Effect of Age Diversity of Board Members on Performance of Non-Governmental Organizations in Kenya

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Abstract: The purpose of the study was to establish effect of age diversity of board members on performance of non-governmental organizations in Kenya. The scope of the study covered both local and international NGOs in Nairobi County. The Directory of Development Organizations identified that 702 NGOs are registered in Nairobi, Kenya. The study employed a descriptive research design and adopted questionnaires as its data collection tool. A sample of 84 respondents was targeted.

The findings established that age diversity of the board members in their organizations was of low consideration shown by a mean of 2.8438 for and a standard deviation of 0.51490. Age diversity in boards positively impacts social performance as indicated by the mean of 3.3125 with a standard deviation of 0.73780 showing no much variance of the responses given from the mean response calculated. Age diversity in board members improves the overall level of knowledge of the organization at the age level (mean = 3.4688; std. dev. = 0.76134). Age diversity in board members broadened the debate within boards and helped to avoid the danger of narrow group thinking as indicated by a mean of 3.7812 with a standard deviation of 1.12836

In conclusion, regression and correlation analysis showed that indeed there was a relationship between age diversity and organizational performance (increase in; donations, project management and supervision, varied activities and employee workforce). The study recommends that the board composition should incorporate varied age groups.

Keywords: Age, Board, Diversity, Effects, Performance, Non-Governmental, Organizations.

LIST OF ABBREVIATIONS:

CSR	Corporate Social Responsibility	PBO	Public Benefit Organization
IRS	Internal Revenue Service	RDT	Resource Dependency Theory
MFI	Micro Finance Institution	SEC	Securities and Exchange Commission
NGO	Non-Governmental Organization	SORP	Statement of Recommended Practice
NPO	Non Profit Organizations	YMCA	Young Men's Christian Association
NSE	Nairobi Stock Exchange		

1. INTRODUCTION

1.1 BACKGROUND OF THE STUDY:

According to James G. March& Robert I. Sutton (1997), most studies of organizational performance define performance as a dependent variable and seek to identify variables that produce variations in performance. Researchers who study organizational performance in this way typically devote little attention to the complications of using such a formulation to

characterize the causal structure of performance phenomena. These complications include the ways in which performance advantage is competitively unstable, the causal complexity surrounding performance, and the limitations of using data based on retrospective recall of informants. James et al (1997), asserted that since these complications are well-known and routinely taught, a pattern of acknowledging the difficulties but continuing the practice cannot be attributed exclusively to poor training lack of intelligence, or low standards. Most researchers understand the difficulties of inferring causal order from the correlations generated by organizational histories, particularly when those correlations may be implicit in the measurement procedures used. We suggest that the persistence of this pattern is due, in part, to the context of organizational research.

An executive board is the supreme governing body of a non-governmental organization (NGO). Its decisions determine the organization's direction and policies, and eventually its impact on the people it serves. Board membership is therefore vitally important. Almost all NGOs recognize that diversity and inclusion are key values. However, the board membership does not appear to reflect this. Too many are demographically and ideologically homogeneous, and reproduce established gender, class and ethnic hierarchies. Too few adequately reflect the experience and diversity of those they seek to serve. Diversity is not about quotas but fair representation (Fairouz El Tom, 2013).

Clearly, men can individually contest the unequal status of women. Individuals of European origin can oppose the exclusion and marginalization that many people of different ethnic origins experience. And highly educated persons can choose to figure out how the world appears to those with little or no education. Nevertheless, governance systems that primarily rely on personal empathy and imagination are fundamentally unsatisfactory. The truth is that, where governing bodies have a different social composition from the populations they seek to serve, they will imperfectly understand those populations and will not represent them or their interests adequately, and their decision-making will suffer as a result (Fairouz El Tom, 2013).

The size of boards of directors have been claimed to be an important influence on the performance of large firms. For many firms the role of boards' acts more as a substitute for the development of internal staff and management skills, indicating that for large firms' directors chiefly supports the control role of Chief Executive Officer. In light of advancement, the purpose of this paper is to clarify role of board size on performance of commercial banks. The age of directors matters in terms of performance. The directors with advanced age within the organization have experience more than that who has few years within the organization. According to Houle (1997, p. 6), board of directors within an organized group of people with the authority collectively to control and foster an institution that is usually administered by a qualified executive and staff matters a lot when it is verified against performance. The discussions on the effects of age diversity on organizational performance have continued to rage on amongst scholars, practitioners and policy makers.

According to Pfeffer, (1983) age diversity refers to the composition of the board in terms of basic attributes such as education, age, gender, size and tenure, among other demographic characteristics. In more recent studies, board member's diversity is viewed not only from demographic attributes, but also from deeper-level attributes such as personality traits (Walker, Machold & Ahmed, 2015).

This research paper explored the impact of diverse ages on organizational performance. Various studies (Aggarwal, Evans& Nanda, 2012; Arshad, Abu Bakar, Thani, &Omar, 2013; Brown, 2002,2005; Callen, Klein & Tinkelman, 2010; Hassan & Farouk, 2014; Letting', Aosa & Machuki, 2012; Mori, Golesorkhi, Randøy & Hermes, 2015;Siciliano, 1996 and Wanyama & Olweny, 2013) revealed existence of correlation between board demographic attributes and organizational performance.

The global financial crisis of 2008/2009 made many funding agencies to cut down their grant disbursements to Non-Governmental Organizations (NGOs). Leach-Kemon, et al. (2012), found that the global financial crisis had slowed down the revenue growth in the NGOs health sector. This reduction was experienced in all sectors and was even worse in non-health sectors. In the wake of the 'funding crisis' NGOs are continually required to find innovative ways to raise funds, as such, evidence on the effects of board's diversity on performance (especially income and donations growth) is critical for the many struggling NGOs.

The Public Benefits Organizations (PBOs) Act of 2013 regulates the registration and conduct of Non Profit Organizations (NPOs) in Kenya. Bottiglieri, Kroleski & Conway (2011) defines NGOs as charities and other voluntary organizations

formed to further cultural or public service objectives. These organizations are supported by grants from funding agencies, public donations, and contracts with governments, among others (Arshad et al., 2013). The terms PBOs, NPOs, NGOs and charities can be used interchangeably. In the next couple of paragraphs findings from other scholars on age diversity and organizational performance are introduced.

Their results infer that an optimum board mix is essential to ensure efficient resource strategy and thereby improved accountability by NGOs. On the other hand, Siciliano, (1996) carried out a study on the effects of age, occupational and gender diversity on organizational performance. Siciliano, (1996) used data from Young Men's Christian Associations (YMCA) located in the United States (US); her results showed that fundraising and social performance were higher with the occupational diversity of board members.

Other scholars, Ferrero-Ferrero, Fernandez-Izquierdo & Munoz-Torres, (2015) investigated the effects of age diversity on corporate performance whereas, Callen et al., (2010) studied the contextual impact of age diversity on performance, focusing on gender, size, professional qualification and professional connections of board members.

Studies have shown that diversity in board composition is a means of improving organizational performance (Letting' et al., 2012 and Siciliano, 1996), this is because it provides the board with broad views and perspectives. Kinyua-Njuguna, Munyoki & Kibera (2014), noted that very few local studies have been carried out in Kenya relating to performance of NGOs. Further Cornforth, (2012) points out that another limitation is that much of the research that has been conducted on the governance of NGOs is often focused on quite restricted populations of organizations and is limited in geographical coverage or field of activity.

Miller-Millesen (2003), referring to (Alexander & Weiner, 1998, p. 223) noted that although it has been argued "that the adoption of structures and practices from the for-profit sector is neither a feasible nor even a desirable solution to problems facing many non-profit organizations" she would go ahead and use the literature from the for-profit sector in understanding the behavior of NGOs board of directors. Miller-Millesen (2003), explained that, this would offer researchers the opportunity to benefit from the knowledge that had been built in two distinct academic communities, thereby enhancing understanding of the issues that face all boards today. Following Miller-Millesen (2003), and due to the limited literature available on age diversity and performance of NGOs (Cornforth, 2012 and Kinyua-Njuguna *et al.,* 2014), this paper has also reviewed literature relating to the for-profit sector. Mori et al., (2015) conducted a study investigating the effects of board compositions on outreach performance of Micro Finance Institutions (MFIs) in Eastern Africa. Mori et al. (2015) focused on the effects of independent board members, international board members, gender and founding board member's diversity on social performance.

A study that examined the effects of board diversity attributes of age, gender, educational qualifications and study specialization on financial performance of forty Kenyan companies by Letting' et al. (2012), found that there was statistically no significant effect of board diversity on financial performance except for the independent effect of study specialization on dividend yield. The table below summarizes the some of the previously quoted references relating to age diversity and organizational performance.

How to measure performance in NGOs continues to excite interest among academics, but despite the tremendous intellectual interest, little consensus has emerged as to what are the best measures of performance in NGOs (Boateng, Akamavi, & Ndoro, 2016). It has been noted by many scholars that non-profit boards face a more complex and heterogeneous set-of goals than their for-profit counterparts; in practice many non-profits have more complex governance structures with boards operating at different levels (Cornforth, 2012; Calen *et al*., 2010 and Miller-Millesen, 2003). In his classic work, Drucker (1995) explains that non-profits tend not to give priority to performance and results, yet performance and results are far more important and difficult to measure for non-profits than for business organizations whose performance is determined by profits. He explains that the first question the leaders of a non-profit organization must answer is how the performance of the organization will be measured.

Kendall & Knapp, (2000) investigated the measures of performance in NGOs and came up with eight domains of performance i.e. economy, effectiveness, efficiency, choice, participation, equity, innovation and advocacy. Boateng et al., (2016) on the other hand, used a hybrid methodological approach which consisted of fourteen exploratory interviews

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and a quantitative survey of one hundred and five chief executive officers in Britain that came up with five broad measures of performance for NGOs.
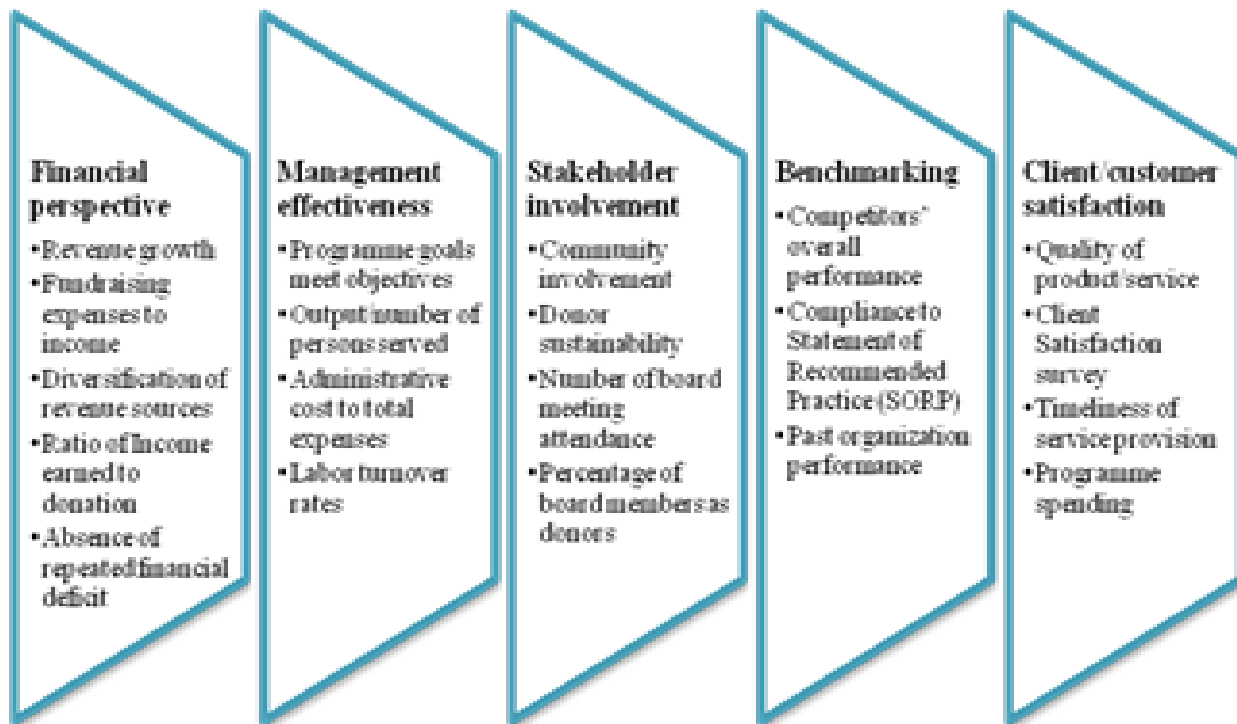
Figure 1: Five broad measures of performance (Boateng et al., 2016)

Aldrich (2009), points out that measuring fundraising effectiveness properly is critical to organizations on two fronts, from a financial stewardship perspective NGOs need to ensure that their fundraising is as efficient as possible and two from a public relations perspective they need to be able to demonstrate this to donors and other stakeholders.

Despite the numerous performance measurement methods developed by various scholars (Aldrich, 2009; Boateng *et al.,* 2016 and Kendall & Knapp, 2000) and the little consensus on what are the best measures of performance in NGOs, income growth remains the most important measure of performance for NGOs. This is because, unlike for-profits, where an organization can continue operations even when making significant losses year in year out, in the NGO sector without funding an organization simply closes shop and stops operations. Resource dependency theory is useful in explaining board behavior that is responsive to resource-based pressure (Andrew 2015), the theory posits that the NGO board is useful in helping the organization, learn about, respond to, and eventually adapt to the constraints that dominate its operating environment.

The main goal of many NGOs is to reduce poverty incidence and alleviate suffering from the poorest communities and people. In order to achieve this objective financial resources in terms of income and donations are important for NGOs sustainability and survival. This paper explored the effect of age diversity on performance within NGOs in Kenya.

1.2 STATEMENT OF THE PROBLEM:

The board of directors is crucial to an NGO and is responsible for many specific tasks. The board's main task is to govern and oversee the operations of the organization through acting as fiduciaries. In other words, the board is legally, financially, and morally responsible for the organization (Hummel, Joan M. 1996). Each individual member of a board is significant and holds many responsibilities that help contribute to his/her work on the board as a whole. The five main tasks listed below outline crucial responsibilities of the board as a whole, focusing on how each individual member can effectively contribute to these tasks.

Organizational performance is a key concern for stakeholders in both the profit and non-profit sectors. However, more attention has been focused on profit-making organizations with little emphasis on performance of NGOs especially those located in sub-Saharan Africa (Kinyua-Njuguna, *et al.,* 2014). Brown (2005), notes that effective recruitment strategies are instrumental to identifying and securing qualified board members, he recommends recruitment practices associated to four dimensions (analytical, educational, political, and strategic). Most NGOs do not consciously enhance board recruitment policies that enable a good mix of board members, a lack of compelling evidence to encourage these recruitment policies and practices maybe a part of the problem.

A global event that reshaped the current thinking on corporate boards and their governance structure is the Sarbanes-Oxley Act of 2002 (Ostrower & Bobowick, 2006). The Sarbanes-Oxley Act came directly after the wake of corporate scandals afflicting the likes of Enron, Tyco, Adelphi, and others (Harris & Raviv, 2008). The US congress passed the Sarbanes-Oxley Act in 2002, which governs companies registered with the Securities and Exchange Commission (SEC) in America (Holocomb & Schlieman, 2014). In the same year, the Capital Markets Authority (CMA) in Kenya, through a Gazette Notice No. 3362 passed the Guidelines on Corporate Governance for companies listed in the Nairobi Stock Exchange (NSE). These Guidelines stipulate among others, the need for a balance of, or mix of skills in the composition of the corporate boards. This includes gender balance because women bring different skills to the boards (Letting' et al., 2012).

In their roles as resource expanders, the board of directors performs four primary functions. First, the board reduces organizational uncertainty by developing "exchange relationships" with external constituencies. Secondly, these relationships facilitate exchanges that reduce organizational resource dependencies and increase the flow of a variety of kinds of resources through personal and professional contacts (Callen *et al.,* 2010) and as such raise income and donations for the nonprofits. Thirdly, the board assures that the organization remains adaptive by gathering and interpreting information from the external environment. In this capacity, the board processes complex (often competing) information so that the organization can remain competitive in a dynamic environment, thereby managing problematic interdependencies and finally, the board represents the organization to external constituencies.

A recent research study found that resource dependency predictions were positive with respect to social policy shareholder resolutions (Grosvold, Rehbein, and Baker 2015). Seo, (2016) examined the relationships among the three dimensions of resource dependence patterns (resource dependency, resource diversity, and resource competitiveness) and organizational formalization and goals in nonprofit organizations. Seo, (2015) found that high resource competitiveness presented clearer organizational goals or missions and are likely to experience frequent goal change, also that resource competitiveness explained goal clarity and goal change in nonprofit organizations. On the other hand, high dependency on government funding is positively associated with organizational formalization. A number of other scholars (Callen et al., 2010; Middleton, 1987; Miller-Millesen, 2003; Ostrower & Stone, 2010; Pfeffer, 1973 Seo, 2015 and Zald, 1970) also reviewed performance from a resource dependency perspective finding positive relations with nonprofits performance.

The NGOs Co-ordination Board, (2009) asserted that NGOs' governance is prescribed within their founding documents such as their constitution, this is a contrast in comparison to the corporate world where board composition, structure and tenure are quite clear, and even embedded into law. In Kenya the PBO Act, (2013) provides an opportunity to fill this gap, since it allows for NGOs to determine standards, certifications, and adherence to professional code of conduct through self-regulation. However, it has not been operationalized since its gazettement in January 2013.The PBO Act, (2013) supersedes the NGOs Coordination Act of 1990. In view of the above, this paper investigated the effects of NGOs' age diversity on organizational performance, thereby providing research evidence for policy makers to design clear governance structures for NGO boards in terms of age diversity. This paper also provided scholars with evidence for further research on this under researched area.

1.3 OBJECTIVE OF THE STUDY:

The general objective of this study was to establish the effect of age diversity on NGOs performance.

1.4 IMPORTANCE OF THE STUDY:

This study will benefit a cross section of stakeholders in the sector, including donors, governments, international and national NGOs. It will serve to fill the knowledge gap in understanding the impact of age diversity on organizational

performance of NGOs. It will seek to define the most critical aspects of age composition and how these are translated into efficient organizational performance. These organizations will be able to take the evidence generated and develop board recruitment policies to entrench an optimum age composition for their organizations. As previously pointed out, more attention has been focused on profit-making organizations with little emphasis on organizational performance of NGOs especially those located in sub-Saharan Africa. The evidence generated from the study will be important for management, funders, policy makers and scholars as illustrated below.

1.4.1 NGOs Management Staff:

The significance of this study is that it will assist many senior management staffs and executive directors of NGOs in Kenya to understand the importance of age diversity and in turn use the evidence generated from this research project in formulating effective board composition. This will improve their organizational performance and contribute to the achievements of their organizational mission, visions and strategic objectives.

1.4.2 Funding Agencies:

Funders may use this study to understand and establish whether their presence on NGO board is necessary and whether it is associated with NGOs efficiency and improved performance. They may also use the evidence generated from this research project in reviewing different NGOs that they intend to fund and advise them on their age composition to ensure maximum value return on their investments.

1.4.3 Policy makers:

This research will contribute to informing policy, especially for the NGO coordination board, which is mandated to regulate NGOs in Kenya. The study will provide evidence and recommendations on the best mix of age diversity characteristics that enhance NGOs performance.

1.4.4 Scholars:

This research will contribute to literature on age diversity effects on organizational performance and identify new areas for further research.

1.5 SCOPE OF THE STUDY:

The study was limited to NGOs located in Nairobi County in Kenya. The Directory of Development Organizations, (2011) identified that 702 NGOs are registered in Nairobi. This body of organizations constituted the population. The study was limited to 62 NGOs selected using random sampling method.

1.6 DEFINITION OF TERMS:

1.6.1 Age Diversity:

Age diversity refers to the broadness of the board members number of years lived. There is a growing number of international initiatives encouraging age diversity to improve the overall level of knowledge and performance of boards. Ferrero-Ferrero, et al., (2015) writes that the European Commission, in a working document entitled ''Corporate Governance in Financial Institutions: Lessons to be Drawn from the Current Financial Crisis, Best Practices'' argues that diversity broadens the debate within boards and helps to avoid the danger of narrow ''group think''.

1.6.2 Age Diversity:

Age diversity refers to the composition of the board in terms of basic attributes such as education, age, size, gender and tenure, among other demographic characteristics. In more recent studies, board member's diversity is viewed not only from demographic attributes, but also from deeper-level attributes such as personality traits (Walker, Machold & Ahmed, 2015).

1.6.3 Non-Governmental Organization:

The PBO Act, (2013) defines a public benefit organization as a voluntary, membership or non-membership, grouping of individuals or organizations, which is autonomous, non-partisan, non-profit making and which engages in public benefit activities. NPOs are generally defined as associations, charities, and other voluntary organizations formed to further

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cultural or public service objectives (Bottiglieri *et al.,* 2011). These organizations are supported by grants from funding agencies, public donations, and contracts with governments, among others. (Arshad *et al.,* 2013). A key characteristic of these organizations is that they do not operate for the benefit of private owners, but are responsible to various stakeholders. They are supported by the public, not by a single dominant donor. The terms PBOs, NPOs, NGOs and charities may be used interchangeably.

1.6.4 Performance:

Performance refers to the ability of an organization to survive in a changing environment. Financial performance remains the most important measure of performance for NGOs, since unlike for-profits, where an organization can continue operations even when making significant losses year in year out. In the NGO sector without funding an organization simply closes shop and stops operations. This paper evaluated performance from a resource dependency theory perspective, by looking at the income and donations growth or decline. From a resource dependency perspective, variables that indicate performance are such as (1) resource dependency, or where resources come from; (2) resource diversity, or the degree of centralization or decentralization of the resource inflows; and (3) resource competitiveness, or the perception of competitiveness for obtaining resources from inside and outside the organization.

1.6.5 Resource Dependency Theory:

Callen *et al.,* (2009) defines resource dependence theory (also known as boundary spanning theory) as the acquisition and maintenance of human, financial, and other resources essential for organizational survival and relevant to performance. Pfeffer & Salancik, (1978) defined resource dependency as the ability to acquire and maintain resources that are important to the survival of an organization.

1.7 CHAPTER SUMMARY:

This chapter described in details the background of the study highlighting some of the research conducted on age diversity and organizational performance. It further described organizational performance in the context of resource dependency theory. This paper examined the relationship between age diversity attributes of board and organizational performance. The chapter also compared the for-profit sector boards and NGO boards highlighting the gaps that underscored the importance of the study. Finally, the chapter identified the objective and significance of the study. The next chapter comprehensively reviews the available literature on the relationship between age diversity and performance from the perspective of resource dependence theory.

2.   LITERATURE REVIEW

2.1 INTRODUCTION:

Mwenja and Lewis, (2009, p. 359) stated that studies have shown that well performing boards usually coincide with well performing organizations. Andrew, (2015) noted that the main duties of NGO boards are based on the accountability principle, the duty of obedience, loyalty and care. The duty of obedience requires the board to act in accordance with the organization's mission (Ostrower & Stone, 2006). The duty of loyalty requires the board to act in the best interest of the organization and not in their self-interest, or someone else's, and finally, the duty of care requires the board to take reasonable care when making decisions for the organization by participating; being informed about matters; and exercising independent, good faith judgment in board decisions (Andrew, 2015).According to O'Regan and Oster, (2004) the common folklores is that board members should bring to an organization the three W's: wealth (donations and fundraising), wisdom (monitoring and oversight), and work (operational duties).

The purpose of this chapter is to provide an introduction to the NGO governance literature and history, especially with relation to resource dependency theory. The remainder of the chapter consists of a review of the governance literature, an in-depth examination of the resource dependency theory and an overview discussion on each research question.

Research conducted in 1960's through the 1970's on boards related to investigations on functions, roles and responsibilities of boards with most theories being formalized during this period. Zald, (1969) studied the power and functions of boards, whereas, Aldrich and Herker, (1977) investigated the relationship between the boundary spanning roles and organizational structure. Pfeffer, (1973) studied the composition and functions of boards. Notably these studies

were based on for-profit organizations. The resource dependency theory was formalized by Pfeffer and Salancik, (1978) in their studies of external control of organizations. The period between the 1970's and 1980's experienced a growing interest and literature on boards with a keen interest on NGOs. Middleton, (1987) in her study to expand the literature beyond the governance function, indicated that literature in the NGO field was scarce, this sentiment was later shared by Ostrower & Stone (2010); Cornforth (2012) and Kinyua-Njuguna *et al.,* (2014) several decades later.

Kramer, (1985) researched on the relations of boards and executive directors in the non-profits. Axelrod, (1994); Carver, (1997) and Miller-Millesen, (2003) examined board leadership and board development, new designs for NGO boards and board behavior using theory based approach, respectively. Board composition accounts for the most researched topic in non-profit governance literature during the past twenty-five years and it continues to gain traction because of the assumption that who serves on the board matters (Andrew, 2015).

Finally, in the recent past more studies are focusing on board performance and deeper-level board diversity as opposed to organizational performance and demographic diversity of boards. However, board composition studies for NGOs in East Africa are still very few. This research paper seeks to expand board composition research for NGOs in Kenya by providing additional insights on how age diversity impacts on organizational performance.

2.2 RESOURCE DEPENDENCY THEORY AND AGE DIVERSITY:

An important mechanism for monitoring the NGOs is through the board of trustees. In their view, major donors on nonprofit boards monitor the organization in ways that are parallel to large shareholders on for-profit boards (Callen et al., 2003). Pfeffer & Salancik, (1978) defined resource dependency as the ability to acquire and maintain resources that are important to the survival of an organization. Resource dependency theory is becoming more and more dominant in the evaluation of NGOs performance. Miller-Millesen, (2003) came up with an integrative theoretical framework of board behavior that identifies the conceptual links between environmental factors, organizational factors, and board behavior.

In the theory based typology by Miller-Millesen, (2003) the boards' demographics, such as age which is being investigated in this research paper are influenced by the external and organizational factors, and they in turn influence board behavior. In their roles as boundary spanners, the board of directors performs four primary functions. First, the board reduces organizational uncertainty by developing "exchange relationships" with external constituencies. Secondly, these relationships facilitate exchanges that reduce organizational resource dependencies and increase the flow of a variety of kinds of resources through personal and professional contacts (Callen *et al.,* 2010) and as such raise income and donations for the NGOs. Thirdly, the board assures that the organization remains adaptive by gathering and interpreting information from the external environment. In this capacity, the board processes complex (often competing) information so that the organization can remain competitive in a dynamic environment, thereby managing problematic interdependencies and finally, the board represents the organization to external constituencies.

Boateng *et al.,* (2016) used a hybrid methodological approach which consisted of fourteen exploratory interviews and a quantitative survey of one hundred and five chief executive officers in Britain that came up with five broad measures of performance of charities. In both Miller-Millesen, (2003) and Boateng *et al.,* (2016) raising funds is identified as one of the key responsibilities of NGO boards. Boundary spanning is the most important responsibility of boards in NGOs since unlike for-profits, where an organization can continue operations even when making significant losses year in year out, in the NGO sector without funding an organization simply closes shop and stops operations. This research paper follows the two scholars and examines performance from a boundary spanning perspective.

A number of other scholars (Callen *et al.,* 2010; Middleton, 1987; Miller-Millesen, 2003; Ostrower & Stone, 2010; Pfeffer, 1973 and Zald, 1970) also reviewed performance from a resource dependency perspective. Following Miller-Millesen, (2003) logic, this paper seeks to test the hypothesis that for a NGO, having a donor on the board could be deemed effective since they may facilitate increased donations. Resource dependence theory makes an important contribution to understanding board behavior. The theory is useful in that it highlights the board's capacity to unite the organization with its environment. However, the resource dependence approach has been criticized by those who argue that the theory is not helpful in identifying the coalitions of organizations that are most important to reducing the environmental dependencies of the focal organization (Provan et al., 1980). Zald (1969: p 98) stated that, "Boards are at the mercy of the managers who control information, definitions of alternatives, the nominating process, and indeed the

very board decision-making". Through the lens of resource dependency theory, NGOs board's roles and responsibilities should focus on building relationships with the external environment to reduce uncertainties through acquiring resources. In summary, a board composed of influential members from the organization's external environment performs a boundary-spanning function that absorbs uncertainty, reduces operational dependencies, exchanges information, represents the organization to external stakeholders, and enhances overall performance.

2.3 CHAPTER SUMMARY:

This chapter examined the background of NGO governance literature, outlined an in depth review of the resource dependency theory, examined the roles and responsibilities of boards based on the theory based typology by Miler-Millesen, (2003) and discussed the board diversity attributes of age diversity that is being investigated by this paper. The next chapter provides a detailed discussion of the research design, the population, the data collection method, the data analysis methods and discusses limitations to the research design.

3.   RESEARCH METHODOLOGY

3.1 INTRODUCTION:

This chapter discusses the research design, population, sampling design, data collection methods, research procedures, and data analysis. It provides an academic description of sampling and data collection and analysis techniques that were used in order to ensure that the final report provided an accurate and unbiased description of the results of the study.

3.2 RESEARCH DESIGN:

The study employed a descriptive survey research design Kothari, (2014) states that a descriptive research design or study is meant to generate an accurate record of what is happening in a specific situation with a given population. Descriptive survey research was relevant for this kind of study since it is concerned with describing the characteristics of a particular individual or a group, to determine the proportion of people who behave in a certain way, to make specific predictions and the relationship between the variables (Backlund, 2005).

With descriptive design, the researcher has an opportunity to have a clear view of the problem from other related sources and narrows the research around these important items. In this case, the researcher will adopt a technique that leads to exact or almost detailed facts when carrying out the study. From this, the conclusion of the study will be derived from the investigated variables. A research design is regarded as the road map that a researcher decides to follow during the research journey. It constitutes the blueprint for collection, measurement and analysis of data (Garg & Kothari, 2014). Zikmund et al., (2012), describe a research design as the blueprint that enables the investigator to develop solutions to the research problems and guides him through the various stages of the research.

3.3 POPULATION AND SAMPLING DESIGN:

3.3.1 Population:

The Directory of Development Organizations, (2011) lists 70,000 development organizations that include civil society organizations, academic and research institutions, NGOs and the non-profits in the private sector. The Directory of Development Organizations identified that 702 NGOs are registered in Nairobi, Kenya. This body of organizations constituted the population of the survey which included national and international NGOs. The respondent was the chief executive officer of the NGO, the chief executive officer was targeted since they are an ex-officio member of the board with suitable information to deal with the study questions.

Table I: Total Population Distribution

Category	Population
International NGO	548
National NGO	154
Total	**702**

3.3.2 Sampling Design:

3.3.2.1 Sampling Frame:

Sampling is the collections, analysis and interpretation of data gathered from random samples of a population under study. The target population to which the researcher wants to generalize study results and the sample will be measured. To foster external validity of study finding, it is important that both the experimentally accessible population and the sample be representative of the target population (Kothari, 2014).

Garg & Kothari, (2014) stated that a sampling frame refers to an objective list of the population from which the researcher can select a sample. Kothari, (2014) explains that a sampling frame is the list of sampling units of analysis from the experimentally accessible population. Thus randomly selecting study participants from a suitable sampling frame is an example of probability sampling. The sampling frame that was used was the Directory of Development Organizations, (2011) which identified that 702 NGOs are registered in Nairobi, Kenya.

3.3.2.2 Sampling Technique:

Kothari (2014), stated that there are two types of sampling techniques, probability sampling and non-probability sampling. Probability sampling uses some form of random selection of research participants from the experimentally accessible population. Kothari (2014), state that only random sampling permits true statistical inference and fosters external validity. He goes on to explain that there are several probability sampling methods and that a simple random sample is one that is done is such a manner that all members of the population have an equal and independent chance of being selected. Stratified sampling technique ensures the selection of study respondents with suitable information to deal with the study questions.

3.3.2.3 Sampling Size:

A sample is the subset of a population which represents the characteristics of the population or a portion of the population selected for analysis. When a sample is taken from a population, as opposed to collecting information from the whole population, there is a probability that the sample will not reflect the characteristics of the population. Kothari, (2014) call this error the sampling error. Variability in sample results is measured in terms of number of standard errors. A standard error is similar to the standard deviation of a data set, except a standard error applies to a sample.

Standard errors are the building blocks of confidence intervals. A confidence interval is a statistic plus or minus a margin of error, and the margin of error is determined by the number of standard errors that one needs to get the desired confidence level. To attain a sample size that has a sufficient size qualified to the goals of the study, the researcher adopted Yamane's formula which is as follows:

$$n = N$$

$$1 + N(e)^2$$

Where:

n is the sample size

N is the population size and

e is the margin of error.

$$n = \frac{702}{1 + 702(0.1)^2}$$

$$n = 84$$

A sample size of 84 respondents was deemed as adequate size relative to the goals of the study. The sample size therefore comprised of 18 national NGOs and 66 international NGOs.

Table II: Sample Size Distribution

Category	Population
International NGO	66
National NGO	18
Total	**84**

3.4 DATA COLLECTION METHODS:

The main tool of data collection for this study was structured questionnaires. The questionnaire method was used for data collection because it offers considerable advantages in administration. It also presents an even stimulus potentially to large numbers of people simultaneously and provides the investigation with an easy accumulation of data (Gay, 1992).The questionnaires were used to collect data from NGOs staff including, finance, procurement and programmatic staffs. A structured questionnaire was used to collect primary quantitative data. The questionnaire was divided into three parts. Part one was used to collect general demographics information about the respondents. Part two was used to collect information on the effects of age diversity of board members on NGO's performance. Finally part three collected data on the dependent variable, which was performance.

3.5 RESEARCH PROCEDURES:

A research permit was obtained from the university registrars' office. Thereafter the introductory letter was sent to the sampled NGOs one week prior to commencement of the data collection exercise to make relevant staffs be well prepared. The researcher administered the questionnaires to the staff with the assistance of research assistants. The respondents were assured of high level confidentiality maintained in dealing with the responses given.

3.5.1 Pilot Study:

The researcher conducted a pilot study on respondents before the actual data collection began. The results were evaluated accordingly and thereafter the questionnaires adjusted to capture all the required data for the study. The purpose of the pilot study was to enable the researcher to ascertain the reliability and validity of the instruments, and to be familiarized with the administration of the questionnaires thereby improving the instruments procedures. The results of the pilot data were tested using Cronbach Alpha method where any Alpha value of more than 0.7 would mean that the collected data is valid and reliable for this kind of study. Pre-test and pilot studies are used to ensure validity and reliability of the research instruments (Saunders et al., 2007). Van-Teijlingen & Hundley (2001) noted that pre-testing is useful since it helps to establish whether the study techniques are effective and helps to uncover internal variability, hence making the instrument more objective. Muus & Baker-Demaray (2007), noted that a pilot test should draw subjects from the target population.

3.5.2 Validity of Questionnaire:

Van-Teijlingen & Hundley (2001) observes that validity is the degree to which results obtained from the analysis of the data actually represents the phenomenon under study. Content validity of the questionnaire was tested by giving it to the supervisor who identified items that were inadequate and suggest necessary corrections. Recommendations from the supervisor were incorporated in the final questionnaire. For face validity, the questionnaire was piloted on 10% of the potential respondents who were picked randomly. Insight obtained from the pilot survey were analyzed and used to make adjustments in the questionnaire.

3.5.3 Reliability of Questionnaire:

Mugenda and Mugenda, (2003) define reliability as a measure of the degree to which a research instruments yields consistent results or data after repeated trial. Reliability of the questionnaire items were determined by using split-half method whereby the items of Part A were correlated with items in Part B using spearman's Rank Correlation Co-efficient. Alternatively, raw data from the instruments were subjected to a reliability analysis from which Cronbach's co-efficient alpha value of above 0.7 made; the data reliable the recommended reliability is 70%.

3.6 DATA ANALYSIS METHODS:

After all data was collected, the researcher conducted data cleaning, which involved identification of incomplete or inaccurate responses, which were corrected to improve the quality of the responses. After cleaning, the data was coded and, where necessary, quantified for appropriate analysis. Quantitative data was analyzed using the Statistical Package for Social Sciences (SPSS) Version 22 software through descriptive statistics; measures of central tendency, measures of dispersion and measures of symmetry and inferential statistics. Thematic analysis was used for qualitative data. According to Mugenda and Mugenda, (2003) qualitative data analysis seeks to make statements on how categories or themes of data are related. As observed by Gray (2004) Qualitative data provides rich description and explanations that demonstrate the chronological flow of events as well as often leading to chance findings.

On the other hand, qualitative data was analyzed using various statistics test spearman correlation coefficient. Component/factor analysis based on groups of related statement was used to make comparison across the core study factors through the use of correlation.

The study adopted a linear regression equation as depicted below;

$$Y = \alpha + \beta_1 X_1 + \varepsilon)$$

Where;

Y = Dependent variable (Performance within non-governmental organizations (NGOs))

α = the model intercept

$B1$ = Coefficient of independent variable

$X_1 = (X_1$ – Age diversity)

ε = Error Term

Data was presented primarily in frequency tables, charts, graphs, figures and percentages. This kind of presentation assisted brings out comparisons between the various pieces of data to be collected during the study. Such comparison helped the researcher in making inferences and consequently conclusions and recommendations.

3.7 CHAPTER SUMMARY:

This chapter presents the research methodology that was used for this study. The chapter covered research design, population and sampling design, data collection methods, research procedures, data analysis methods. The next chapter presents the data collected in form of charts, tables and linear regression.

4.   RESULTS AND FINDINGS

4.1 INTRODUCTION:

This chapter presents an analysis of the data that was collected through the use of structured questionnaires. The chapter also interprets and discusses the findings. The mode of presentation employed for the results depends on the appropriateness on ease of understanding and interpretation of the results. Charts and tables were used depending on the most appropriate form of presenting the data.

Out of the 84 issued questionnaires, 63 questionnaires representing 75% of the total questionnaires distributed were returned fully completed, while 21 questionnaires were not returned representing 25% of the total questions distributed to the respondents. It can be concluded that the response rate was good. According to Mugenda and Mugenda (2003) a response rate of 70% and over is excellent for analysis and reporting on the opinion of the entire population.

4.2 RESPONDENTS DEMOGRAPHIC CHARACTERISTICS:

The section presents the study results on the background characteristics of the respondents. These include age of the respondents, gender of the respondents, employee designation and the period served in their respective organizations. Descriptive statistics have been used to present these findings in tabular form.

4.2.1: Age of Respondents:

Figure 4.1 presents the age groups of the respondents to the study. According to the findings, majority of the respondents (46.9%) were aged between 31 – 42 years. 28.1% were aged between 43 – 55 years and 18.8% were aged 56 years and above whereas the least (6.3%) were aged between 18 – 30 years. This showed that there was diversity in the ages of the respondents who were the chief executives of the organizations studied.
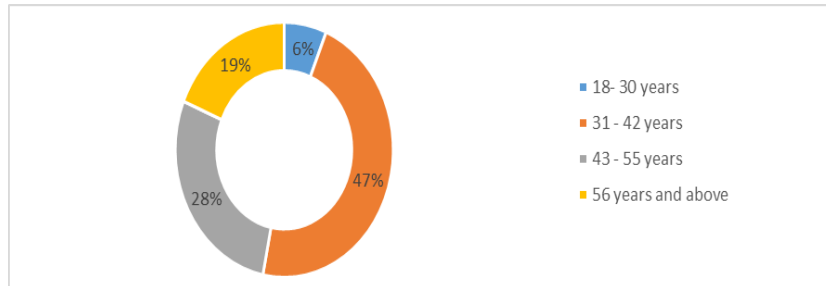
Figure 2: Age of Respondents

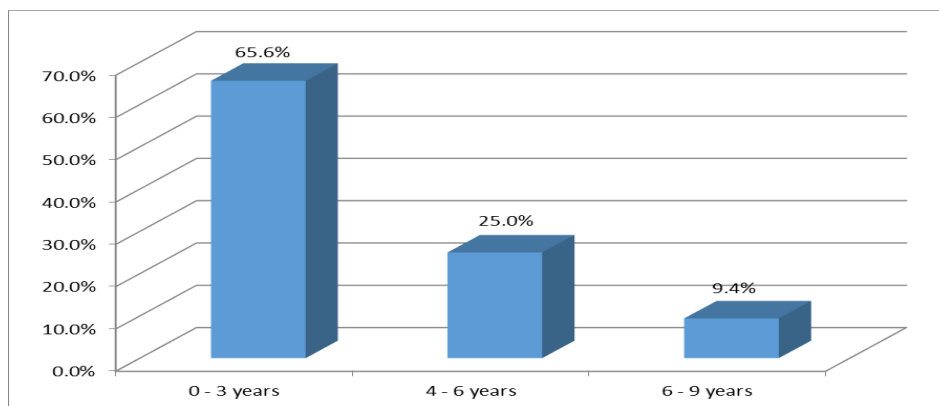**4.2.2 Gender of the Respondents:**

According to the findings, majority of the study respondents (81%) were male staffs of the studied organizations. The female employees were the least among the respondents representing only 19%. This also illustrates clearly that there is gender inequality in the leadership of these organizations.
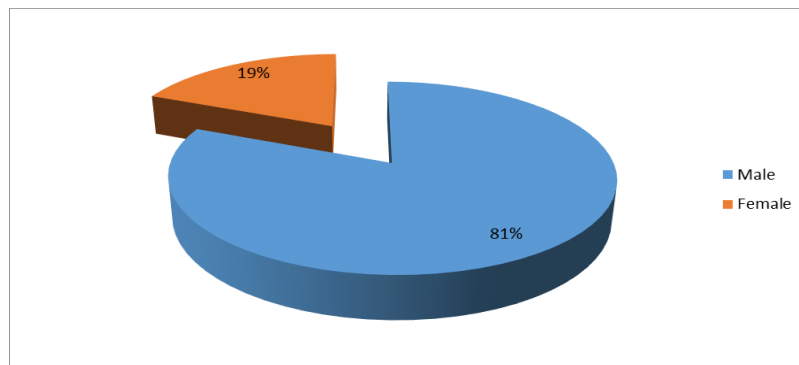
Figure 3: Gender of the Respondents

4.2.3 Duration Served:

As illustrated in the figure 4.4 below, majority of the respondents (65.6%) had served in their organizations for a period of 0 – 3 years. 25% had been in their current positions for a period of 4 – 6 years and the least (9.4%) were the respondents who had worked in the organizations for a period of 6 – 9 years.

Figure 4: Duration Served

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### 4.2.4 Type of Organization:

As shown in the figure 4.5, majority of the organizations studied represented the international NGOs. These were 81% whereas 19% of the NGOs studied were local NGOs operating within the country.
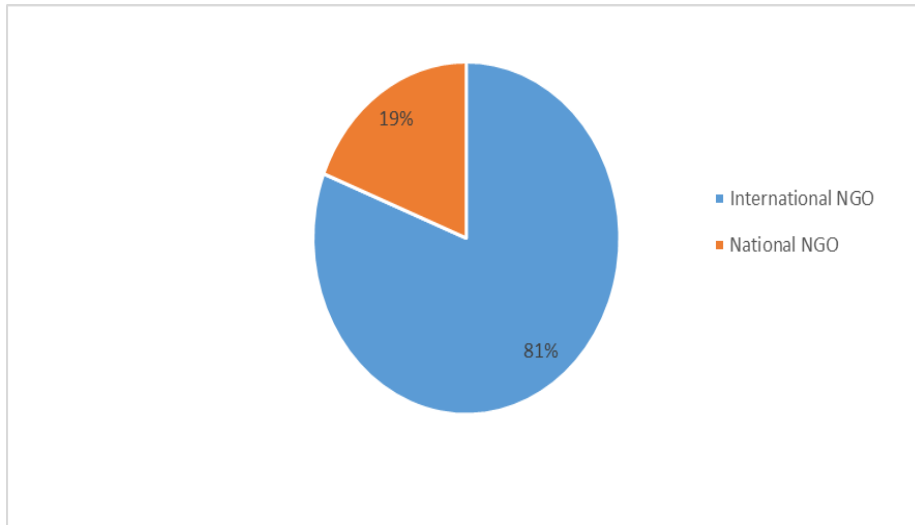
Figure 5: Type of Organization

4.2.5 Number of Years the NGOs have been in Operation:

According to the findings in Figure 4.6, most of the NGOs studied were in operation for a period of 0 – 10 years. 28.1% had been in operation for a period of between 11 – 20 years and 21.9% had been in operation for a period of 31 – 40 years. The least (12.5%) had been operating for a period of between 21 – 30 years.
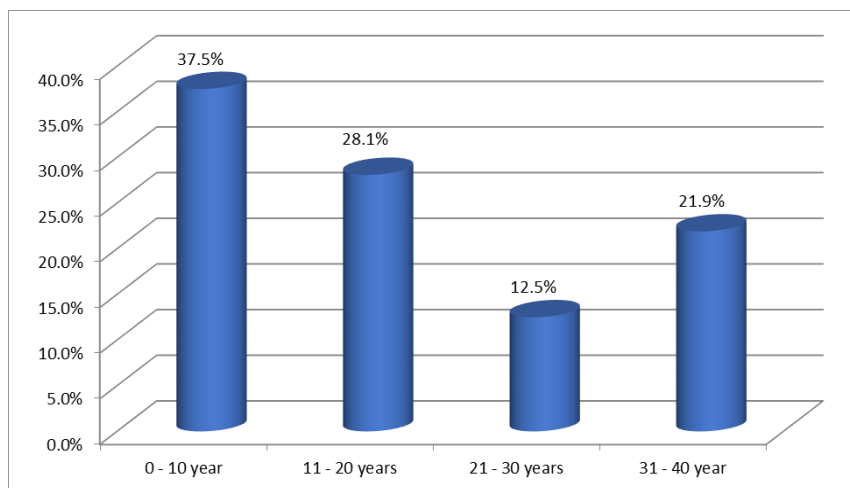
Figure 6: Number of Years the NGOs have been in Operation

4.2.6 Ages Profile:

According to the findings, 78.1% of the studied organizations had their staff members in the board of governance for their organizations. However, 21.9% of these organizations did not include their staffs in the list of board members. The table also illustrate that, in 59.4% of the organizations, major donors were part of the boards unlike the case of 40.6% of the studied organizations.

From the table below also, 50% of the organizations had accountant professionals as members of the board of management, 34.4% had law professionals in their boards and 43.7% had well known individuals in their board

membership. Findings further illustrate that majority of the organizations (93.7%) had women representative in their boards thus, indicating the fact of gender diversity in the board members.

Table II: Diversity of the board Members

Board Member Type	Present	Absent
Staff Members	78.1	21.9
Major donors	59.4	40.6
Accountants	50	50
Lawyers	34.4	65.6
Well known Individuals	43.7	56.3
Women	93.7	6.3

4.3 EFFECTS OF AGE DIVERSITY ON ORGANIZATIONAL PERFORMANCE:

Findings on the effect of board diversity of the board members on organizational performance are as presented in table 4.2. The findings showed the level of agreement of the respondents to the given aspects about age diversity of the board members through means and standard deviation.

Table III: Age Diversity of board Members

Age Diversity of board Members	Mean	Std. Deviation
To what extent is the diversity of members board in your organization	2.8438	.51490
The board at my organization is composed of members with varied age groups	3.6563	.90195
The variation of age group has greatly improved the performance of my organization in terms of donations and project managements	3.0000	.95038
Age diversity in board members is linked to higher levels of donations	2.2188	1.18415
Age is significant with respect to the organization's overall performance	3.2188	1.31332
Age diversity in boards positively impacts social performance	3.3125	.73780
Age diversity in board members improves the overall level of knowledge of the organization at the board level	3.4688	.76134
Age diversity in board members broadens the debate within boards and helps to avoid the danger of narrow group think	3.7812	1.12836

As presented in Table 4.2 the respondents reported that the age diversity of the board members in their organizations was of low extent as shown by a mean of 2.8438 for a low extent and a standard deviation of 0.51490. The table also shows that the boards for the organizations studied were composed of members with varied age groups. This is as the respondents agreed with a mean of 3.6563 and a standard deviation of 0.90195. The variation of age groups among the board members had greatly improved the performance of the organizations in terms of donations and project managements (mean = 3.0000; std. dev. = 0.95038).

From the table also, the respondents however neither agreed nor disagreed that the age diversity in board members is linked to higher levels of donations (mean = 2.2188; std. dev. = 1.18415). The respondents also agreed indicating that the age diversity among board members is significant with respect to the organizations overall performance (mean = 3.2188; std. dev. = 1.31332). It is also clear from the table that age diversity in boards positively impacts social performance as indicated by the mean of 3.3125 with a standard deviation of 0.73780 showing no much variance of the responses given from the mean response calculated. According to the findings, the age diversity in board members improves the overall level of knowledge of the organization at the board level (mean = 3.4688; std. dev. = 0.76134). Findings showed that the age diversity in board members broadened the debate within boards and helped to avoid the danger of narrow group think as indicated by a mean of 3.7812 with a standard deviation of 1.12836 which showed that majority of the respondents agreed to this.

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Table IV: Organizational Performance

	Mean	Std. Deviation
Since the inception of my organization, the organization has witnessed great growth on donation	3.2500	.98374
Since the inception of my organization, the organization has witnessed great growth on project management and supervision	3.7500	.67202
Since the inception of my organization, the organization has witnessed great growth on varied activities	3.6250	1.00803
Since the inception of my organization, the organization has witnessed great growth employee workforce	3.3125	.59229

According to the findings in the table, the respondents reported that since the inception of the organizations studied, the organizations have witnessed a high extent of growth on donation. This had a mean of 3.2500 with a standard deviation of 0.98374. The findings also showed that, the respondents agreed that since the inception of these organizations, there had been great growth on project management and supervision (Mean = 3.7500, std. dev. = 0.67202). Further, it is evident that since the inception of the organizations studied, there had been great growth on varied activities as shown by a mean of 3.6250 and a standard deviation of 1.00803. It is also clear from the table that, the respondents agreed (mean = 3.3125, std. dev. = 0.59229) indicating that since the inception of their organizations, growth in employee workforce had been witnessed which was to a great extent.

4.7 CORRELATION ANALYSIS:

In this study, correlation analysis was conducted to test the association between professional network diversity, age diversity, occupational diversity and organizational performance. The association was tested at the 5% level of significance setting the critical value as 0.025 in a 2-tailed test. The strength of the association was tested based on the Pearson correlation scale with a range of 0 – 1 where a correlation coefficient in the interval of 0.0 – 0.3 is an indication of no correlation, 0.3 – 0.5 is a weak correlation, 0.5 – 0.7 is a moderate correlation and a correlation coefficient of 0.7 and above is an indication of a strong correlation between the variables. Results are as presented in Table V below.

Table V: Correlation Results

		Organization Performance	Network Diversity	Age Diversity	Occupational Diversity
Organization Performance	Pearson Correlation	1	.578[**]	.586[**]	.684*
	Sig. (2-tailed)		.001	.000	.015
Age Diversity	Pearson Correlation	.586[**]	.129	1	.046[**]
	Sig. (2-tailed)	.000	.480		.002
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

The table also illustrate that there is a positive and significant correlation between age diversity and organizational performance. This is as indicated by a correlation of 0.586 with a significance value of 0.000 which is less than 0.05 at the 5% level of significance.

4.8 REGRESSION ANALYSIS:

Findings under this section present the results on the relationship test between the dependent and independent variables. Regression test was carried out to show the extent of influence of the independent variable (age diversity) on organizational performance. The significance of the regression model was tested at the 5 % level of significance through F – statistics which shows the level of reliability of the so developed in presenting the relationship between the above variable.

Results under regression analysis give the regression model summary which shows the extent of variability of organizational performance due to the influence of the predictor variable (age diversity) as given by the coefficient of determination, the ANOVA table which shows the significance of the regression model. The regression analysis was conducted through a linear regression analysis with one (1) independent variable and one (1) dependent variable. The results are as presented in Table 4.7, table 4.8 and Table 4.9 for the regression model summary, the Analysis of Variance and the Regression model summary respectively.

Table VI: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.748[a]	.662	.639	.63727
a. Predictor: (Constant), , Age Diversity				

The study findings as presented in table 4.7 provide the regression model summary showing the extent to which the independent variable (age diversity) influenced the dependent variable (organizational performance). The table gives the R coefficient and the R-square as well as the adjusted R-square coefficients.

Based on the coefficient, the predictor variable (age diversity and occupational diversity) explain 66.2% of the variation in the organizational performance. This was as represented by the R coefficient of 0.662 (66.2%) which revealed that other factors not studied in this research were responsible for the 33.8% of the variability in the organizational performance.

The findings further illustrates that, the study results obtained were 63.9% reliable as indicated by the adjusted R-Square coefficient which is also close to the R-square coefficient of 66.2%. This therefore illustrated that, had the study been conducted using other population rather than the population in place, the results would have been 36.1% different from the current findings which would not be a significant difference from the study results. Thus, the findings of the study can be relied on to present the relationship between the study variables.

Table VII: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.746	3	3.249	8.002	.013[b]
	Residual	11.371	59	.406		
	Total	21.117	62			
a. Dependent Variable: Organization Performance						
b. Predictor: (Constant), Age Diversity						

According to the findings as presented in table 4.8, the significance value in testing the reliability of the model for the relationship between organizational performance and the independent variable (age diversity) was obtained as 0.013 which is less than 0.05 the critical value at the 5% level of significance. Therefore, the model was statistically significant in predicting the relationship between the predictor variable (age diversity) and organizational performance. The F value calculated was 8.002 indicating a significant model for the relationship as given by the regression coefficients. This showed that the overall model was statistically significant and reliable in explaining the influence of the predictor variable to the organizational performance.

Table VIII: Regression Coefficients

Model		Un-standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.604	.679		5.305	.000
	Age Diversity	4.078	.935	.192	3.813	.023
a. Dependent Variable: Organizational Performance						

The estimates of the regression coefficients, t-statistics and the p-values for the relationship between age diversity and organizational performance are as presented in table 4.9. These coefficients answer the regression model relating the dependent and the independent variable as given in chapter three.

Based on these, the regression model; $Y = \beta0 + \beta1X1 + \varepsilon$ therefore becomes;

$Y_1 = 3.604 + 4.078\ X_1$

In testing the relationship of age diversity and organizational performance, linear regression was used as the dependent variable. The results show that the independent variable had a positive relationship with organizational performance. The relationship between the variables was also found to be statistically significant at the 5% level of the significance as the coefficients had significant value less than 0.05.

From the table, the age diversity showed a significant influence on organizational performance with the coefficient ($\beta_1 = 4.078$, t = 3.813, p= 0.023<0.05) indicating a positive effect on organizational performance.

4.9 CHAPTER SUMMARY:

The study variables (age diversity) contributed to the improved organizational performance of the NGOs from the study. Regression and correlation analysis showed that indeed there was a relationship between the dependent variable and organizational performance. The next chapter is chapter five which summarizes, discusses, concludes and provides recommendations about the study.

5. SUMMARY CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION:

This chapter presents the summary, discussions, conclusions and recommendations about the study. Recommendations for further research are also presented. All these are guided by the research objective which is the effect of age diversity on performance of NGOs in Kenya.

5.2 SUMMARY OF FINDINGS:

The study was undertaken with the aim of establishing the effects of age diversity on NGOs performance. The participants of the study involved chief executive employees of both local and international NGOs. Of these, 62% represented the international NGOs whereas 38% were the local/national NGOs operating within the country. Most of the NGOs were in operation for a period of 0 – 10 years, 28.1% had been in operation for a period of between 11 – 20 years and 21.9% had been in operation for a period of 31 – 40 years.

Findings with regard to the effect of age diversity of the board members on organizational performance showed a positive and significant effect. This had a correlation of 0.586 which was found to be statistically significant with a p-value of 0.000. According to the findings, organizational board for the NGOs studied composed of members with varied age groups. The variation of age groups among the board members had greatly improved the performance of the organizations in terms of donations and project managements.

The findings as well illustrated that age diversity among board members is significant with respect to the organizational overall performance. It was also evident from the findings that age diversity in boards positively impacts social performance of the organizations. According to the findings, the age diversity in board members improves the overall level of knowledge of the organization at the board level; as well the age diversity in board members broadens the debate within boards and helped to avoid the danger of narrow group think.

5.3 DISCUSSION:

5.3.1 Age Diversity:

The findings established that age diversity of the board members in their organizations was of low consideration shown by a mean of 2.8438 for and a standard deviation of 0.51490. The board members were composed of varied age groups confirmed by a mean of 3.6563 and a standard deviation of 0.90195. The variation of age groups among the board members had greatly improved the performance of the organizations in terms of donations and project managements as was indicated by a mean of 3.0000 and standard deviation of 0.95038. This finding is in conformity with the study done about factors influenceing good governance in NGOs by Zeleke, Lakachew Walie (2016), which recommended for

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strengthening of board diversity in terms of skills, backgrounds and experiences with commitment in addition to gender, age and tenure.

The respondents also agreed indicating that the age diversity among board members is significant with respect to the organizations overall performance (mean = 3.2188; std. dev. = 1.31332). It true that performance can be linked to diversity in board composition as alluded to in the findings of Amadi, Hellen (2015), about the Impact of Board Effectiveness and Business Planning on Financial Sustainability of NGOS. The conclusions of this study was that all the study variables (role of the Board, performance of the board and Business planning) positively contributed to the sustainability of the NGOs from whichever area of influence. The findings of regression and correlation analysis showed that indeed there is a relationship between the three variables against the dependent variable, sustainability. The findings on board performance against business sustainability using sustainability as a dependent variable and board performance, board function and business planning as the predictors, indicates statistical significance of the regression model which significantly predicts the dependent variable. In general, the findings statistically predict the dependent variable, business sustainability.

It is also clear that age diversity in boards positively impacts social performance as indicated by the mean of 3.3125 with a standard deviation of 0.73780 showing no much variance of the responses given from the mean response calculated. Age diversity in board members improves the overall level of knowledge of the organization at the age level (mean = 3.4688; std. dev. = 0.76134). Age diversity in board members broadened the debate within boards and helped to avoid the danger of narrow group thinking as indicated by a mean of 3.7812 with a standard deviation of 1.12836. According to Musyula, Adera (2014), in the study about factors affecting the performance of Non-Governmental Organizations established that the board of directors has facilitated defensible decision making concerning the social affairs of the organization; facilitated continuous improvement in relation to strategy, performance, compliance and accountability and consultation with key stakeholders which all promotes the performance of the organization. This is in agreement with the findings of this study above indicating that diversity especially age in boards positively impacts social performance.

The study found out that there was a significant positive relationship between age diversity of board members and performance of NGOs. The results of the study are in line with the findings of Siciliano (1996) who found that age diversity increased donations for YMCA organizations. Age diversity provides varied ideas within the board and this enables the organization to source broadly for donations which is one of the performance metrics that was reviewed under this study. Ferrero-Ferrero, et al., (2015) argued that age diversity broadens the debate within boards and helps to avoid the danger of narrow ''group think''. According to the findings, the age diversity in board members improves the overall level of knowledge of the organization at the board level; as well as the age diversity in board members broadens the debate within boards and helped to avoid the danger of "narrow group thinking".

The study also established that the project management aspects and social performance are positively enhanced with a diversified age group within boards, this is in contrast to findings by Hafsi and Turgut, (2013) and Siciliano (1996) who found that age diversity had a negative impact on social performance.

5.4 CONCLUSION:

Based on the study findings and discussions above, the study made definite conclusions about the study. It is imperative that with diversified age groups in the board members, organizations are in a better position to have outstanding performance. With inclusion of both the young and the old generation in the board, there is a diversified level of thinking and different ideas will be available in decision making. Organizations with the young members in their boards are able to efficiently utilize the current technology and innovativeness in their operations thus enabling growth and development. Similarly, with the aged who are also experienced, organizations are in a position to utilize these skills and experience in making resourceful decisions leading to their growth.

5.5 RECOMMENDATION:

With reference to the study findings discussed in this chapter as well as the conclusions made above, the study makes policy recommendations that should be adopted by the management and boards of these organizations to ensure improved performance. The study also recommends that, the board of management in any organization should comprise of individuals of diversified ages. This allows for the organizational preparation for the future leaders as well as inclusion of

skills and innovations in the board which also affected the performance of the organization greatly. Thus, the management of the organizations should ensure inclusive board with the aged and the young for effective decision making.

5.6 RECOMMENDATION FOR FURTHER STUDIES:

The study was limited to the effect of age diversity in Non-Governmental Organizations' performance. This study was also limited to Nairobi in its geographical scope. Thus, the findings might not successfully be a representative of all the Non-governmental organizations as well to other organizations which are not listed as NGOs. There is need therefore for a further study to be undertaken covering a wide geographical are to include the NGOs outside Nairobi as well as a comparative study to examine the effect of age diversity in different organizations in different categories in the economy.

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