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Top Management Team Diversity and Service Delivery of Commercial Banks in Makueni County, Kenya: An Empirical Analysis of Leadership Heterogeneity

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Top Management Team Diversity and Service Delivery of Commercial Banks in Makueni County, Kenya: An Empirical Analysis of Leadership Heterogeneity

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ABSTRACT

The delivery of high-quality banking services became gradually vital in today's globalized environment, characterized by dynamic customer expectations, heightened competition, and regulatory reforms. Diversity in top management teams emerged as a imperative driver of performance, particularly in influencing service delivery through varied perspectives, skills, and decision-making styles. This study set out to see how the diversity at the top management level affects service delivery in commercial banks across Makueni County, Kenya. The focus was on four types of diversity: demographic, cognitive, experiential, and cultural. The research leaned on several theories Upper Echelons, Social Identity, Resource-Based View, and Institutional theory. Descriptive cross-sectional research design and census approach was adopted, including all 96 middle and top-level managers from the eight Makueni County based commercial banks, specifically Kenya Commercial Bank, Equity Bank, Cooperative Bank, Absa Bank, Family Bank, National Bank of Kenya, NCBA Bank, and Sidian Bank. Primary data was obtained via a semi-structured questionnaire containing open and closed ended questions. For the reliability and validity of the instrument, a pilot test was performed with 10% of the respondents from ten respondents in commercial banks in Machakos county. Descriptive statistics (means and standard deviations), thematic analysis for qualitative responses and inferential statistics encompassing correlation and multiple linear regression analysis were conducted for the data analysis. These techniques indicated if the association between diversity in upper management and service delivery was statistically significant, assessed the magnitude and direction of this correlation, and ascertained the predictive effect of each dimension in terms of service delivery. Using ethical principles and a research license obtained from NACOSTI, the study fulfilled its research protocol without any discrimination. Also, participants in the research had to consent before participation, which assured confidentiality and anonymity would be maintained. The regression estimates explained 77.8% of service delivery variation ($R^2 = 0.778$). The model was statistically significant ($F = 69.927$, $p < 0.05$). All four dimensions of top management team diversity had positive and significant effects on service delivery: demographic diversity ($\beta = 0.710$, $p < 0.05$), cognitive diversity ($\beta = 0.222$, $p < 0.05$), experiential diversity ($\beta = 0.453$, $p < 0.05$), and cultural diversity ($\beta = 0.416$, $p < 0.05$). The research concluded that leadership diversity is a strategic driver of improve customer satisfaction, responsiveness, and service consistency. It recommended that commercial banks institutionalize inclusive leadership policies, strengthen diversity-oriented recruitment and development strategies, and cultivate cultures that leverage varied perspectives to enhance sustainable service performance.

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Keywords: *Top Management Team Diversity; Service Delivery; Commercial Banks; Demographic Diversity; Cognitive Diversity; Experiential Diversity; Cultural Diversity; Kenya.*

1.0 Introduction

Service delivery is a key differentiator for commercial banks in an increasingly competitive space driven by information technology. Because customers have different banking options which are not only provided locally but also internationally, the performance of a bank in terms of availability of timely, effective and customer-oriented service has a direct impact on client loyalty, market share and financial performance (Olayiwola & Olorunyomi, 2025). With globalization further uniting economies, digitalizing financial systems, George (2024) contended that customers are demanding a quicker-moving operational response, personalized financial products, and consistent standards of customer service between branches and channels. Moreover, technological advancements and the rise of fintech shifted customer expectations, compelling traditional banks to re-engineer their service models to remain relevant (Sharmin et al., 2024). Consequently, enhancing service delivery was not only a strategic imperative but also a survival mechanism for banks in developed and emerging economies (Ezechi et al., 2025).

In this context, top management team (TMT) diversity was gaining recognition as a key organizational factor that can drive improvements in service delivery. Diversity within the top leadership encompassing demographic, cognitive, experiential, and cultural dimensions brings a variety of perspectives, problem-solving approaches, and decision-making styles that enrich organizational strategy and responsiveness (Asriati, 2025). A varied TMT was probable to understand and serve a heterogeneous customer base, promote inclusive policies, and foster innovation in service processes (Drago et al., 2025). According to research, leadership teams with diversity in gender, age, professional background, and culture are better positioned to recognize emerging market needs, manage operational risks, and create adaptive service delivery models (Ngatia & Mandere, 2024). Therefore, understanding TMT diversity mandate in enhancing service provision was particularly relevant for commercial banks especially in Makueni County.

Globally, service delivery has become a strategic pillar for commercial banks seeking to survive at a globalized and technologically advanced financial system. Top international banks have made significant investments in leadership development, digitalization and customer service (Ray, 2024) technology to attract a growing and diverse customer base. Customer experience is also a performance benchmark for banking, according to Tonbra (2024), leading banks match leadership diversity with market complexity. Multicultural financial centers in Singapore, London, and New York correlated executive diversity with greater strategic adaptability, diversity in service offerings, and better satisfaction of customers at both global and locally-level financial settings (Martins & Sohn, 2022). Such global trends highlighted the increasing importance of leadership diversity in enhancing operational agility and service excellence in banking.

Regionally, Commercial banks in Sub-Saharan Africa are facing challenges including financial inclusion gaps, rapidly shifting customer preferences, and technological disruption. To modernize service delivery through digital banking and inclusive customer engagement strategies, South Africa, Nigeria, and Rwanda are among a handful of countries with aggressive measures (Ume &



Araga, 2024; Yozi & Mbokota, 2024). However, the pace and effectiveness of these advancements often hinge on the composition and outlook of banking leadership teams (Yusuf et al., 2025). One study in East Africa demonstrated that top management diversity results in superior organizational learning, responsiveness to local market conditions, and crafting of customer-centric policies (Kavita, 2024). Having leadership teams that reflect this diversity has been vital to offer services that serve all customers across the region as financial services have spread across socio-economic and cultural boundaries.

In Kenya, commercial banks remain core to a central mandate of economic development through saving mobilization, credit provision, and financial innovation support (Ndege, 2024). As the banking sector continues to be increasingly customer-driven and technologically integrated, the quality of service delivery became a key focus area (Onchiri et al., 2024). Yet differences continued to remain across banks, particularly in rural counties, where customer dissatisfaction often stemmed from slow service, poor responsiveness, and lack of cultural sensitivity (Nyamai, 2024). Increasingly, homogeneous leadership structures might hinder the institution's ability to understand and respond to diverse client desires. Kenyan banks have incorporated diversity in top leadership efforts such as gender balance, generational inclusion, as well as recruitment from varied professional backgrounds in recent times, with a view to improving institutional adaptability and customer satisfaction (KBA, 2023).

In Kenya, credit scoring models have gained popularity as more and more financial institutions integrate them into their working model in an effort to accurately assess credit risks and increase financial access. For instance, Equity Bank has integrated behavioral data analytics applied to credit scoring and increased the ability to grant credit to the customer base since the traditional credit histories have been a challenge (Hakizimana, Kimani & Otieno, 2023). KCB Bank has incorporated data of transaction from the online banking platforms to provide real-time credit scoring models to minimize on standard default measurements on borrowers (Pyoko, Akims, Nyachae & Mbugua, 2023). Likewise, Co-operative Bank uses psychometric credit scoring to evaluate borrowers because credit histories are difficult to get especially in the rural areas (Mutuku, 2023).

However, little empirical evidence was available for the extent to which TMT diversity impacts service delivery outcomes in Kenyan banking particularly in non-metropolitan municipalities such as Makueni County. Most existing studies tend to focus on financial performance, risk management, or digital adoption, with little attention given to service quality as an outcome of leadership composition (Masila et al., 2023). Given the demographics and economy of counties as diverse as Makueni, with its rural-urban customer profile, infrastructural challenges, and changing banking requirements, there was an interest to explore whether and how diversity in leadership can enrich service provision at grassroots level. This study was thus motivated by the need to bridge this gap and provide actionable intuitions useful for helping drive leadership development, HR policy and service innovation at commercial banks located outside major urban agglomerations.



1.1 Statement of the Problem

In the ever-competitive and client focused banking environment of today, effective service delivery is a perilous institutional success and sustainability determinant (Hinson et al., 2024). Commercial banks are required to provide fast, dependable and individualized services that are adapted to changing customer needs (Olayiwola & Olorunyomi, 2025). However, in some counties such as Makueni where infrastructural limitations, socio-economic and cultural disparities persist many banks encounter inefficient operations negatively affecting service delivery (Mutuku, 2023). While most of these statistics were not based on county-specific data, a report by Makueni County Consumer Watch Group (2024) revealed that specific customer complaints around long queues, slow turnaround times, and limited managerial sensitivity to local needs in several bank branches in towns of Wote, Emali and Mtito Andei remained strong. These data aligned with national trends reported by KBA (2024) whose results showed only 59% of bank customers nationwide were gratified with the service quality found nationwide and by Central Bank of Kenya (2024) 42% of rural and semi-urban consumers reported complaints about problems which are caused by delays and inconsistent standards in service delivery. These gaps indicate that homogeneity in top management teams may restrict banks' capacity to formulate inclusive, responsive, and customer-focused service strategies. In spite of better emphasis on diversity and inclusion in banking sector, only few empirical evidences were identified on the effect of TMT diversity on the service delivery outcomes in rural areas.

Numerous empirical studies discovered connection amid top management team diversity and corporate performance can be observed, but still almost none examine service delivery of commercial banks in rural environments. For instance, Tonbra (2024) examined leadership diversity and customer experience in Nigerian banks. However, he found cognitive and cultural diversity increased service innovation and client satisfaction in urban branches. In a similar vein, Kavita (2024) analyzed the influence of demographic diversity on customer service from Kenyan commercial banks, found a positive correlation. But the study was confined to Nairobi County. In South African context, Yozi and Mbokota (2024) studied the experiential diversity influence on the improvement of frontline banking efficiency in the context of digital service platforms but in a digital banking context exclusively. These articles have confirmed the strategic importance of leadership diversity; however, they are limited to urban centers, they use generic service metrics, or they focus on digital transformation. None has sufficiently addressed the rural banking scene, particularly given its diverse infrastructure, customer demographics, and staff capabilities. Further, few studies have investigated the impact of diversity in line leadership at branch-level as regards actual service delivery outcomes like customer satisfaction, operational responsiveness and quality consistency. This research pursued to discourse the contextual and empirical gaps of knowledge by exploring the effect of top management team diversity from four perspectives on service delivery in commercial banks in Makueni County, Kenya.

Although both service delivery and leadership diversity are of great importance, few empirical studies have observed the affiliation amid diversity in top management teams and performance in service delivery in rural banking contexts. In fact, existing research on diversity has concentrated on financial performance, innovation, or corporate governance, paying little attention to the key operational impact on service delivery. Moreover, existing studies examining leadership diversity



are mostly focused on urban or corporate contexts, which reduces the potential understanding of these dynamics in decentralized and low-resource branches. This research pursued to discourse the gap by exploring how the diversity of top management teams affects service delivery in commercial banks in Makueni County, Kenya, focusing on demographic, cognitive, experiential, and cultural dimensions of diversity.

1.2 Research Objectives

1.2.1 General objective

This research objective was to examine how diversity within the top management team affect the quality of service delivery in commercial banks located in Makueni County, Kenya.

1.2.2 Specific objectives

- i. To determine the effect of demographic diversity on service delivery of commercial banks in Makueni County, Kenya.
- ii. To establish the effect of cognitive diversity on service delivery of commercial banks in Makueni County, Kenya.
- iii. To evaluate the effect of experiential diversity on service delivery of commercial banks in Makueni County, Kenya.
- iv. To assess the effect of cultural diversity on service delivery of commercial banks in Makueni County, Kenya.

2.0 Literature Review

2.1 Theoretical Literature Review

This segment presented the theories that underpinned the affiliation amid top management team diversity and service delivery. The research was anchored on four key theories: Upper Echelons Theory, Social Identity Theory, RBV Theory, and Institutional Theory.

2.1.1 Upper Echelons Theory

Hambrick and Mason's (1984) upper echelons theory was developed to explain the affiliation amid the TMT aspects of an organization and strategic decisions and performance outcomes. The model suggests that organizational practices including policies, innovations, and efficiency are partly predicted by the background characteristics of top managers themselves. The facets involve demographic characteristics (e.g., age, gender, education), cognitive orientation (e.g., values, beliefs), and career experiences, which combine to shape how leaders perceive situations and make decisions (McCants, 2024). The theory suggests that since executives operate under bounded rationality, they interpret and act on challenges in terms of their individual experiences, values, and capabilities, and thus affect the behavior and performance of organizations (Oktaviani et al., 2024).



Although the Upper Echelons theory has high explanatory power, multiple critiques were made. There were some criticisms based on the use of observable characteristics as proxies for underlying cognitive and psychological traits which might oversimplify managerial behavior (Heubeck, 2023). Demographic characteristics such as age or gender might not necessarily correspond with deeper constructs like beliefs, leadership style, or risk tolerance (Onyeneke & Abe, 2024). Moreover, it was criticized for ignoring the impact that contextual and environmental factors (organizational culture or market structure) have on outcomes (Lerum, 2024). Others stated that this analysis has limited predictive precision, mainly due to a focus on describing relationships rather than prescribing clear, testable causal links (Saiyed et al., 2023).

Upper Echelons theory provided a strong structure to examining ways in which demographic, cognitive, experiential and cultural diversity within senior management teams affects service delivery outcomes in commercial banking. The theory suggests that diverse leadership teams communicate mixed meanings, wider problem-solving tactics, and greater inclusiveness in decision making, promoting responsiveness, innovation, and in the end service performance. In the case of Makueni County with its diversified customer base and resource constraints, it was the theory that banks with more diverse leadership could better understand and fulfil these needs, resulting in improved service delivery results.

2.1.2 Social Identity Theory

Tajfel and Turner (1972) created Social Identity Theory to understand what social categorizing is like and how each group of people classifies and differentiates itself, influencing how people act, perceive, and interact in a given social scenario. The theory states that people share some of their identity and self-esteem with the social clusters to which they belong like gender, ethnicity, job, or culture and tend to prefer in-group memberships to out-group members. In organizations, Steffens et al. (2021) contend that this theory elucidates the extent to which members' perceptions of similarity or difference of team members may impact collaboration, communication, and performance. It demonstrates that the more people feel included and represented within their group, such as a top management team, the more likely they are to positively contribute, collaborate and share goal-setting (Raskovic & Takacs-Haynes, 2021).

Critics say that social group classification does not define individuals, because they have agency to act beyond these social identities (Cikara et al., 2022). More broadly, the theory was criticized for potentially fueling stereotyping or deepening divides; particularly in heterogeneous staff-groups, categorization yields in-group preference and out-group rejection (Qi et al., 2022). In real-life contexts, the theory did not adequately capture how leadership, training and an inclusive culture can mitigate the deleterious effects brought on by social categorization (Shore & Chung, 2022).

Social identity theory provided a better understanding how differences in cultures and population on top management teams had an impact on internal processes and external services. The theory proposed that a leadership team that mirrors the social identities of its diverse customer population is likely to promote inclusion, empathy and effective communication – essential elements of responsive service delivery. In this specific research context, the theory supported the notion that



bank leadership with more gender, ethnic or age diversity enhances customer connection and improves service delivery by reducing bias and promoting inclusive decision-making.

2.1.3 Resource-Based View Theory

Proposed by Penrose (1959) and advanced by Barney (1991), with contributions from Wernerfelt (1984), the RBV framework posits that the enduring competitive advantage of a company is its capability, in terms of obtaining, nurturing, and using unique internal resources that are valuable, rare, difficult to replicate, and non-substitutable (VRIN). These include tangible assets, human resources, organizational skills, or intangible factors such as knowledge or the culture in a corporation. RBV theory posits that each firm does not have the identical strategic resources, and that much of the difference in performance can be attributed to how successfully these resources are exploited (Rianawati et al., 2024). In leadership, such diversity in TMT can be viewed as a premeditated intangible resource that fosters creativity, flexibility, and wider-ranging problem-solving elements leading to higher organizational outcomes (Usman et al., 2024).

Some critiques criticized the RBV and its approach, as it focuses more on the internal aspect of industry and often disregards outward aspects like competition and customer needs (Nguyen et al., 2023). Others contended that such focus on internal resources might diminish the role of environmental change and the requirement of external alignment (Kaur, 2023). Other critics concern the measurability and comparability of intangible resources such as human capital and team dynamics and make it hard to empirically test the predictions of RBV (Dhrubo, 2025). Moreover, the VRIN criteria were criticized to be difficult to evaluate objectively in some aspects, particularly when it comes to intangible attributes such as team diversity or knowledge-sharing abilities (Sackey, 2024).

RBV theory had been critiqued but held important for this study. It provided useful conceptual grounding for understanding how the diversity in TMT as a distinct human capital resource, can enhance a bank's ability to deliver services effectively. A heterogeneous leadership team (across demographic, cognitive, experiential, and cultural dimensions) can foster innovative service strategies, enhance customer engagement, and cultivate institutional adaptability in competitive conditions. Within the context of Makueni County, with its disparate customer demand and increasing competition, the theory endorsed the notion that commercial banks would get better service performance outcomes by engaging in and leveraging leadership diversity as a value-creating internal resource.

2.1.4 Institutional Theory

Meyer and Rowan (1977) proposed institutional theory, DiMaggio and Powell's (1983) institutional theory argues that organizational behavior is not just about efficiency or profits. Instead, organizations are molded by external influences, whether they be society, culture, regulation, or industry standards. Based on the theory, business does not always adopt particular procedures, forms of structure, or behaviors because they are the most efficient; it also adopts specific practices that are considered fitting or appropriate by the institutions in which the organization is situated. These pressures can be coercive (from laws or guidelines), normative (from proficient norms or values), or mimetic (from imitation of industry leaders) (Kauppi, 2022).



When it comes to the diversity of leaders, the institutional theory posits that banks move toward more diverse management teams to respond to shifting social expectations, industry trends, or policy mandates promoting inclusion and equity (Abadi et al., 2022).

A critique of institutional theory was that it tends to downplay organizational agency (Risi et al., 2023). Critics contend the theory depicted firms as unreceptive units that adapt to external compressions, rather than as strategic actors capable of shaping their environments (Sminia, 2024). Critics also criticized the theory for leaving little room to explain performance results. According to Berthod (2)023, conformity is more important than effectiveness. Other scholars argued that institutional pressures promoted isomorphism, in which companies can look too similar, and this could inhibit innovation and flexibility. For those kinds of organisations, compliance gives you legitimacy, but not necessarily an improvement in services or efficiencies (Cosa, 2025).

However, institutional theory was especially pertinent in this research, as it explained why commercial banks supported or contested diversity in their senior leadership teams. In recent years, financial institutions came under mounting regulation and social pressure from the government and society to actively nurture diversity and inclusion not only as a moral authority, but also at the level of governance and performance. In commercial banks in Makueni County, the institutional pressure to diversify leadership teams affected the diversification of their leadership teams through institutional forces including CBK's policies, corporate diversity charters, and customer expectations. The theory posited that, in reaction to these pressures, banks with a greater diversity of leadership would tend to have more legitimacy and alignment with community values, thereby improving service delivery using more inclusive, culturally responsive approaches.

2.2 Empirical Literature Review

This section reviews the previous empirical research related to the research variables and how various dimensions of TMT diversity impact service delivery in organization settings. The review was organized along the four diversity dimensions studied in this research: demographic, cognitive, experiential, and cultural diversity. It aimed to highlight important findings, research methods, contextual emphasis, and research gaps in prior literature that emphasised the need for this study within the framework of commercial banks in Makueni County, Kenya.

2.2.1 Demographic Diversity and Service Delivery

In the U.S., Ray (2024) explored the impact of racial and gender diversity of senior managers on service delivery performance in retail banks. Based on a multiyear panel dataset, they found that branches with racially and gender-diverse leadership teams scored higher on customer satisfaction and created a more personalized financial product. Although the analysis presented compelling evidence for positive diversity outcomes, it focused exclusively on urban locations, and there is a geographical void regarding knowledge of how such demographic diversity affects provision of services in rural and semi-urban locations like Makueni County.

Ndege (2024) carried out a study inside designated banks in Machakos County, Kenya. The results showed that diversified educational backgrounds led to flexible service procedures and quicker problem solving. Yet their sample was limited to three banks and did not incorporate other



demographic traits such as sex and age, which might also matter in this method. This narrow focus led that current research aimed to narrow the scope gap and discourse by investigating a wider range of demographic diversity indicators across all eight commercial banks in Makueni County.

2.2.2 Cognitive Diversity and Service Delivery

Nyamai (2024) examined Kenyan microfinance institutions and found that diverse perspectives in strategic planning meetings generated more inclusive and customer-centric financial products. They showed how cognitive diversity based on differing worldviews, training, and reasoning styles promoted better decision-making. However, despite these findings, the analysis focused on microfinance institutions as opposed to commercial banks, thereby presenting an institutional gap in applying the findings to commercial banks, particularly in counties such as Makueni.

Tonbra (2024) explored a mixed methodology between cognitive diversity and performance in Bayelsa banks, demonstrating that differing thinking styles facilitated innovation and needed proactive and committed leadership to deal with conflicts. The study highlighted fundamental tensions in diversity and cohesion but did not connect cognitive diversity specifically to service delivery metrics, such as operational responsiveness or perceived customer fulfilment. Consequently, a thematic gap that the nexus of cognitive heterogeneity and the provision of specific services still remains insufficiently examined.

2.2.3 Experiential Diversity and Service Delivery

Yusuf et al. (2025) considered the impact of work experience differences among TMT on group efficiency and service delivery in the Nigerian context. The findings found that experiential diversity improved team learning and adaptability, which translated into more flexible and responsive service systems. However, the study was carried out in the communications and digital economy ministry, rather than banks, thus leaving a sectoral gap which could limit the direct transferability to commercial banks.

Kavita (2024) investigated the influence of functional and tenure diversity of executive teams on service delivery strategies in Machakos-based commercial banks. It was found that such diversity positively influenced turnaround times and complaint resolution. But this study was carried out in five branches banks with higher levels of automation and did not consider the significance of experiential diversity in resource-limited rural branches. This created a contextual gap that warranted a study focusing on experiential diversity in commercial banks operating in Makueni County.

2.2.4 Cultural Diversity and Service Delivery

Sarmah and Ahmed (2025) looked at the impact of cultural diversity on global financial institutions, arguing that culturally diverse teams tend to be more adaptive to multicultural clients, and they do a better job of creating inclusive service models. Cultural diversity, implemented appropriately, was reported to enhance client empathy and expand service viewpoints, the study found. But, as the study was theoretical and focused on multinational corporations, there is a practical gap, as it was not possible to explore the direct, measurable impact of cultural diversity on service provision in local banking settings.



Onchiri et al. (2024) measured cultural diversity and organizational performance in Kenyan commercial banks, demonstrating that employee cultural diversity contributed to teamwork and service innovation. Nevertheless, the research was restricted to operational employees and excluded managerial-level diversity, leading to a level-of-analysis void. This limited understanding of how top management cultural diversity impacts strategic service decisions.

2.3 Conceptual Framework

This research conceptual framework exemplified the hypothesized association between TMT diversity and service delivery in commercial banks. It was premised on the idea that diversity within leadership teams can influence the quality, efficiency, and responsiveness of services offered to clients.

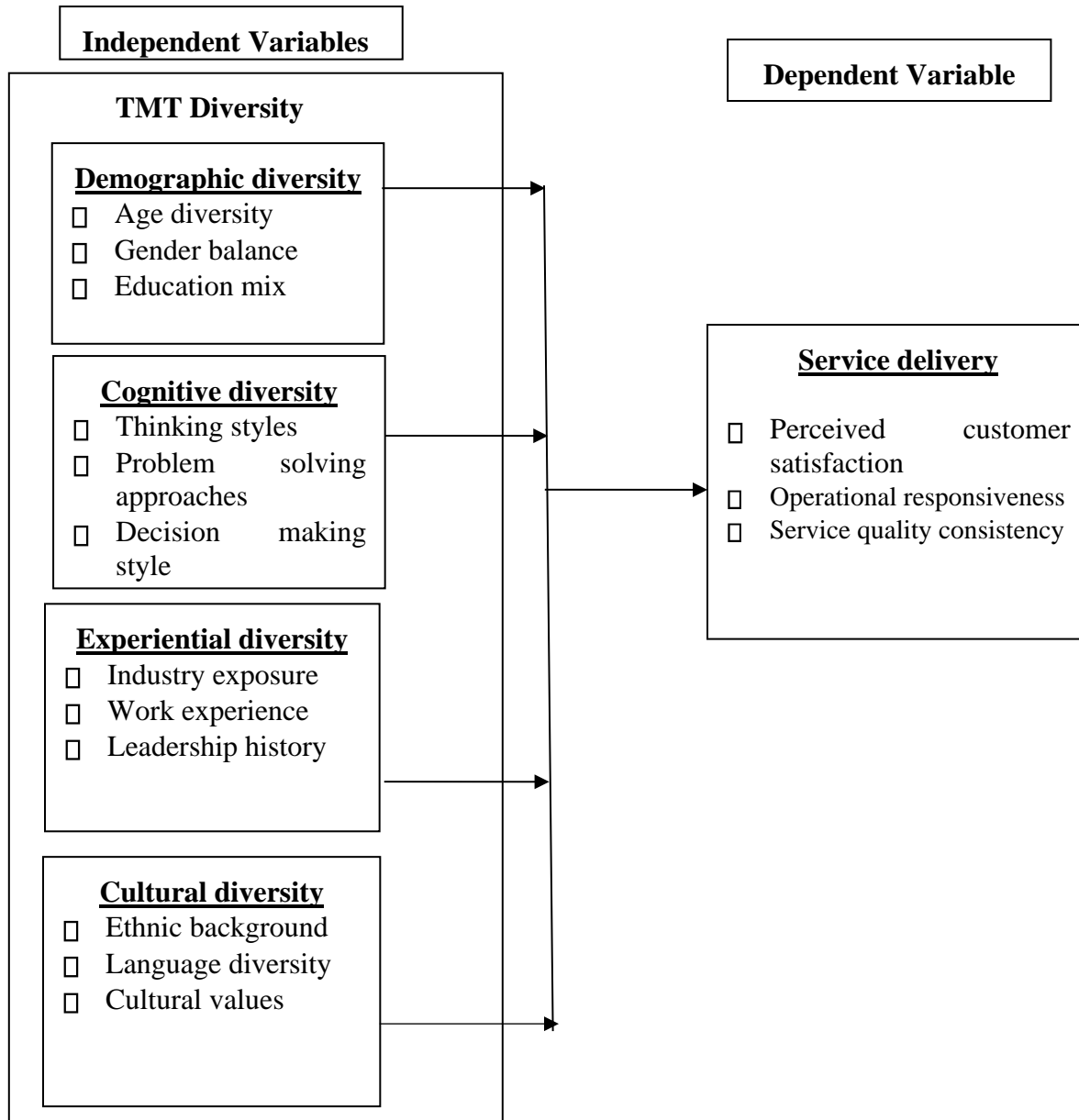


Figure 1 Conceptual Framework

Source: Researcher (2026)

3.0 Research Methodology

This research adopted a descriptive cross-sectional research design. The population for the research was eight commercial banks, targeting 96 respondents. The unit of observation for this study were personnel who hold managerial and supervisory roles in all eight Makueni County-based commercial banks, namely, Kenya Commercial Bank, Equity Bank, Cooperative Bank, Absa Bank, Family Bank, NBK, NCBA Bank, and Sidian Bank branches in Wote, Emali, and



Sultan Hamud, the major towns in Makueni County. Data were collected using structured questionnaires administered through Google Forms. The pilot study involved 10 participants from KCB and Equity commercial banks situated in Machakos County, which was within the same regional banking setting. Descriptive statistics (means and standard deviations) and inferential analysis were applied, and multiple linear regression was used to examine the effect of behavioral, psychometric, social media-based, and transactional data-based credit scoring models on credit risk. Thematic analysis of open-ended questions was done

4.0 Results and Discussion

4.1 Descriptive statistics

The first research objective sought to determine the effect of demographic diversity on service delivery in commercial banks in Makueni County, Kenya. Participants' overall summary was that age, gender, and educational dissimilarities among top management team members have positive effects on service processes (mean = 3.90; SD = 0.7), reflecting comparatively consistent perceptions. And respondents acknowledged specifically that educational diversity strengthens problem solving and that gender diversity enhances team dynamics and responsiveness to customer needs.

The second objective was to determine the impact of cognitive diversity on service delivery of commercial banks in Makueni County, Kenya. Descriptive statistics indicated overall high levels of agreement of respondents that diverse thinking style in leadership is believed to increase decision-making and creativity, as the overall mean and standard deviation were 4.11 and 0.63, respectively, suggesting consistent perceptions. Respondents most specifically identified that cognitive diversity strengthens critical thinking and encourages diverse viewpoints during strategic discussions.

The third research objective was to understand the effect of diversity in experience on service delivery in commercial banks in Makueni County, Kenya. Descriptive analysis revealed strong agreement among the respondents that diverse professional backgrounds, tenure and industry experience within the senior management team makes them more adaptable and innovative (mean = 4.13, 0.58 standard deviation), showing a relatively consistent approach. Respondents were especially in agreement about the role of different lengths of work experience and career paths in building strategic outlook and responsiveness to market changes.

The fourth research objective was to determine the influence of cultural diversity in service provision in commercial banks in Makueni County, Kenya. Descriptive results revealed that respondents would generally agree that cultural representation, respect for diverse norms, and inclusive decision-making improve the service processes with an overall mean of 3.86 and a standard deviation of 0.76, respectively, reflecting consistent opinions. Respondents in particular recognized that multicultural perspectives help shape customer strategies and that varied cultural backgrounds improve how the bank approaches clients.



4.2 Correlation Analysis

Table 1 presents the Pearson correlation results showing strength and direction of the association amid top management team diversity dimensions and service delivery. The findings reveal significant and strong positive statistical association between demographic diversity and service delivery ($r = .819, p < 0.01$). This suggests that branches that employ a broad range of age, gender and educational levels in their leadership teams are more likely to report superior service performance. The significance level indicates that this association is unlikely due to chance. Thus, these results corroborate Drago et al. (2025) who showed that when leadership has balanced demographic representation, responsiveness goes up and services follow.

Table 1: Correlation Results

		Demographic Diversity	Cognitive Diversity	Experiential Diversity	Cultural Diversity	Service Delivery
Demographic Diversity	Pearson Correlation	1				
	Sig. (2-tailed)					
Cognitive Diversity	Pearson Correlation	.828**	1			
	Sig. (2-tailed)	.000				
Experiential Diversity	Pearson Correlation	.868**	.758**	1		
	Sig. (2-tailed)	.000	.000			
Cultural Diversity	Pearson Correlation	.765**	.807**	.812**	1	
	Sig. (2-tailed)	.000	.000	.000		
Service Delivery	Pearson Correlation	.819**	.802**	.670**	.771**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	85	85	85	85	85

Correlation is significant at the 0.01 level (2-tailed).

Cognitive diversity also has a significantly positive relationship with service delivery ($r = .802, p < 0.01$). That indicates that different attitudes in thinking and opinions and problem-solving of leaders are related to responsiveness to customers and the efficiency of services provided. The strength of this association indicates the role cognitive diversity plays in influencing service outcomes. A similar observation is made by Tonbra (2024), who concluded that cognitive diversity fosters innovation and adaptability in banking corporations.

There is a moderate to strong positive correlation between service delivery and experiential diversity ($r = .670, p < 0.01$), indicating that various professional experiences and career histories are important components of service success. Although marginally less significant in comparison to demographic and cognitive diversity correlations, the relationship remains statistically



significant and substantial. This observation agrees with Yusuf et al. (2025), who demonstrated that work experience differences are beneficial for team adaptability and responsiveness towards service systems.

Cultural diversity also has a strong positive and significant relationship with service delivery ($r = .771, p < 0.01$). This infer leadership teams of diverse cultural groups are more able to meet the dissimilar desires of clientele and to offer accommodating service to all. The high level of significance also confirms here that the association is robust. This is consistent with Sarmah and Ahmed (2025), who pointed out that culturally diverse leadership enhances inclusivity and customer-centric service models within financial institutions.

4.3 Regression Results

This section presents the results of the multiple linear regression analysis. The analysis includes model fitness, analysis of variance (ANOVA), and regression coefficients to assess the strength, significance, and predictive power of the model.

Table 2: Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.882 ^a	.778	.766	.341752

a. Predictors: (Constant), Cultural Diversity, Demographic Diversity, Cognitive Diversity, Experiential Diversity

Table 2 presents the model fitness output of the regression analysis. The model expresses a strong correlation coefficient ($R = .882$), signifying a strong affiliation amid top management team diversity dimensions and service delivery. The R Square value of .778 implies that 77.8% of the service delivery variation is described by demographic, cognitive, experiential, and cultural diversity collectively. The Adjusted R Square of .766 confirms that the model remains robust even after adjusting for the number of predictors. Additionally, the .341752 standard error estimate is comparatively low, signifying the model good predictive accuracy. Overall, the outcomes designate that the regression model provides a strong and reliable explanation of service delivery outcomes.

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.669	4	8.167	69.927	.000 ^b
	Residual	9.344	80	.117		
	Total	42.012	84			

a. Dependent Variable: Service Delivery
 b. Predictors: (Constant), Cultural Diversity, Demographic Diversity, Cognitive Diversity, Experiential Diversity



Table 3 exhibits regression model is statistically significant ($F = 69.927, p = .000$). Since the p-value is less than 0.05, this infers the independent variables jointly have a significant effect on service delivery.

Table 4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	1.033	.313		3.301	.001
	Demographic Diversity	.712	.125	.710	5.677	.000
	Cognitive Diversity	.251	.122	.222	2.065	.042
	Experiential Diversity	.557	.148	.453	3.757	.000
	Cultural Diversity	.386	.097	.416	3.973	.000

a. Dependent Variable: Service Delivery

The multiple regression model used is illustrated below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon,$$

$$Y = -1.033 + 0.712X_1 + 0.251X_2 + 0.557X_3 + 0.386X_4$$

Table 4 presents the regression coefficients illustrating the discrete contribution of each dimension of top management team diversity to service delivery. The results show that all four independent variables are statistically significant at the 5% level. Demographic diversity had a strong positive and significant effect on service delivery ($\beta = .710, p = .000$), signifying that improvements in age, gender, and educational representation within leadership substantially enhance service outcomes. Cognitive diversity also had a significant positive effect ($\beta = .222, p = .042$), which indicates that a variety of thinking styles matter in the way services are being developed and delivered. The positive and significant effect of experiential diversity was also shown by ($\beta = .453, p = .000$), which means that variations in job and level experience enhance agility and willingness. Cultural diversity was similarly observed to positively and significantly impact ($\beta = .416, p = .000$), which attests that cultural diversity in leadership fosters inclusiveness and client interaction. These findings imply that diversity in upper management teams is important in determining service delivery performance.

The very positive effect of demographic diversity is consistent with that of Drago et al. (2025), who found that leadership who possess appropriate age and gender balance makes them more adaptive to the needs of the customer and responsive to them. Likewise, cognitive diversity is considered important as supported by Nyamai (2024), who stated that diverse thinking styles of financial institutions enhances decision quality and customer-centric service designs. The current study corroborates these findings in the context of commercial banks in Makueni County by



showing that demographic and cognitive diversity are not merely abstract conceptual characteristics but are, in fact, critical strategic determinants in service effectiveness.

The positive and significant influence of experiential diversity corroborates Yusuf et al. (2025), who found that varied work experiences among top management teams enhanced flexibility and service system responsiveness. In the same vein, the significant contribution of cultural diversity is consistent to Amin et al. (2023), who observed that culturally diverse management teams improved client relations and personalized service delivery in service-oriented organizations. By providing quantitative evidence from branch-level data, the current study extends prior research and confirms that experiential and cultural diversity are vital leadership resources that directly enhance service delivery in commercial banks operating in Makueni County, Kenya.

5.0 Conclusion

Based on the study findings, it is concluded that diversity in top management team has a significant and positive influence on service delivery in commercial banks in the county of Makueni in Kenya. In all of those dimensions' demographic, cognitive, experiential, and cultural diversity, there were statistically significant effects on service delivery. This validates that leadership diversity is not only a governance issue, but also strategically a resource to drive increased customer satisfaction, service efficiency, and responsiveness in the banking sector.

Firstly, the research concluded that demographic diversity has significant positive impact in improving service delivery. Diversity in our leadership teams by age, gender, and educational background increases inclusiveness, perspectives, and decision quality. Both the strong correlation and regression results suggest banks with balanced demographic representation are better at understanding the differences in customer needs and delivering consistent, customer-centered services.

Secondly, the research concluded cognitive diversity enhances service delivery by fostering creativity, critical thinking, and balanced problem solving. Leadership teams characterized by varied thinking styles are more capable of addressing complex customer issues and adapting to dynamic service demands. This intellectual diversity strengthens strategic discussions and reduces the risk of groupthink, ultimately improving service responsiveness.

Thirdly, experiential diversity contributes positively to service outcomes by enhancing adaptability and innovation. It also brings a mix of different professional backgrounds and tenure differences that enable leaders to deliver complementary skills that aid in complaint resolution, operational efficiency, and market responsiveness. Results indicate different career paths give management teams practical insights needed for providing effective banking services.

Finally, the research concluded that cultural diversity enhances service delivery by fostering inclusivity, empathy, and culturally sensitive decision-making. When leadership teams are culturally diverse, they are better able to build trust, communicate effectively with varied customer segments, and tailor services to local needs. Generally, the study found that embracing diversity



at the top management level significantly enhances service performance in commercial banks operating in diverse community contexts.

6.0 Recommendations

Based on the findings of this research, it is recommended that commercial banks in Makueni County purposefully promote demographic diversity in the top management group. Recruiting, promotion and succession planning should focus on providing balanced representation in terms of age, gender and educational background. On a policy level, the banks need to create clear diversity guidelines in line with the Central Bank of Kenya governance guidelines for inclusive leadership frameworks. To implement, it should be appropriate for managers at every branch to develop mentorship and talent pipeline programmes, through which a diversity of leadership talents can develop, as they work to deliver services for the benefit of the customer.

Secondly, banks ought to institutionalize methods to encourage cognitive diversity in strategic decision-making. Management meetings are supposed to be about open conversation, constructive debate, and inclusive participation, to get everyone thinking together. Training programs in leadership ought to focus on critical thinking, collaborative problem-solving and conflict management, with diversity reflecting the positive value of diverse thought in terms of service success. From a governance point of view, boards and senior leaders should develop cultures that emphasize innovation and intellectual contribution (not conformity) and, in the process, enhance service responsiveness and adaptability.

Third, commercial banks should strategically draw on experiential diversity by ensuring that leadership teams include people of different professional backgrounds, industry exposure, and tenure levels. Human resource policies need to promote cross-functional rotations and structured career mobility among the staff to broaden management experience. Branch operations should utilize leaders' diverse expertise in areas such as risk management, operations, marketing, and IT to enhance complaint resolution, process efficiency, and service innovation. Policymakers and regulators may also encourage continuous professional development programs to strengthen leadership competencies in diverse banking environments.

Finally, it is suggested by this study that banks should expand on the need to enhance cultural diversity and inclusivity within their leadership structures. Well-defined diversity and inclusion policies should be enshrined and widely disseminated throughout the organisation and communicated at each and every branch to ensure fairness and cultural sensitivity in service provision. Management teams need to be trained in cultural competence and inclusive leadership if they are to respond to customers from diverse ethnic, linguistic, and religious communities. At a macro policy level, banks can complement their national cohesion and inclusivity frameworks which can be used to build community trust, improve customer engagement, and maintain competitive advantage in heterogeneous markets.

7.0 Recommendations for Further Research

This study examined four dimensions of top management team diversity demographic, cognitive, experiential and cultural diversity which impact service delivery of commercial banks in Makueni



County. Further research should broaden the conceptual reach by considering additional leadership constructs like ethical leadership, transformational leadership style, emotional intelligence, board diversity to see how they align with service delivery outcomes. Further, investigating mediating or moderating factors such as organizational culture, employee engagement, or technological adoption may also be able to provide a more comprehensive grasp of the nuances about how leadership diversity affects performance.

Second, because this study was conducted in commercial banks in Makueni County, future research could expand the topographical scope to other counties or design more comparative studies of rural and urban banking contexts. These studies would also clarify whether the impact of diversity of the top management teams on delivery of services differs according to economic, cultural, or regulatory contexts. Comparative cross-country approaches within the East African region can allow deeper understanding of local situational dynamics and improve generalization of results.

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