, a study was conducted by Kanyutu (2021) on the effect of board gender diversity on organization performance. The study was a critical review of literature. The study had adopted a desk study review methodology. The study established that gender diversity as well as the inclusion of more women in boards of directors as well as top executive management positions has a significant positive impact on organizational performance. Literature reviewed also revealed that gender diversity enhances social sensitivity when resolving problems and therefore increased diversity in thought enhances organizational performance. A conceptual gap exists as board age didn't exist which this study seeks to add and hence address the conceptual gap.

Emad, Eldeen, Elbayoumi, Basuony and Mohamed (2021), examined the effect of the ethnicity board diversity on firm performance in the UK. The purpose of the study was to determine the effect of the ethnicity board diversity on firm performance in the UK. The study used a descriptive research design and it adopted cross-sectional data from London Stock Exchange (FTSE 350) of non-financial companies with total observations of 3961 companies for the years between 2000 and 2016. The study used secondary data which was drawn

from the annual reports and analyzed using both descriptive and inferential statistics. Findings revealed that ethnicity diversity of board members has a positive effect on firm performance. The study did not incorporate diagnostic test results and therefore existence of a methodological gap.

An and Lee (2021) researched on the impact of ethnic board diversity on organizational performance of Korean local government-owned enterprises. The aim of the study was to determine the impact of ethnic board diversity on organizational performance of Korean local government-owned enterprises. The study used an ex-post factor research design and the target population was 758 employees of the various local government-owned enterprises in Korea. The sample size was 157 employees who were selected using both stratified and simple random sampling techniques. The study used both primary and secondary data and it was analyzed using both descriptive and inferential statistics. Findings revealed that ethnic board diversity improves organizational performance. The study did not provide justification for the research design adopted.

Khanna, Ashwini and Varghese (2021) examined ethnic board diversity and organizational performance of IT industries in Bangalore. The aim of the study was to determine the effect ethnic board diversity has on the organizational performance of IT industries in Bangalore. The study adopted both exploratory and descriptive design. Target population was 815 respondents while the sample was 250 respondents. The study adopted both stratified and simple random sampling techniques that were used to select the study respondents. The study adopted primary data which was collected using questionnaires and analyzed using both descriptive and inferential statistics. Findings revealed that ethnic board diversity has a significant positive effect on organizational performance of IT industries in Bangalore. Justification for adoption of both

exploratory and descriptive design was not provided in the study.

Mulu and Zewdie (2021) researched on the effect of ethnic board diversity on organizational performance of Ethio-Telecom South West Region. The aim of the study was to assess the effect of ethnic board diversity on organizational performance of Ethio-Telecom South West Region. The study adopted descriptive survey research design while the target population was 413 employees and the sample size was 120 employees. The study used simple random sampling technique and adopted primary data which was collected using questionnaires. Data collected was analyzed using both descriptive and inferential statistics. Findings revealed that ethnic board diversity has a positive impact on organizational performance of Ethio-Telecom South West Region. The sampling technique was insufficient and the study had stratified employees into various groups and hence the study adopted simple random sampling technique alone. The study should have adopted a stratified random sampling technique as well. A methodological gap exists which the current study seeks to address.

Busolo (2017) researched on the impact of ethnicity board diversity on organizational performance of AAR group of companies in Nairobi City County, Kenya. The purpose of the study was to determine the impact of ethnicity board diversity on organizational performance of AAR group of companies. The study adopted a descriptive research design. The population for this study was employees of AAR Insurance and AAR Healthcare Kenya Limited who worked in Nairobi. The population comprised of 90 individuals from all levels of the organizations while the sample size was 90 employees who were selected using both stratified and simple random sampling techniques. The study used primary data which was collected using questionnaires and analyzed using both descriptive and inferential statistics. It was established that ethnicity board diversity has a positive effect on organizational performance of

AAR group of companies. The study did not provide information on how validity and reliability of the research instrument were tested. The current study would like to shade more light on the same and hence it will help to address this knowledge gap.

## **METHODOLOGY**

The study adopted cross-sectional survey research design. This design affords the researcher to collect data that describes the phenomenon at a given period in time. (Igwenagu, 2016). The design was appropriate for this study as the intention of the study was to collect data from respondents at a specified period of time. The targeted population was 79 government water companies in nine (9) water works development agencies with 589 board members. The study adopted purposive sampling technique to determine the respondents from four zones, Central Rift, North Rift, Lake Victoria North and Lake Victoria South Water Works Development Agencies, with 27 water companies. A sample size of 189 board members was determined using Yamane (1973) sample size determination formula. The 189 respondents were selected using purposive sampling from the 27 water and sanitation companies in the four zones. Purposive sampling was preferred because of convenience and cost implications. The study used primary and secondary data which was collected using questionnaires and desktop analysis respectively. A questionnaire is a series of questions that are used to gather information from respondents (Ghuri et al., 2020). Questionnaire was adopted in this study because they help to collect large amount of data within the shortest time possible. For the purpose of this study, the study adopt a 6-point likert scale of the form strongly agree to strongly disagree. The questionnaire was divided into four sections; Section A captured background information of the respondents, section B; board ascriptive diversity, section C; Board Behavioral intentions and section D; organizational performance. Secondary data was collected using a documentary analysis guide for the period between 2019 to 2023 and data was drawn from various relevant reports, periodicals,

press releases, newsletters, and any other document related to the study content. Piloting of the instrument was done at the three licensed private water companies namely: Tatu city, Runda and Kiamumbi. The researcher piloted 15% (27) of the total respondents (189) to help fine tune the instrument.

Data analysis was started by sorting the questionnaires so as to eliminate incomplete questionnaires. The questionnaires which were considered for analysis were those that were correctly filled. After the questionnaires were sorted, 183 questionnaires were coded for easy entry into SPSS software version 25.0. Both descriptive and inferential statistics were used to analyze data. Descriptive statistics included; frequencies, percentages, means and standard deviation. Descriptive statistics helped to understand the characteristics of the sample data. Inferential statistics that was adopted in the study include moderated multiple regression analysis. Regression analysis was used to test hypothesis at 0.05 level of significance. The P values in the regression coefficient table were used to either accept or reject the hypotheses; if it is more than 5% level of significance then the hypothesis was rejected, but if it was less than 5% level of significance the hypothesis was accepted. Moderated multiple linear regression was used to test the moderation effect. Analyzed data was be presented using tables and figures.

Linear regression models that informed the study were:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon \dots\dots\dots (i)$$

**Where,**

Y represents organizational performance (outcome Variable)

$\beta_0$  represents the Y-intercept

$B_2$  represents Beta or Regression Coefficients  
 $X_2$  represents board ascriptive diversity (Predictor variable)

$$Y = \beta_0 + \beta_2 M + \epsilon \dots\dots\dots (ii)$$

**Where,**

Y represents organizational performance (outcome Variable)

$\beta_0$  represents the Y-intercept

$B_2$  represents Beta or Regression Coefficients  
M represents board behavioral intentions (moderator variable)

$$Y = \beta_0 + \beta_1 X_1 + \beta_5 (X_1 * M) + \epsilon \dots\dots\dots (iv)$$

**Where,**

Y represents organizational performance (outcome Variable)

$\beta_0$  represents the Y-intercept

$B_2$  represents Beta or Regression Coefficients  
 $X_1$  represents board ascriptive diversity (Predictor variable)

$B_5$  represents Beta or Regression Coefficients  
 $X_1 * M$  represents the interaction between ascriptive diversity and behavioral Intentions.

**RESULTS**

**Response Rate**

The study sought response from a target population of 589. A sample of 189 board members from this group was expected to participate in this study. However, out of these, 183 (97%) responded by fully completing and returning the questionnaires while 6 (3%) failed to complete or submit the questionnaires. This response rate was excellent since it surpassed the minimal value of 50% rate of response prescribed for statistical analysis making way for further analysis to be carried out (Kothari, 2003).

**Table 1: Overall Response Rate**

	Respondents	Percentage
Well filled questionnaires	183	97
Not returned questionnaires	6	3
<b>Total</b>	<b>189</b>	<b>100.00</b>

Source: Survey Data, 2024

### Descriptive Statistics

Descriptive statistics is a set of brief descriptive coefficients that summarize a given data set representative of an entire or sample population. It focuses on describing and analyzing a dataset's main features and characteristics without making any generalizations or inferences to a larger

population. They include mean, median, mode, standard deviation. The analysis was done using a Likert scale of 1-6, the scores of which a disagreement was taken to represent a variable which had a mean score of 0 to 2, moderate agreement or disagreement was between 2 to 4 and agreement was between 4 to 6 on the scale.

**Table 2: Ascriptive Means and Standard Deviation**

	N	Mean	Std. Deviation
Ethic diverse	183	4.9617	.80770
Ethnic strategic	183	4.8962	.78805
Ethnic performance	183	4.7869	.88544
Gender Inclusivity	183	4.8087	.95591
Gender Strategic	183	4.9071	.83673
Gender performance	183	4.9945	.91085

From the findings above, all the six (6) variables returned means between 4.7869 and 4.9945 which demonstrated a high level of agreement closer to the likert scale of "Agree" with a score of "5". This implied that most respondents gave views inclined to the 'agreed' response in the likert scale. The

standard deviations of the variables were low ranging from 0.78805 and 0.95591, which indicated that data were clustered tightly around the mean. This implies that most respondents' views were consistent across the data set.

**Table 3: Behavioral intentions Means and Standard Deviation**

	N	Mean	Std. Deviation
Attitude	183	4.7104	.89458
Attitude strategic	183	4.8634	.87576
Attitude performance	183	4.9071	.93003
Social roles	183	4.8743	.77072
Social strategic	183	4.7432	.90459
Social performance	183	4.7650	.96901
Personality roles	183	4.9180	.88879
Personality strategic	183	4.8743	.85198
Personality performance	183	5.0000	.83863

From the findings above, all the nine (9) variables returned means between 4.7104 and 5.0000 which demonstrated a high level of agreement closer to the likert scale of "Agree" with a score of "5". This implied that most respondents gave views inclined to the 'agreed' response in the likert scale. The

standard deviations of the variables were low ranging from 0.77072 and 0.96901, which indicated that data were clustered tightly around the mean. This implies that most respondents' views were consistent across the data set.

**Table 4: Organizational Performance Means and Standard Deviation**

	N	Mean	Std. Deviation
water connectivity	183	4.7158	.88710
New clients	183	4.6940	.87976
Revenues	183	4.7541	.97759
Debtors	183	4.7213	.89193
Creditors	183	4.9454	.85631
Ranking	183	4.8634	.86312

From the findings above, all the six (6) variables returned means between 4.6940 and 4.9454 which demonstrated a high level of agreement closer to the likert scale of “Agree” with a score of “5”. This implied that most respondents gave views inclined to the ‘agreed’ response in the likert scale. The standard deviations of the variables were low ranging from 0.85631 and 0.97759, which indicated that data were clustered tightly around the mean.

This implies that most respondents’ views were consistent across the data set.

### Linear Regression Model of Ascriptive diversity and organizational performance

The linear regression analysis models the relationship between the dependent variable (organizational performance) and independent variable (ascriptive diversity). The results are shown in the section that follows:

**Table 5: Model Summary of ascriptive diversity and organizational performance**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.523 <sup>a</sup>	.274	.270	.51573

a. Predictors: (Constant), ASCRPMean

The coefficient of determination ( $R^2$ ) and correlation coefficient (R) shows the degree of association between ascriptive diversity and organizational performance of water and sanitation companies in Kenya. The results of the linear regression indicate that  $R^2 = 0.274$  and  $R = 0.523$ . R value gives an indication that there is a linear relationship between ascriptive diversity and organizational performance of water and sanitation

companies in Kenya. . The  $R^2$  indicates that explanatory power of the independent variables is 0.274. This means that ascriptive diversity accounted for about 27.4% of the variation in organizational performance of water and sanitation companies in Kenya. This implies that ascriptive diversity has a linear relationship with organizational performance of water and sanitation companies in Kenya.

**Table 6: ANOVA for ascriptive diversity and organizational performance**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.160	1	18.160	68.274	.000 <sup>b</sup>
	Residual	48.142	181	.266		
	Total	66.302	182			

a. Dependent Variable: PERFMean

b. Predictors: (Constant), ASCRPMean

From table 7 the F test provides an overall test of significance of the fitted regression model. The F value indicates that all the variables in the equation are important hence the overall regression is significant. The F-statistics produced ((F (1,181)=

68.274)) was significant at  $p=0.000$  thus confirming the fitness of the model and therefore, there is statistically significant relationship between ascriptive diversity and organizational performance of water and sanitation companies in Kenya.

**Table 7: Coefficients of ascriptive diversity and organizational performance**

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t.	
1	(Constant)	2.025	.336		6.028	.000
	ASCRPMean	.564	.068	.523	8.263	.000

a. Dependent Variable: PERFMean

The table 8 indicates there was positive linear relationship between ascriptive diversity and organizational performance which revealed that an increase in ascriptive diversity leads to increased organizational performance of water and sanitation companies in Kenya was significant (p=0.000) in organizational performance contributing 56.4%. This implies that ascriptive diversity has a positive and significant relationship with organizational

performance of water and sanitation companies in Kenya.

### Linear Regression Model of Behavioral Intentions and Organizational Performance

The linear regression analysis models the relationship between the dependent variable (organizational performance) and independent variable (behavioral intentions). The results are shown in the section that follows;

**Table 8: Model Summary of Behavioral Intentions and Organizational Performance**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.666 <sup>a</sup>	.444	.441	.456136

a. Predictors: (Constant)

The coefficient of determination ( $R^2$ ) and correlation coefficient (R) shows the degree of association between behavioral intentions and organizational performance of water and sanitation companies in Kenya. The results of the linear regression indicate that  $R^2 = 0.444$  and  $R = 0.666$ . R value gives an indication that there is a linear relationship between behavioral intentions and organizational performance of water and sanitation

companies in Kenya. . The  $R^2$  indicates that explanatory power of the moderator variable is 0.444. This means that behavioral intentions accounted for about 44.4% of the variation in organizational performance of water and sanitation companies in Kenya. This implies that behavioral intentions have a linear relationship with organizational performance of water and sanitation companies in Kenya.

**Table 9: ANOVA for Behavioral Intentions and Organizational Performance**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	29.427	1	29.427	144.441	.000 <sup>b</sup>
	Residual	36.875	181	.204		
	Total	66.302	182			

From table 10, the F test provides an overall test of significance of the fitted regression model. The F value indicates that all the variables in the equation are important hence the overall regression is significant. The F-statistics produced ((F (1,181)= 144.441)) was significant at p=0.000 thus

confirming the fitness of the model and therefore, there is statistically significant relationship between behavioral intentions and organizational performance of water and sanitation companies in Kenya.

**Table 10: Coefficients of behavioral intentions and organizational performance**

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t.	
1	(Constant)	1.275	.294		4.341	.000
	BEHVMean	.723	.060	.666	12.018	.000

a. Dependent Variable: PERFMean

The table 11 indicates there was positive linear relationship between behavioral intentions and organizational performance which revealed that an increase in behavioral intentions leads to increased organizational performance of water and sanitation companies in Kenya was significant ( $p=0.000$ ) in organizational performance contributing 72.3%. This implies that behavioral intention has a positive and significant relationship with organizational performance of water and sanitation companies in Kenya.

### Moderated Multiple Regression of Behavioral Intentions on (a) Ascriptive, and Organizational Performance

The moderated multiple linear regression analysis models the relationship generated by introducing a moderator (behavioral intentions) on the relationship between a) ascriptive diversity and organizational performance. The results are shown in the section that follows;

**Table 11: Model summary of moderated, predictor and dependent variables**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.731 <sup>a</sup>	.534	.521	.41793

a. Predictors: (Constant), INT2\_expertXbehv, ASCRPMean, INT1\_ascrpXbehv, EXPERTMean, BEHVMean

The coefficient of determination ( $R^2$ ) and correlation coefficient (R) shows the degree of association of the moderator (behavioral intentions) on the relationship between a) ascriptive diversity and organizational performance of water and sanitation companies in Kenya. The results of the linear regression indicate that  $R^2 = 0.534$  and  $R = 0.731$ . R value gives an indication that there is a linear relationship between predictor and dependent variables as moderated by behavioral intentions of board members of water and sanitation companies in Kenya.

The  $R^2$  indicates that explanatory power of the moderator variable is 0.534. This means that behavioral intentions accounted for about 53.4% of the variation between independent variables (ascriptive diversity) and dependent variable (organizational performance) of water and sanitation companies in Kenya. This implies that behavioral intentions interacts with a) ascriptive have a linear relationship with organizational performance of water and sanitation companies in Kenya.

**Table 12: Anova Results of the Moderator, Independent and Dependent Variables**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.386	5	7.077	40.518	.000 <sup>b</sup>
	Residual	30.916	177	.175		
	Total	66.302	182			

a. Dependent Variable: PERFMean

b. Predictors: (Constant), INT2\_expertXbehv, ASCRPMean, INT1\_ascrpXbehv, EXPERTMean, BEHVMean

From table 12 the F test provides an overall test of significance of the fitted regression model. The F value indicates that all the variables in the equation are important hence the overall regression is significant. The F-statistics produced ((F (5,1771)= 40.518)) was significant at  $p=0.000$  thus confirming

the fitness of the model and therefore, there is statistically significant relationship between a) ascriptive and b) expertise diversities and organizational performance as moderated by behavioral intentions of board members in water and sanitation companies in Kenya.

**Table 13: Behavioral Intentions Moderated effect on the Relationship Between a) Ascriptive Diversity and Organizational Performance.**

Model		Unstandardized Coefficients		Standardized Coefficients.		
		B	Std. Error	Beta	T	Sig
1	(Constant)	.312	.340		.917	.360
	ASCRPMean	.166	.072	.154	2.295	.023
	BEHVMean	.386	.092	.355	4.211	.000
	INT1_ascrpXbehv	.305	.129	.139	2.357	.020

a. Dependent Variable: PERFMean

**Moderated effect of behavioral intentions on the relationship between ascriptive diversity and organizational performance.**

From the findings (Table 13), the moderating effect of behavioral intentions on the relationship between ascriptive diversity and organizational performance was significant ( $\beta=0.305$ ,  $t=2.357$ ,  $p<0.05$ ). this finding implied that 30.5% of the organizational performance was accounted by the interaction between ascriptive diversity and behavioral intentions.

From the results on table 13 above it is indicated that all the independent variable that is ascriptive diversity was statistically significant. This meant that hypotheses was supported. Thus ascriptive diversity,  $p= 0.023$  is predictor variables for organizational performance of water and sanitation companies in Kenya. Further, it indicated that the moderator variable, behavioral intentions, was statistically significant ( $p=0.000$ ), hence has an influence on organizational performance of water

and sanitation companies in Kenya. Therefore, hypothesis was supported.

On the moderated effect of behavioral intentions on the relationship between independent variable and the outcome variable, it emerged that ascriptive diversity was statistically significant ( $p=0.020$ ). Therefore, hypothesis 4 was supported. This implied that an interaction of behavioral intentions and ascriptive diversity positively influenced organizational performance. Thus the regression equation becomes;

$$Y = 0.312 + 0.166X_1 + 0.386X_2 + 0.305X_3 + 0.340$$

Where:

Y= organizational performance, dependent variable

$\alpha$ = constant

$X_1$ =ascriptive diversity

$X_2$ =behavioral intentions

$X_3$ =interaction between ascriptive diversity and behavioral intentions

**Hypotheses Test Analysis**

**Table 14: Organizational performance**

Variables	B	CI =95%
Ascriptive Diversity	.166***	0.023 0.308
Behavioral Intentions	.386***	0.205 0.566
Ascriptive*Behavioral Intentions	.305**	0.050 0.560
<b>Model fit statistics</b>		
F-Value	40.518***	
R <sup>2</sup>	0.534	
$\Delta R^2$	0.534	

P<0.001 (\*\*\*), P<0.05 (\*\*)



The results of the regression (Table 14) shows that the inclusion of the predictor and moderator variables accounted for 53.4% variance in organizational performance,  $R^2=0.534$ ,  $\Delta R^2 = 0.534$ ,  $F(5, 177)= 40.518$ ,  $P<0.001$  and the analysis showed evidence of a significant effect of ascriptive diversity ( $\beta=0.166$ ,  $CI=.023, .308$ ,  $p<0.05$ ), and behavioral intentions ( $\beta=0.386$ ,  $CI=.205, .566$ ,

$p<0.001$ ) on organizational performance. We therefore accept the research hypotheses 1 and 2. Also, the inclusion of board behavioral intentions as a moderator on ascriptive diversity, significantly predicted a positive relationship with organizational performance ( $\beta=0.305$ ,  $CI=.050, .560$ ,  $p<0.05$ ). Thus the hypothesis 3 was accepted.

**Table 15: Hypotheses Summary**

Hypothesis	$R^2$ , $\beta$ , and P values	Decision
<i>H<sub>1</sub>: Board ascriptive diversity has an effect on the organizational performance of government water and sanitation companies in Kenya.</i>	$R^2=0.534$ $\beta =0.364$ $p=0.000<0.05$ ,	Accept H <sub>1</sub>
<i>H<sub>2</sub>: Board behavioral intention has an effect on the organizational performance of government water and sanitation companies in Kenya.</i>	$R^2=0.534$ $\beta =0.386$ $p=0.000<0.05$ ,	Accept H <sub>2</sub>
<i>H<sub>3</sub>: Board behavioral intention moderates the relationship between board ascriptive diversity and organizational performance of government water and sanitation companies in Kenya.</i>	$R^2=0.534$ $\beta =0.305$ $p=0.020<0.05$ ,	Accept H <sub>3</sub>

### Discussions of the Findings

The results of the regression (Table 15) shows that the inclusion of the predictor and moderator variables accounted for 53.4% variance in organizational performance,  $R^2=0.534$ ,  $\Delta R^2 = 0.534$ ,  $F(5, 177)= 40.518$ ,  $P<0.001$ . The analysis returned a significant effect of ascriptive diversity ( $\beta=0.166$ ,  $CI=.023, .308$ ,  $p<0.05$ ) on organizational performance. The hypothesis is therefore accepted. Unstandardized *beta* ( $\beta$ ) value is the average amount by which the dependent variable increases when the independent variable increases one standard deviation and other independent variables are held constant. This implied that a unit change in board ascriptive diversity accounted for 16.6% positive change on organization performance of the water and sanitation companies.

The analysis confirmed a significant effect of ascriptive diversity ( $\beta=0.166$ ,  $CI=.023, .308$ ,  $p<0.05$ ) on organizational performance of water and sanitation companies in Kenya. The hypothesis (there is a significant relationship between expertise diversity and organizational performance) was therefore accepted. This implied that a unit change in board ascriptive diversity accounted for

16.6% positive change on organization performance of the water and sanitation companies. This means that age, gender and ethnicity of the board members have an influence in the organizational performance of the companies. This finding concurred with earlier findings in different fields interrogating the same study constructs.

In Kenya, a study was conducted by Mwilu and Njuguna (2020) on board ascriptive diversity and performance of selected Savings and Credit Cooperative Societies in Nairobi City County revealed that board ascriptive diversity improves the performance. Similarly, a study conducted by Kanyutu (2021) on the effect of board gender diversity on organization performance established that gender diversity as well as the inclusion of more women in boards of directors as well as top executive management positions has a significant positive impact on organizational performance.

In South Africa, (Scholtz & Kieviet, 2018) board ascriptive diversity had an a positive influence on company performance of South African companies. Omoye and Eriki (2021) studied Nigerian companies on board age and ethnicity

diversity and concluded they do enhance firm performance.

On the contrary, a Spanish study (Gallego-Álvarez & Rodríguez-Dominguez, 2020) on gender diversity on corporate performance of Spanish corporations listed companies established that gender diversity has no significance effect on corporate performance. But in Malaysia, board diversity age in GLCs negatively and significantly affected the financial performance of organizations (Adnan *et al.*, 2016). In Europe, a study was conducted by Scheppink (2018) on board gender diversity and firm performance established that board gender diversity enhances firm performance.

The results of the regression (Table 15) shows that the inclusion of the predictor and moderator variables accounted for 53.4% variance in organizational performance,  $R^2=0.534$ ,  $\Delta R^2 = 0.534$ ,  $F(5, 177)= 40.518$ ,  $P<0.001$ . The analysis returned a significant effect of behavioral intentions ( $\beta=0.386$ ,  $CI=.205, .566$ ,  $p<0.001$ ) on organizational performance. The hypothesis is therefore accepted. Unstandardized *beta* ( $\beta$ ) value is the average amount by which the dependent variable increases when the independent variable increases one standard deviation and other independent variables are held constant. This implied that a unit change in behavioral intentions of the respondents accounts for 38.6% positive change on organization performance. This means that an improvement on the behavioral intentions of the respondents positively improves the organizational performance of the water and sanitation companies.

The findings of the study indicated there was a significant effect of behavioral intentions ( $\beta=0.386$ ,  $CI=.205, .566$ ,  $p<0.001$ ) on organizational performance of water and sanitation companies in Kenya. This implied that a unit change in behavioral intentions of the respondents accounts for 38.6% change on organization performance. This means that behavioral intentions of the board members influences the organizational performance of the water and sanitation companies in Kenya. In the study, behavioral intentions were defined from the

lenses of board independence, perceived behavioral control and subjective norms of the board members.

In Kenya, a study was conducted by Kiratu and Moronge (2016) on the influence of board behavioral intentions on organizational performance in Kenya revealed that board behavioral intentions enhances organizational performance in Kenya.

Perceived behavioral control relates to how able an individual feels to perform a specific behavior, in their context (Rosenstein & Wyatt, 2020) and that perceived behavioral control affects organizational performance (Tulung & Dendi, 2016). Subjective norms refer to the social pressures which include both the perceived expectations of others as well as how much the individual values those expectations (Singh & Harianto, 2017). Schellenger *et al.* (2019) posit that negative social pressures have a negative impact on the firm performance.

Bonn *et al.*, (2017) asserted that independent boards have an effect on the relationship between board membership diversity and organizational performance and additionally, the total number of independent board members has an influence on board membership diversity (Barnhart *et al.*, 2017). In the United States, Baysinger and Bulter (2020) revealed that the proportion of independent commissioners positively influences the company's performance.

The results of the regression (Table 15) shows that the inclusion of the predictor and moderator variables accounted for 53.4% variance in organizational performance,  $R^2=0.534$ ,  $\Delta R^2 = 0.534$ ,  $F(5, 177)= 40.518$ ,  $P<0.001$ . The analysis returned a significant effect of behavioral intentions on the relationship between ascriptive diversity and organizational performance ( $\beta=0.305$ ,  $CI=.050, .560$ ,  $p<0.05$ ). The hypothesis is therefore accepted. Unstandardized *beta* ( $\beta$ ) value is the average amount by which the dependent variable increases when the interaction between moderating and independent variable increases one standard

deviation and other independent variables are held constant. This implied that a unit change in behavioral intentions interaction with ascriptive diversity accounts for 30.5% positive change on organization performance. This means that behavioral intention (moderator) of the respondents positively increases the effect of ascriptive diversity (predictor) on the organizational performance of water and sanitation companies (16.6% to 30.5%).

It emerged from the study findings that there was a significant effect of behavioral intentions on the relationship between ascriptive diversity and organizational performance ( $\beta=0.305$ ,  $CI=.050$ ,  $.560$ ,  $p<0.05$ ). The hypothesis is therefore accepted. This implied that a unit change in behavioral intentions interaction with ascriptive diversity accounts for 30.5% positive change on organization performance. This means that behavioral intention (moderator) of the respondents positively increases the effect of ascriptive diversity (predictor) on the organizational performance of water and sanitation companies (16.6% to 30.5%). Kanyutu (2021) while reviewing literature revealed that gender diversity enhances social sensitivity when resolving problems and therefore increased diversity in thought enhances organizational performance.

According to Kundu and Mor (2017), if the directors are ascriptively different from each other, their ascriptive differences can create salient, but less permeable, boundaries enhances inter group bias. Gender diversity in boards has received great attention in almost all organizations worldwide. It is assumed that having a significant number of women at the top levels of corporate management

helps to enhance organizational performance (Kochan *et al.*, 2022).

## CONCLUSIONS AND RECOMMENDATIONS

The study concluded that there was a relationship between ascriptive diversity and organizational performance of public water and sanitation companies in Kenya. The study concluded that age, gender and ethnicity diversities positively influenced organizational performance of public water and sanitation companies in Kenya.

The study concluded that there was a relationship between behavioral intentions and organizational performance of public water and sanitation companies in Kenya. The study concluded that board independence, board control and subjective norms positively influenced organizational performance of public water and sanitation companies in Kenya.

The study findings indicated that there was a statistically significant moderation effect of behavioral intentions on the relationship between ascriptive diversity and organizational performance of public water and sanitation companies in Kenya. The study indicated that an interaction between behavioral intentions (board independence, board control and subjective norms) and ascriptive (age, gender and ethnicity) characteristics of the board members influenced the level of organizational performance of the companies.

The study recommends that public water and sanitation companies in Kenya should consider age, gender, ethnicity, education and experience when recruiting board members so as to improve on their organizational performance.

## REFERENCES

- Abdelzaher, A., & Abdelzaher, D. (2019). Women on board and firm performance in Egypt: Post the Arab spring. *The Journal of Developing Areas*, 53(1), 226–241. <https://doi.org/10.1353/jda.2019.0013>
- Abdullah, S. N., & Ismail, K. N. I. K. (2013). Gender, ethnic and age diversity of the boards of large Malaysian firms and performance. *Jurnal Pengurusan*, 38(1), 27-40.
- Abor, P. A. (2017). Examining gender diversity on hospital boards in Ghana. *International Journal of Health Governance*, 2(1), 47-50.
- Adams, R. B., Terjeen, S., & Van Ees, H. (2015). Board diversity. *Journal of Management*, 5(1), 55-61.

- Adeabah, D. (2019). Board gender diversity, corporate governance and bank efficiency in Ghana: a two-stage data envelope analysis (DEA) approach. *Corporate Governance: The International Journal of Business in Society*, 19(2), 299-320.
- Adnan, M. F., Sabli, N., & Rashid, M. Z. A. (2016). Board diversity and financial performance: Evidence from Malaysian GLCs. In *Regional Conference on Science, Technology and Social Sciences (RCSTSS 2014) Business and Social Sciences* (pp. 27-36). Springer Singapore.
- Aggarwal, R., Schloetzer, J. D., & Williamson, R. (2019). Do corporate governance mandates impact long-term firm value and governance culture? *Journal of Corporate Finance*, 59, 202-217.
- Aguilera, R.V., Filatotchev, I., Gospel, H., Jackson, G. (2018). An organizational approach to comparative corporate governance: Costs, contingencies, and complementarities. *Organization Science*, 19(3), 475-492.
- Ahmed, A., Monem, R. M., Delaney, D., & Ng, C. (2017). Gender diversity in corporate boards and continuous disclosure: Evidence from Australia. *Journal of Contemporary Accounting & Economics*, 13(2), 89-107. <https://doi.org/10.1016/j.jcae.2017.05.004>
- Akpan, E. O., & Amran, N. A. (2014). Board characteristics and company performance: Evidence from Nigeria. *Journal of Finance and Accounting*, 2(3), 81-89.
- Alchian, A. A., & Demsetz, H. (1972). Production, information costs, and economic organization. *The American Economic Review*, 62(5), 777-795.
- Ali, M., & French, E. (2019). Age diversity management and organizational outcomes: The role of diversity perspectives. *Human Resource Management Journal*, 29(2), 287-307.
- Ali, M., Ng, Y. L., & Kulik, C. T. (2014). Board age and gender diversity: A test of competing linear and curvilinear predictions. *Journal of Business Ethics*, 125(3), 491-512.
- Al-Matari, E. M., Al-Swidi, A. K., Fadzil, F. H., & Al-Matari, Y. A. (2021). The impact of career experience of the board members on firm performance: Evidence from non financial listed companies in Kuwaiti Stock Exchange. *International Journal of Accounting and Financial Reporting*, 2(2), 310-332.
- Alomari, A. M. (2016). The impact of board members education level on performance: A field study on manufacturing companies listed on the Amman Stock Exchange. *Journal of Management*, 4(1), 66-73.
- Alvarez, S. A., & Barney, J. B. (2017). Resource-based theory and the entrepreneurial firm. *Strategic entrepreneurship: Creating a new mindset*, 87-105.
- An, S., & Lee, S. Y. (2021). The impact of gender diversity and disparity on organizational performance: Evidence from Korean local government-owned enterprises. *Review of Public Personnel Administration*, 2(1), 37-45.
- Anis, M., Chizema, A., Lui, X., & Fakhreldin, H. (2017). The impact the impact of career experience of the board members on financial performance of Egyptian listed companies. *Global Journal of Human-Social Science*, 17(5), 1-9.
- Aragón-Correa, J. A., & Sharma, S. (2013). A contingent resource-based view of proactive corporate environmental strategy. *Academy of Management Review*, 28(1), 71-88.
- Arend, R. J., Patel, P. C., & Park, H. D. (2020). Explaining post-IPO venture performance through a knowledge-based view typology. *Strategic Management Journal*, 35(3), 376-397.
- Assenga, M. P., Aly, D., & Hussainey, K. (2018). The impact of board characteristics on the financial performance of Tanzanian firms. *Corporate Governance: The International Journal of Business in Society*, 3(1), 52-60.

- Bach, S. B., Judge, W. Q., & Dean, T. J. (2018). A knowledge-based view of IPO success: superior knowledge, isolating mechanisms, and the creation of market value. *Journal of Managerial Issues*, 4(1), 507-525.
- Barako, D. G. (2018). Corporate social reporting and board representation: evidence from the Kenyan banking sector. *Journal of Management and Governance*, 12(4), 309-324.
- Barney, J. B., Ketchen Jr, D. J., & Wright, M. (2021). Resource-based theory and the value creation framework. *Journal of Management*, 47(7), 1936-1955.
- Barnhart, S. W., Marr, M. W., & Rosenstein, S. (2017). Firm performance and board composition: Some new evidence. *Managerial and Decision Economics*, 15(4), 329- 340.
- Baysinger, B.D., & Butler, H. N. (2020). Corporate governance and the board of directors: performance effects of changes in board composition. *JLEO*, 1(1), 101-124.
- Bendickson, J., Muldoon, J., Liguori, E., & Davis, P. E. (2016). Agency theory: the times, they are a-changing'. *Management decision*, 54(1), 174-193.
- Bhimani, A. (2008). Making corporate governance count: the fusion of ethics and economic rationality. *Journal of Management & Governance*, 12(2), 135-147.
- Bonn, I., Yoshikawa, T., & Phan, P. H. (2017). Effects of board structure on firm performance: A comparison between Japan and Australia. *Asian Business & Management*, 3(1), 105-125.
- Bosse, D. A., & Phillips, R. A. (2016). Agency theory and bounded self-interest. *Academy of Management Review*, 41(2), 276-297.
- Bourke, J., & Dillon, B. (2018). The diversity and inclusion revolution: Eight powerful truths. *Deloitte Review*, 22(1), 82-95.
- Bozec, R., & Dia, M. (2017). Board structure and firm technical efficiency. Evidence from Canadian state-owned enterprises. *European Journal of Operational Research*, 177(3), 1734-1750.
- Brezavšček, A., Šparl, P., & Žnidaršič, A. (2016). Factors influencing the behavioral intention to use statistical software: The perspective of the Slovenian students of social sciences. *Eurasia Journal of Mathematics, Science and Technology Education*, 13(3), 953-986.
- Brown L., & Caylor M. (2016). Corporate governance and firm valuation. *Journal of Accounting and Public Policy*, 25(1), 904-434.
- Brudney, V. (1985). Corporate governance, agency costs, and the rhetoric of contract. *Columbia Law Review*, 85(7), 1403-1444.
- Brundin, E. & Nordqvist, M. (2018). Beyond facts and figures: the role of emotions in boardroom dynamics. *Corporate Governance: An International Review*, 16 (4), 326-41
- Busolo, E. (2017). The impact of ethnicity board diversity on organizational performance: A case study of AAR group of Companies in Nairobi City County, Kenya. *Journal of Management Research*, 3(2), 713-719.
- Campbell, K., & Minguez-Vera, A. (2018). "Board Diversity and Organizational Resilience: Evidence from Global Corporations." *Journal of Business Research*, 85, 34-45.
- Carter, D.A., D'Souza, F., Simkins, B.J. & Simpson, W.G. (2020). The gender and ethnic diversity of US boards and board committees and firm financial performance. *Corporate Governance: An international Review*, 18(5), 396-414.
- Central Bank of Kenya. (2019). *Bank supervision report*. Nairobi: Kenya.
- Cherutto, C. (2020). Workforce diversity and organizational performance. A Case study of Kenya Tea Development Agency in Nairobi City County, Kenya. *Journal of Management Studies*, 3(1), 55-61.

- Cheshire, Z. C. (2021). & Kinyua, GM (2021). Board expertise diversity as an antecedent for firm performance in the context of Deposit Taking Savings and Credit Co-Operative Societies in Nairobi City County, Kenya. *International Journal of Managerial Studies and Research*, 9(8), 54-64.
- Cohen, W. M., & Levinthal, D. A. (2014). Absorptive capacity: A new perspective on learning and innovation. *Administrative Science Quarterly*, 2(1), 128-152.
- Conner, M., & Norman, P. (2022). Understanding the intention-behavior gap: The role of intention strength. *Frontiers in Psychology*, 13(1), 92-95.
- Connor, T. (2011). The resource-based view of strategy and its value to practicing managers. *Strategic Change*, 11(1), 307-316.
- Canyon, M. J., & He, L. (2017). Firm performance and boardroom gender diversity: A quartile regression approach. *Journal of Business Research*, 79, 198–211. <https://doi.org/10.1016/j.jbusres.2017.02.006>
- Cossin D. (2015, January 9). *Board education*. IMD business school. <https://www.imd.org/research-knowledge/articles/board-education/>
- Dagsson, S., & Larsson, E. (2021). How age diversity on the board of directors affects firm performance. *International Journal of Advanced Research Studies*, 2(1), 57-65.
- Daily, C. M., Dalton, D. R., & Cannella Jr, A. A. (2013). Corporate governance: Decades of dialogue and data. *Academy of Management Review*, 28(3), 371-382.
- Daily, C. M., Dalton, D. R., & Cannella, A. A. (2003). Corporate governance: Decades of dialogue and data. *Academy of Management Review*, 28(3), 371–382. <https://doi.org/10.5465/amr.2003.10196703>
- Deloitte (2016). *Women in the boardroom a global perspective* (5th ed.). Global Centre for Corporate Governance.
- Doldor, E. (2022). *Gender diversity on boards: The appointment process and the role of executive search firms*. EHRC Research Report No. 85, Manchester: Equality and Human Rights Commission.
- Donaldson, L., & Davis, J.H. (2019). Boards and company performance—research challenges the conventional wisdom. *Corporate Governance: An International Review*, 2(3), 65-91.
- Egon Zehnder (2020). *Global Diversity Tracker: Who’s Really on Board?* Egon Zehnder International, Inc. All rights reserved.
- EmadEldeen, R., Elbayoumi, A. F., Basuony, M. A., & Mohamed, E. K. (2021). The effect of the board diversity on firm performance: An empirical study on the UK. *Corporate Ownership and Control*, 18(3), 337-347.
- Equileap. (2019). *Gender Equality in Kenya: Assessing 60 Leading Companies on Workplace Equality*. <https://bit.ly/3jVvx8>
- Erhardt, N., Werbel, J., & Shrader, C. (2020). Board of directors diversity and firm financial performance. *Corporate Governance*, 11(2), 10-17.
- Estélyi, K.S., Nisar, T., 2016. Diverse boards: why do firms get foreign nationals on their boards? *Journal of Corporate Finance*, 3(1), 1-19.
- Ferrero-Ferrero, I., Fernández-Izquierdo, M. Á., & Muñoz-Torres, M. J. (2015). Age diversity: An empirical study in the board of directors. *Cybernetics and Systems*, 46(3-4), 249-270.
- Fiol, C. M. (2001). Revisiting an identity-based view of sustainable competitive advantage. *Journal of Management*, 27(1), 691-699.
- Foss, N. J. (1996). More critical comments on knowledge-based theories of the firm. *Organization Science*, 7(1), 519-523.

- Frerichs, M. W. (2020). *The investment case for board diversity*. Office of the Illinois State Treasurer.
- Frese, M., & Zapf, D. (2021). Action as the core of work psychology: A German approach. *Handbook of Industrial and Organizational Psychology*, 4(2), 271–340.
- Frijns, B., Dodd, O., & Cimerova, H. (2016). The impact of cultural diversity in corporate boards on firm performance. *Journal of Corporate Finance*, 41(1), 521–541. <https://doi.org/10.1016/j.jcorpfin.2016.07.014>
- Gadeyne, N., Darouei, M., Verbruggen, M., Delanoëije, J., & Op de Beeck, S. (2023). Do behavioral intentions matter? A diary study on work-related ICT-use after work hours. *European Journal of Work and Organizational Psychology*, 32(5), 746-759.
- Gafoor, C. A., Mariappan, V., & Thiyagarajan, S. (2018). Career experience of board members and bank performance in India. *IIMB Management Review*, 30(2), 160-167.
- Gall, M. D., Gall, J. P., & Borg, W. R. (2017). *Collecting research data with questionnaires and interviews*. Educational Research: An Introduction. Boston: Pearson Education.
- Gallego-Álvarez, I., & Rodríguez-Dominguez, L. (2020). The influence of gender diversity on corporate performance: La influencia de la diversidad de género en el rendimiento empresarial. *Revista de Contabilidad-Spanish Accounting Review*, 13(1), 53-88.
- Gallego-Álvarez, I., Manuel Prado-Lorenzo, J., & García-Sánchez, I. M. (2017). Corporate social responsibility and innovation: A resource-based theory. *Management Decision*, 49(10), 1709-1727.
- García-Meca, E., García-Sánchez, I.-M., & Martínez-Ferrero, J. (2015). Board diversity and its effects on bank performance: An international analysis. *Journal of Banking & Finance*, 53(1), 202-214.
- Garg, A. K. (2017). Influence of *Board behavioral intentions* on firm performance: A study of Indian companies. *Vikalpa*, 32(3), 39-60.
- Gatehi, G. T., & Nasieku, T. (2022). Effect of board members career experience on Financial Performance of Non-financial Firms Listed at the Nairobi Securities Exchange. *Advanced Journal of Social Science*, 11(1), 1-12.
- Ghuri, P., Grønhaug, K., & Strange, R. (2020). *Research Methods in Business Studies*. England: Cambridge University Press.
- Gibbert, M. (2016). Generalizing about uniqueness: An essay on an apparent paradox in the resource-based view. *Journal of Management Inquiry*, 15(1), 124-134.
- Gichuki, F. G. (2023). Nexus between water sector reforms and financial performance: a case of water and sewerage companies in Nyeri County, Kenya. *International Academic Journal of Innovation, Leadership and Entrepreneurship*, 2(4), 1-27.
- Gomez-Mejia, L. R., & Palich, L. E. (2017). Ethnic diversity and the performance of multinational firms. *Journal of International Business Studies*, 28(2), 309-335.
- Gordini, N., & Rancati, E. (2017). Gender diversity in the Italian boardroom and firm financial performance. *Management Research Review*, 40(1), 75-94. 10.1108/MRR-02-2016-0039.
- Gowrishankar, K.L., Kanagaraj, N. & Krishnan, S.G. (2017). Work-experience diversity of the workforce and employees' performance-A descriptive study. *International Journal of Marketing & Financial Management*, 5(10), 1-11.
- Grant, R. M. (1996). Toward a knowledge-based theory of the firm. *Strategic Management Journal*, 17(2), 109-122.

- Gull, A. A., Nekhili, M., Nagati, H., & Chtioui, T. (2018). Beyond gender diversity: How specific attributes of female directors affect earnings management? *The British Accounting Review*, 50(3), 255–274. <https://doi.org/10.1016/j.bar.2017.09.001>
- Gupta, A., & Gupta, N. (2022). *Research methodology*. New Delhi: SBPD Publications.
- Gyapong, E., Monem, R. M., & Hu, F. (2016). Do women and ethnic minority directors influence firm value? Evidence from post-apartheid South Africa. *Journal of Business Finance & Accounting*, 43(3–4), 370–413. <https://doi.org/10.1111/jbfa.12175>
- Hafsi, T., & Turgut, G. (2013). Boardroom diversity and its effect on social performance: Conceptualization and empirical evidence. *Journal of Business Ethics*, 112(3), 463–479. <https://doi.org/10.1007/s10551-012-1272-z>
- Hambrick, D. C., & Mason, P. A. (1984). Upper echelon theory: the organization as reflection of top managers. *Academy of Management*, 4(1), 193–343.
- Harjoto, M. A., Laksmana, I., & Yang, Y. W. (2019). Board nationality and educational background diversity and corporate social performance. *Corporate Governance*, 19(2), 217–239. <https://doi.org/10.1108/CG-04-2018-0138>
- Harjoto, M. A., Laksmana, I., & Yang, Y. W. (2019). Board nationality and educational background diversity and corporate social performance. *Corporate Governance: The International Journal of Business in Society*, 19(2), 217–239.
- Hassan, R., Marimuthu, M., & Johl, S. K. (2015). Diversity, corporate governance and implication on firm financial performance. *Global Business and Management Research: An International Journal*, 7(2), 28–36. Retrieved from [https://www.academia.edu/12826470/Diversity\\_Corporate\\_Governance\\_and\\_Implication\\_on\\_Firm\\_Financial\\_Performance](https://www.academia.edu/12826470/Diversity_Corporate_Governance_and_Implication_on_Firm_Financial_Performance)
- Heracleous, L., & Lan, L. L. (2022). Agency theory, institutional sensitivity, and inductive reasoning: Towards a legal perspective. *Journal of Management Studies*, 49(1), 223–239.
- Hsu, C.-S., Lai, W.-H., & Yen, S.-H. (2019). Boardroom diversity and operating performance: The moderating effect of strategic change. *Emerging Markets Finance and Trade*, 55(11), 2448–2472. <https://doi.org/10.1080/1540496X.2018.1519414>
- Hyndman, R. (2019). *Quantitative business research methods*. New York: Houghton Mifflin Company.
- Igwenagu, C. (2016). *Fundamentals of Research Methodology and Data Collection*. United States of America: LAP Lambert Academic Publishing.
- Ilaboya, J., & Ashafoke, T. (2017). Board diversity and firm performance in Kenya. *International Journal of Management, Accounting and Economics*, 3(3), 1002–1019.
- Jensen, M. C., & Meckling, W. H. (1979). Rights and production functions: An application to labor-managed firms and codetermination. *Journal of Business*, 3(1), 469–506.
- Kabuye, F., Kato, J., Akugizibwe, I., & Bugambiro, N. (2019). Internal control systems, working capital management and financial performance of supermarkets. *Cogent Business & Management*, 3(2), 44–51.
- Kagzi, M., & Guha, M. (2018). Does board demographic diversity influence firm performance? Evidence from Indian-knowledge intensive firms. *Benchmarking: An International Journal*, 25(2), 1028–1058. <https://doi.org/10.1108/BIJ-07-2017-0203>



- Kajola Sunday, O., Onaolapo Adekunle, A., & Adelowotan Michael, O. (2017). The effect of *Board Behavioral intentions* on organizational performance of Nigerian listed firms. *Nigerian Journal of Management Sciences*, 6(1), 44-51.
- Kanakriyah, R. (2021). The impact of education level of board members on firm performance: a case study in Jordan. *The Journal of Asian Finance, Economics and Business*, 8(3), 341-350.
- Kang, E., Ding, D. K., & Charoenwong, C. (2018). Investor reaction to women directors. *Journal of Business Research*, 63(1), 888-894.
- Kang, H., Cheng, M., & Gray, J. 2017. Corporate governance and board composition: diversity and independence of Australian boards. *Corporate Governance: An Interview Review*, 15(2), 194-207.
- Kanyutu, E. (2021). Effect of board gender diversity on organization performance.a critical literature review. *International Journal of Leadership and Governance*, 1(1), 35-45.
- Karani, F. (2020). Influence of strategic water management practices on reliable water supply in Kenya: A case of Nanyuki Water and Sewerage company. *Journal of Management*, 3(1), 23-30.
- Karimi, J.M.N., & Busolo, E. (2019). Influence of career experience diversity on organizational performance: A case study of AAR Group. *The University Journal*, 1 (3), 57-68.
- Kaupila, O. P. (2015). Alliance management capability and firm performance: Using resource-based theory to look inside the process black box. *Long Range Planning*, 48(3), 151-167.
- Kenani, I. M., & Bett, S. (2018). Education level of board members and performance of savings and credit cooperative societies in Kisii county, Kenya. *International Academic Journal of Human Resource and Business Administration*, 3(4), 101-123.
- Kerga, A. B., & Asefa, A. (2018). The effect of work experience diversity on organizational performance (The Case of Ethio-Telecom South West Addis Ababa Zone). *Asian Journal of Economics, Business and Accounting*, 2(1), 1-27.
- Khanna, A., Ashwini, Y., & Varghese, J. (2021). Ethnic board diversity and organizational performance: a study of IT industries in Bangalore. *Marketing*, 13(3), 33-41.
- KIM Board Diversity & Inclusion Report (2021). *Board diversity report 2021*. Available at <https://www.kim.ac.ke/img/kbdr.pdf>
- Kim, D., & Starks, L. T. (2016). Gender diversity on corporate boards: Do women contribute unique skills? *American Economic Review*, 106(5), 267-271. <https://doi.org/10.1257/aer.p20161032>
- Kim, H., & Lim, C. (2010). Diversity, outside directors and firm valuation: Korean evidence. *Journal of Business Research*, 63(3), 284-291. <https://doi.org/10.1016/j.jbusres.2009.01.013>
- Kim, H., & Lim, C. (2020). Diversity, outside directors and firm valuation: Korean evidence. *Journal of Business Research*, 63(3), 284-291.
- Kipkirong Tarus, D., & Aime, F. (2014). Board demographic diversity, firm performance and strategic change: A test of moderation. *Management Research Review*, 37(12), 1110–1136. <https://doi.org/10.1108/MRR-03-2013-0056>
- Kiratu, A. M., & Moronge, M. (2016). Influence of board behavioral intentions on organizational performance in Kenya: A case of agricultural state corporations. *Journal of Business & Change Management*, 3(2), 53-61.
- Kirop, R. J., & Wanjere, D. (2017). Effects of work experience diversity on organizational performance of Elgeyo Marakwet County, Kenya. *International Journal of Multidisciplinary and Current Research* ,5(2), 1-13.

- Kochan, T., Joshi, A., & Thomas, D. (2022). The effects of diversity on business performance: report of diversity research work. *Journal of Human Resource Management*, 42(1), 3-21.
- Konrad, A. M., Kramer, V., & Erkut, S. (2008). Critical mass: The impact of three or more women on corporate boards. *Organizational Dynamics*, 37(2), 145-164. <https://doi.org/10.1016/j.orgdyn.2008.02.005>
- Kumar, R. (2018). *Research Methodology: A Step-by-Step Guide for Beginners*. New York: Sage.
- Kumari, S. S. (2018). Multicollinearity: Estimation and Elimination. *Journal of Contemporary Research in Management*, 3(1), 87-95.
- Kundu, S. C., & Mor, A. (2017). Workforce diversity and organizational performance: a study of IT industry in India. *Employee Relations*, 39(2), 160-183.
- Kuzman, T., Talavera, O., & Bellos, S. K. (2018). Politically induced board turnover, ownership arrangements, and performance of SOEs. *Corporate Governance: An International Review*, 26(3), 160-179.
- Letting', N., Aosa, E., & Machuki, V. (2022). Board diversity and performance of Companies listed in Nairobi Stock Exchange. *International Journal of Humanities and Social Science*, 2(1), 172-182.
- Li, N., & Wahid, A. S. (2018). Director tenure diversity and board monitoring effectiveness. *Contemporary Accounting Research*, 35(3), 1363-1394.
- Liu, Y., Wei, Z., & Xie, F. (2014). Do women directors improve firm performance in China? *Journal of Corporate Finance*, 28(1), 169-184. <https://doi.org/10.1016/j.jcorpfin.2013.11.016>
- Lockett, A., Thompson, S., & Morgenstern, U. (2009). The development of the resource-based view of the firm: A critical appraisal. *International Journal of Management Reviews*, 11(1), 928.
- Loukil, N. Yousfi O. Does gender diversity on corporate boards increase risk-taking? *Can. J. Adm. Sci.*, 33 (2016), pp. 66-81 [10.1002/cjas.1326](https://doi.org/10.1002/cjas.1326)
- Lu, L. Y., & Liu, J. S. (2018). An innovative approach to identify the knowledge diffusion path: the case of resource-based theory. *Scientometrics*, 94(1), 225-246.
- Lückerath-Rovers, M., & Bos, A. D. (2011). Code of conduct for non-executive and supervisory directors. *Journal of Business Ethics*, 100(3), 465–481. <https://doi.org/10.1007/s10551-010-0691-y>
- Lynall, M.D., Golden, B.R., & Hillman, A.J. (2021). Board composition from adolescence to maturity: a multitheoretic view. *Academy of Management Review*, 28(3), 416-431.
- Mahadeo, J. D., Soobaroyen, T., & Hanuman, V. O. (2021). Board composition and financial performance: Uncovering the effects of diversity in an emerging economy. *Journal of Business Ethics*, 105(3), 375-388.
- Makhdoomi, U. M., & Nika, F. A. (2018). Workforce diversity and organizational performance-A review. *Int J Enhanc Res Manag Computer Appl*, 7(3), 571-576.
- Mangal, S. K., & Mangal, S. (2019). *Research Methodology in Behavioral Sciences*. UK: PHI Learning Pvt. Ltd.
- Manyaga, F., & Taha, A. (2020). *Board diversity in Ugandan Firms*. Available at: <https://doi.org/10.36096/brfb.v2i1.160>
- Mazikana, A. T. (2023). The effect of board expertise diversity on organizational performance of Insurance Companies in Zimbabwe: a Case of First Mutual Holdings Limited. *International Journal of Business Studies*, 2(2), 66-72.
- Miller, D. (2013). An asymmetry-based view of advantage: Towards an attainable sustainability. *Strategic Management Journal*, 24(1), 961-976.

- Ministry of Water and Irrigation (2023). *The National Water Services Strategy (NWSS)*. <https://waterfund.go.ke/watersource/Downloads/National%20Water%20Services%20Strategy%20Draft.pdf> Retrieved 3 March 2010
- Miroro, I., & Kalui, F.M. (2023). Factors affecting financial performance of water service providers. A case of public water companies in Kenya. *IOSR Journal of Economics and Finance (IOSR-JEF)*, 9(6), 31-37.
- Mitton, T. (2022). A cross-firm analysis of the impact of corporate governance on the east Asian Financial Crisis. *Journal of Financial Economics*, 64 (2), 215-241.
- Molina-Azorín, J. F. (2020). Micro foundations of strategic management: Toward micro-macro research in the resource-based theory. *BRQ Business Research Quarterly*, 17(2), 102-114.
- Mukyala, V. (2021). A comparative study of gender diversity on firm value between companies listed on the Nairobi and Uganda Securities Exchange. *Eastern Journal of Economics and Finance*, 6(1), 15-25.
- Mulu, A., & Zewdie, S. (2021). The effect of ethnic board diversity on organizational performance: The case of ethio-telecom south west region. *European Journal of Business and Management Research*, 6(2), 134-139.
- Mulwa, J. K. (2023). Strategic responses of Nairobi Water And Sewerage Company to challenges of supplying Water to informal settlements in Nairobi. *Journal of Management*, 3(1), 31-40.
- Mumba, B. (2017). Board gender diversity and firm performance: An empirical analysis of panel data from companies listed on the Lusaka Stock Exchange. *International Journal of Business Management*, 3(1), 22-27.
- Mumba, B., & Kazonga, E. (2021). Corporate governance and firm performance in state-owned enterprises (SOEs) in Zambia: A systematic review. *Journal of Corporate Governance Research*, 5(1), 67-71.
- Mutero, R.N. (2022). *Kenya: Why a diverse board is important for your business*. Available at <https://www.mondaq.com/diversity-equity--inclusion/1207238/why-a-diverse-board-is-important-for-your-business>
- Mwai, J., Nyole, D., Abdi, M., Ahmed, I., Mutai, J., Kaduka, L., & Omogi, J. (2022). Assessment of water, sanitation and hygiene practices for prevention and control of COVID-19 in Kenya. *International Health*, 14(6), 597-603.
- Mwilu, H., & Njuguna, R. (2020). Board ascriptive diversity and performance of selected Savings and Credit Cooperative Societies in Nairobi City County, Kenya. *Business Review*, 3(1), 33-40.
- Nassar, J. (2016). The impact of capital structure on Financial Performance of the firms: Evidence form Borsa Istanbul. *Journal of Business & Financial Affairs*, 5(2), 57-63.
- Nielsen, S. (2010). A review of theories and methodologies. Top management team diversity. *Journal of Business Research*, 2(1), 301-316.
- Nilakant, V., & Rao, H. (2020). Agency theory and uncertainty in organizations: An evaluation. *Organization Studies*, 15(5), 649-672.
- Norwani, N. M., Mohamad, Z. Z., & Chek, I. T. (2021). Corporate governance failure and its impact on financial reporting within selected companies. *International Journal of Business and Social Science*, 2(21), 205-213.
- Novikov, A. M., & Novikov, D. A. (2019). *Research Methodology: From Philosophy of Science to Research Design* (Vol. 2). Abingdon: CRC Press.
- Ntim, C. G. (2015). Board diversity and organizational valuation: Unraveling the effects of ethnicity and gender. *Journal of Management and Governance*, 19(1), 167–195.

- Omar, A. S. B., & Addrucce, S. (2019). Association between behavioral intentions and knowledge sharing; are demographics influential\*. *IEEE-SEM*, 7(6), 344-351.
- Omoye, S. A., & Eriki, P. O. (2021). Diversity in board age and firm performance: An empirical investigation of selected quoted firms in Nigeria. *African Journal of Social Sciences*, 3(4), 35-45.
- Omwenga, J. O. (2017). The effect of corporate governance on financial performance of large tier savings and credit cooperative societies in Kenya. *Havard Review*, 2(2), 31-38.
- O'Reilly, J., & Williams, M. (2018). *Accent on achievement: A comprehensive band method that develops creativity and musicianship: Flute, Book 2*. Alfred Music Publishing.
- Osterloh, M., & Frey, B. S. (2017). Motivation, knowledge transfer, and organizational forms. *Organization Science*, 11(5), 538-550.
- Owalo, M., Ndede, F., & Atheru, G. (2021). Board expertise diversity and financial performance of deposit-taking Savings and Credit Co-operative Societies in Nairobi County, Kenya. *Journal of Accounting and Finance in Emerging Economies*, 7(4), 991-1001.
- Ozdemir, A. (2020). Board diversity and firm performance in the US Tourism Sector: The effect of institutional ownership. *International Journal of Hospitality Management*, 91(1), 102-107.
- Palomo-Zurdo, R., & Gutiérrez-Fernández, M. (2017). The gender issue at the boards of directors of co-operative banks. *CIRIEC-Esp Rev. Econ. Publica Soc. Coop.*, 89(1), 137 -166.
- Panda, B., & Leepsa, N. M. (2017). Agency theory: Review of theory and evidence on problems and perspectives. *Indian Journal of Corporate Governance*, 10(1), 74-95.
- Pandey, P., & Pandey, M. M. (2021). *Research methodology tools and techniques*. UK: PHI Learning Pvt. Ltd.
- Para-González, L., Jiménez-Jiménez, D., & Martínez-Lorente, A. R. (2018). Exploring the mediating effects between transformational leadership and organizational performance. *Employee Relations*, 40(2), 412-432.
- Pascal, D., Mersland, R., & Mori, N. (2017). The influence of the CEO's business education on the performance of hybrid organizations: The case of the global microfinance industry. *Small Business Economics*, 49(2), 339-354.
- Patten, M. L., & Newhart, M. (2017). *Understanding Research Methods: An Overview of the Essentials*. New York: Sage.
- Pieterse, A. N., van Knippenberg, D., & van Dierendonck, D. (2013). Cultural diversity and team performance: The role of team member goal orientation. *Academy of Management Journal*, 56(3), 782–804.
- Pitts, D., & Jarry, E. (2017). Ethnic diversity and organizational performance: Assessing diversity effects at the managerial and street levels. *International Public Management Journal*, 10(2), 233-254.
- Post, C., & Byron, K. (2015). Women on boards and firm financial performance: A meta-analysis. *Acad. Manag. J.*, 2(1), 2015-2021.
- Post, C., & Byron, K. (2015). Women on boards and firm financial performance: A metaanalysis. *Academy of Management Journal*, 58(5), 1546-1571.
- Priem, R. L., & Butler, J. E. (2017). Tautology in the resource-based view and the implications of externally determined resource value: Further comments. *Academy of Management Review*, 26 (1), 1014-1017.
- Qadri, U. A., Ghani, M. B. A., & Sheikh, M. A. (2020). Role of corporate identity, image and reputation in investors' behavioral decision making: Does emotional attachment matter?. *Pakistan Journal of Commerce and Social Sciences (PJCSS)*, 14(1), 120-142.

- Ramdani, D., & Witteloostuijn, A. V. (2020). The impact of board independence and CEO duality on firm performance: A quantile regression analysis for Indonesia, Malaysia, South Korea and Thailand. *British Journal of Management*, 21(1), 607–627.
- Recadina, W., & Dr. Ouma, C. (2017). Effects of board diversity on performance of non government organizations in Nairobi Kenya. *International Journal of Innovative Research and Development*, 3(1), 133-140.
- Reguera-Alvarado, N., & Bravo, F. (2017). The effect of independent directors' characteristics on firm performance: Tenure and multiple directorship. *Research in International Business and Finance*, 41(1), 590-599.
- Renee, B.A., & De Haan, T.V. (2015). Board diversity : moving the field forward. *Journal of Management Research*, 3(1), 127-133.
- Roberts, L., & Alvarez, S. (2018). "Ethnic Diversity on Corporate Boards: Implications for Governance and Sustainability." *Strategic Management Journal*, 39(13), 354-372.
- Rono A. (2018). Effects of board structure on organization performance of all the listed organizations in the Nairobi Securities Exchange. *Journal of Business Research*, 2(1), 97-103.
- Rosenstein, S., & Wyatt, J. G. (2020). Outside directors, board independence, and shareholder wealth. *Journal of Financial Economics*, 26(1), 175-192.
- Ruigrok, W., Peck, S., & Tacheva, S. (2007). Nationality and gender diversity on Swiss corporate boards. *Corporate Governance: An International Review*, 15(4), 546–557. <https://doi.org/10.1111/j.1467-8683.2007.00587>.
- Rumelt, R. P. (2015). How much does industry matter? *Strategic Management Journal*, 12(3), 167-185.
- Saad-Alessa, G. (2021). The dimensions of transformational leadership and its organizational effects in public universities in Saudi Arabia: A systematic review. *Frontiers in Psychology*, 12(1), 682092.
- Sangwa, N. R., & Sangwan, K. S. (2018). Development of an integrated performance measurement framework for lean organizations. *Journal of Manufacturing Technology Management*, 29(1), 41-84.
- Schellenger, M., Wood, D., & Tashakori, A., (2019). Board of director composition, shareholder wealth, and dividend policy. *Journal of Management*, 15 (3), 457-467.
- Scheppink, A. A. J. (2018). Board gender diversity and firm performance: The effect of National Culture. *Journal of Business and Management*, 2(2), 27-33.
- Scholtz, H., & Kieviet, S. (2018). The influence of board ascriptive diversity on company performance of South African companies. *Journal of African Business*, 19(1), 105-123.
- Seddon, P. B. (2020). Implications for strategic IS research of the resource-based theory of the firm: A reflection. *The Journal of Strategic Information Systems*, 23(4), 257-269.
- Singh, H., & Harianto, F. (2019). Management-board relationships, takeover risk, and the adoption of golden parachutes. *The Academy of Management Journal*, 32(1), 7-24.
- Singh, H., & Harianto, F.. (2017). Management-board relationships, takeover risk, and the adoption of golden parachutes. *The Academy of Management Journal*, 32(1), 7-24.
- Smith, N., Smith, V., & Verner, M. (2006). Do women in top management affect firm performance? A panel study of 2,500 Danish firms. *International Journal of Productivity & Performance Management*, 55(7), 569–593. <https://doi.org/10.1108/17410400610702160> 92.

- Söderlind, J., & Geschwind, L. (2019). Making sense of academic work: The influence of performance measurement in Swedish universities. *Policy Reviews in Higher Education*, 3(1), 75-93.
- Solakoglu, M. N., & Demir, N. (2016). The role of firm characteristics on the relationship between gender diversity and firm performance. *Management Decision*, 54(6), 1407–1419. <https://doi.org/10.1108/MD-02-2015-0075>
- Song, H. J., Yoon, Y. N., & Kang, K. H. (2020). The relationship between board diversity and firm performance in the Lodging Industry: The moderating role of Internalization. *International Journal of Hospitality Management*, 86(1), 100-105.
- Sowmya, K. R., & Panchanatham, N. (2021). Organizational politics-behavioral intention of bank employees. *The Journal of Commerce*, 3(1), 8-13.
- Stinchcombe, A. L. (2017). *On equilibrium, organizational form, and competitive strategy*. In *economics meets sociology in strategic management*. United Kingdom: Emerald Group Publishing Limited.
- Sveiby, K. E. (2001). A knowledge-based theory of the firm to guide in strategy formulation. *Journal of Intellectual Capital*, 3(1), 47-53.
- Szulanski, G. (2017). *Sticky knowledge-barriers to knowing in the firm*. London: Sage Publications Ltd.
- Taouab, O., & Issor, Z. (2019). Firm performance: Definition and measurement models. *European Scientific Journal*, 15(1), 93-106.
- Torlak, N. G., & Kuzey, C. (2019). Leadership, job satisfaction and performance links in private education institutes of Pakistan. *International Journal of Productivity and Performance Management*, 68(2), 276-295.
- Tsene, C. (2017). Corporate governance and board of directors in Greek Listed Companies. *Corporate Board: Role, Duties & Composition*, 13(2), 57-65.
- Tsou, M.W., & Yang, C.H. (2019). Does gender structure affect firm productivity? Evidence from China. *China Economic Review*, 55(1), 19-36. <https://doi.org/10.1016/j.chieco.2019.03.00>
- Tulung, J.E.D., & Dendi, R. (2016). The influence of top management team characteristics on BPD Performance. *International Research Journal of Business Studies*, 8 (3), 155-166.
- Ueng, C. J. (2016). The analysis of corporate governance policy and corporate financial performance. *Journal of Economics and Finance*, 40(1), 514-523.
- Ujunwa, A. (2022). Board characteristics and the financial performance of Nigerian quoted firms. *Corporate Governance: The International Journal of Business in Society*, 12(5), 656-674.
- Usendok, I. G. (2022). Board behavioral intentions and Organizational Performance: A Study of Selected Banks in Nigeria. *International Journal of Business and Management Review*, 10(4), 59-74.
- Vafaei, A., Ahmed, K., & Mather, P. (2022). Board ascriptive diversity and financial performance in the top 500 Australian firms. *Australian Accounting Review*, 25(4), 413-427.
- Walliman, N. (2017). *Research methods: The basics*. Abingdon: Routledge.
- Wan, W. P., Hoskisson, R. E., Short, J. C., & Yiu, D. W. (2021). Resource-based theory and corporate diversification: Accomplishments and opportunities. *Journal of management*, 37(5), 1335-1368.
- Wang, C. J. (2022). Exploring the mechanisms linking transformational leadership, perceived organizational support, creativity, and performance in Hospitality: The mediating role of affective organizational commitment. *Behavioral Sciences*, 12(10), 406-411.

- Wang, M.-J., Su, X.-Q., Wang, H.-D., & Chen, Y.-S. (2017). Directors' education and corporate liquidity: Evidence from boards in Taiwan. *Review of Quantitative Finance and Accounting*, 49, 463–485. <https://doi.org/10.1007/s11156-016-0597-6>
- Warnier, V., Weppe, X., & Lecocq, X. (2023). Extending resource-based theory: considering strategic, ordinary and junk resources. *Management Decision*, 51(7), 1359-1379.
- Webb, T.L., & Sheeran, P. (2020). Does changing behavioral intentions engender behavior change? A meta-analysis of the experimental evidence. *Psychol Bull*, 132(2), 249-259.
- Webi, R. Y. (2017). Effects of board diversity on performance of Non-Governmental Organizations in Nairobi County, Kenya. *Journal of Academic Review*, 3(1), 63-67.
- Williams, K., & O'Reilly, C. (2018). "Board Diversity and Innovation: The Silicon Valley Experience." *Strategic Management Journal*, 40(8), 1146-1160.
- Williamson, O. E., & Winter, S. G. (Eds.). 1991. *The nature of the firm: Origins, evolution, and development*. New York: Oxford University Press.
- Wirtz, P., & Powell, G. (2017). "Board Diversity and Ethical Governance: A Global Perspective." *Journal of Business Ethics*, 144(2), 265-280.
- Yabs, J. K. (2018). Efficiency of water providing firms in Kenya: A case of Nairobi Water and Sewerage Company Limited. *AJBUMA Journal*, 4(1), 67-73.
- ZacharyBolo, A., Muchemi, A. W., & Ogutu, M. (2011). Diversity in the top management teams and effects on corporate performance . *Business Administration and Management*, 3(1), 82-92.
- Zack, M. (2020). Rethinking the knowledge-based organization. *Sloan Management Review*, 44(4), 67-71.
- Zaid, M.A., Wang, M., Adib, M., Sahyouni, A., & Abuhijleh, S. T. (2020). Boardroom nationality and gender diversity: Implications for corporate sustainability performance. *Journal of Cleaner Production*, 251(1), 119-125.
- Zhou, Y., Li, X., & Wijaya, T. T. (2022). Determinants of behavioral intention and use of interactive whiteboard by K-12 teachers in remote and rural areas. *Frontiers in Psychology*, 13(1), 93-104.