

**EFFECT OF BOARD DIVERSITY ON STRATEGIC CHANGE ON FIRMS LISTED
AT THE DAR ES SALAAM SECURITIES EXCHANGE**

BY

ALFONCE N. CHOI

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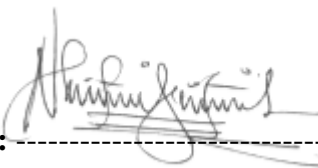
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DECLARATION

I, declare that this dissertation is my original work and has not been previously published or submitted anywhere for award of a degree. I also declare that this contains no material written or published by other people except where due reference is made and author duly acknowledged.

Student Name: Alfonse Nyambane Choi

Reg. No: 17/00500

Sign: -----

Date: -31 October 2022

I do hereby confirm that I have examined the Masters Dissertation of

Alfonse N. Choi

And have approved it for examination

Sign: -----

Date: 31 October 2022

Dr. Fiona J. Korir

Dissertation Supervisor

ABSTRACT

Boards contribute consequentially towards strategic change through strategic decisions in a firm. Although numerous researches have been advanced covering the effect of board diversity on strategic change, not much is known about how board diversity sways strategic change in emerging economies Tanzania being one such an economy. The main motive of this study was to determine the effect of board diversity on strategic change on firms listed at the Dar es salaam Securities Exchange. The study particularly targeted examination of the effect board diversity in terms of nationality, age and gender and their effect on strategic change for the firms listed at the DSE. The study was anchored to Stakeholder Theory, Upper Echelon Theory, Resource Dependency theory and Stewardship Theory. A descriptive research design will be applied in this research. The population that was focused on in this study constituted all publicly traded firms listed at the DSE for 19 years for the period covering 2002 to 2020. Secondary data sources were utilized in the study as obtained from the DSE and the CMSA platforms. A panel data analysis was applied in analysis of the data obtained through SPSS. The findings indicated an influence of the board's age diversity, education level and nationality variables on strategic change whereas gender was noted to have no impact. In overall the variables accounted for 18.9% influence on strategic change. The study recommended a further study on the other possible factors accounting for 89.1% on strategic change which could include employees' role and industry factors. It would also be resourceful for future studies to consider non-listed firms in studies as they could be majority firms in the economy and with different governance framework as opposed to listed firms.

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DEDICATION

This study is dedicated to my parents, whom despite not having achieved tall academic qualification, gave their all to support my studies. Through their motivation and continuous reminders of the need to achieve and to keep climbing the ladder, I have been able to reach this far. May Almighty grant them a long healthy living.

TABLE OF CONTENTS

DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
DEDICATION	v
TABLE OF CONTENTS	vi
LIST OF TABLES.....	ix
LIST OF FIGURES.....	x
ACRONYMS AND ABBREVIATIONS	xi
OPERATIONAL DEFINITION OF TERMS.....	xii
CHAPTER ONE: INTRODUCTION.....	1
1.0 Introduction.....	1
1.1 Background of the Study	1
1.1.1 Board Diversity.....	2
1.1.2 Strategic Change of Firms	3
1.1.3 The Dar es salaam Securities Exchange	4
1.2 Statement of the Problem.....	7
1.3 Objectives of the Study	9
1.3.1 General objective.....	9
1.3.2 Specific objectives.....	9
1.4 Research Hypotheses	9
1.5 Justification of the Study	10
1.5.1 Members of the Dar es salaam Securities Exchange.....	10
1.5.2 Policy Makers and Regulators	10
1.5.3 Theory	10
1.5.4 Management and Boards.....	10
1.6 Scope of the Study	11
CHAPTER TWO: LITERATURE REVIEW	12
2.1 Introduction.....	12
2.2 Theoretical Review.....	12
2.2.1 Stakeholder Theory.....	12
2.2.2 Upper Echelon Theory.....	14
2.2.3 Resource Dependency Theory	15

2.2.4	Stewardship Theory	16
2.3	Empirical Review	17
2.3.1	Board Gender diversity and strategic change	18
2.3.2	Board Age diversity and strategic change.....	21
2.3.3	Board Nationality diversity and strategic change	23
2.3.4	Board education diversity and strategic change.....	25
2.1	Conceptual Framework.....	26
2.2	Operationalization of variables	26
2.2.1	Independent variable	26
2.2.2	Dependent variable	27
CHAPTER THREE: RESEARCH METHODOLOGY		29
3.1	Introduction.....	29
3.2	Research design.....	29
3.3	Target Population	30
3.4	Research instrument.....	31
3.5	Data Processing and analysis	31
3.6	Panel Data Diagnostic Tests.....	32
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION.....		35
4.1	Introduction.....	35
4.2	Descriptive Statistics.....	35
4.1	Diagnostic tests	38
4.1.1	Multicollinearity Test.....	38
4.1.2	Test for Heteroscedasticity	39
4.1.3	Normality Test.....	39
4.1.4	Test for Stationarity	40
4.1.5	Correlation Analysis	41
4.2	Model Fitting	43
4.2.1	Regression Analysis.....	43
4.3	Hypotheses Testing and Interpretation of results	45
CHAPTER FIVE: SUMMARY CONCLUSIONS AND RECOMMENDATIONS.....		48
5.1	Introduction.....	48
5.2	Summary.....	48
5.2.1	Discussion of findings in relation to Literature and Theory.....	Error! Bookmark not defined.

5.2.2	Effect board gender diversity on strategic change.	50
5.2.3	Effect of board education diversity on strategic change.....	51
5.2.4	Effect board nationality diversity on strategic change.	52
5.2.5	Effect of board members' age diversity on strategic change.	53
5.2.6	Factor for weak fit between board diversity and strategic change.....	54
5.3	Conclusions of the Study	54
5.4	Recommendations of the Study	57
5.5	Limitations of the study	58
	REFERENCES	59
5	APPENDICES.....	88
6	Appendix 1: Listed Companies at the DSE	88

LIST OF TABLES

Table 2.1: Summary of operationalization of variables	27
Table 3.1: Panel Data Diagnostic Tests	34
Table 4.2: Multicollinearity Test.....	38
Table 4.3: Normality Test	40
Table 4.4: Test for Stationarity	40
Table 4.5: Correlation Analysis	42
Table 4.6: Model Summary.....	43
Table 4.7: Analysis of Variance (ANOVA).....	44
Table 4.8: Coefficients	44

LIST OF FIGURES

Figure 4.1: Standardized Residual Plot.....	39
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ACRONYMS AND ABBREVIATIONS

CA:	Companies Act 2002
CEO:	Chief Executive Officer
CMA:	Capital Markets Authority
CMSA:	Capital Markets and Securities Authority
DSE:	Dar es salaam Securities Exchange
NBAA:	National Board of Accountants and Auditors
NSE:	Nairobi Securities Exchange
OECD:	Organization for Economic Co-operation and Development

OPERATIONAL DEFINITION OF TERMS

Board Age diversity: The natural cumulative age of the individual board members (Letting, 2011).

Board diversity: The composition of the board of members demographic and cognitive diversity (Van der Walt & Ingley, 2003).

Board Gender diversity: The presence of female directors on the board of directors of corporations (Carter et al, 2003).

Board Nationality diversity: The presence expatriate members/foreigners on the board other than board other than those of the home country of the firm (Lars & Trond, 2001).

Strategic change: An alteration to the set of resources, routines or procedures and processes that organizations use to compete (Boeker, 2010).

CHAPTER ONE: INTRODUCTION

1.0 Introduction

This chapter covers the background of the study, the Dar es salaam Securities Exchange and its role, the statement of the problem, both general and specific objectives, hypothesis, significance and scope of the study.

1.1 Background of the Study

The board is considered to play a major role in driving the strategic direction of a firm (Jebran et al., 2020). A number of studies also show the board's conspicuous influence in strategic change (Lin et al., 2018; Ullah et al., 2019). Various studies contend that the ability of top management to impact strategic change emanates from their cognitive base which is existent in their diversity (Bhat et al, 2019; Groening, 2019). Although earlier studies have explored the effect of board diversity on strategic change, not much literature has been put forth in this topic especially in Tanzania. Hence, the objective of this study was to determine the effect of board diversity on strategic change for firms listed in the Dar es salaam Securities Exchange. This study will base on the hypothesis that board diversity may predict strategic change for a firm.

Many studies tend to have consensus on the three key the roles played by the board. Boards play a monitoring role which encompasses recruitment, motivating and evaluating managers' performance and instituting internal control systems (Tarus & Federico, 2014). Boards serve as a link between the firm and its external environment giving it access to external resources required (Abdullah, 2016). Boards also take part in manipulating strategic change through continuous review and implementation of a firm's strategy and giving recommendations (Adeabah et al.,2019; Bhat et al., 2019). They also cross check and amend

strategic decisions where necessary to ensure they are in line with the firms' strategic objectives and mission. Board play an important role in review of assumptions underlying strategic decision, resource allocation for implementation and monitoring the progress of strategy implementation (Sarhan et al., 2018).

1.1.1 Board Diversity

Team cooperation is key in strategic decision making for firms. This is due to various attributes or characteristics constituted in each team member which are unique. The particular team member characteristics, knowledge, experience and skill play key role towards firm's performance (Knippenberg & Schippers, 2007). Firms are comprised of such teams such as management teams and board teams. The members of the teams are identified based on diverse characteristics, such as age, gender, nationality, education, and expertise. When board members have various attributes, it forms a diverse board, hence the focus of this study being board diversity.

Therefore, to have functional boards that achieve required strategic change, the focus of board diversity should be on how and what kind of attributes and characteristics of the members combine to form an effective team (Chen, 2013). If the characteristics of the board members are similar, they may quickly get agree on a decision (Marcel, Barr, & Duhamel, 2011); although, the information derived from such decisions may not be optimal. A task related diversity may give rise to conflicts of opinions between members, which may end up with better decision and the resolution of the problem with consensus (Marcel et al., 2011). A diverse board or team will have a more significant number of ideas which will increase the alternatives for making an effective decision. Hence, the differences in the attributes of the members can enhance the decision-making (Adeabah et al., 2019; Bhat et al., 2019). Several

studies support the view that diversity on a board can enhance corporate governance and board outcomes (Groening, 2019; Jebran et al., 2020;).

Existing literature is based on developed countries (Jensen & Zajac, 2004; Haynes & Hillman, 2010) which may make it inapplicable in developing countries (Tricker, 2012; Aora & Sharma 2016). Not many studies and reviews exist on the link between board diversity and a firm's strategic change (Ntim, 2012). The existing few researches show the role played by the boards in shaping a firm's strategic performance and strategic change. Some of the reasons for the scarcity of studies in this area have been attributed to; absence of wide theoretical views on board's strategic roles, domination of strategic decision making by the management, control by management on board selection and absence of clarity on strategic roles of directors. Hence the need to conduct more studies especially in emerging economies, Tanzania being one of them. This study on board diversity and its effect on strategic change was therefore relevant, especially in emerging economies especially in the Sub-Saharan Africa which is characterized by weak regulatory frameworks (Fulgence, 2014), growing foreign investor interest and need for strategic change to meet global economic speed.

1.1.2 Strategic Change of Firms

Strategic change of firms has had major focus in management literature. Strategic change is a key and valuable phenomenon to firms because it is a means via which firms manage internal and external environmental changes and survive competition (Kraatz and Zajac, 2001). Strategic changes is a realignment of strategic organizational set of resources to achieve competitive advantage (Boeker, 2010). A number of studies have applied strategic persistence and conformity over time the patterns of resource allocations and strategic dynamism, strategy variation and strategy change to obtain strategic change.

The study was moored on the following theories: Stakeholder Theory, Upper Echelon theory, Resource Dependency theory and Stewardship theory. Stakeholder theory postulates that boards owe duty not just to the shareholders but also to other stakeholders interrelated to the firms (Lin and Tom, 2018). The board's interconnectedness to the network of stakeholders therefore may influence their decision making as to the strategic change of a firm. The Upper Echelon theory elaborates that diversity of decision makers partially predict their strategic orientations (Low et al., 2015)) and that a firm's results have a link to top level decision makers possessing unique profiles. According to Upper Echelons theory, strategic decisions cannot be alienated from the intrinsic diversity of decision makers hence its direct connection with this study on the effect of board diversity on strategic change. Resource Dependency theory focuses on resources of the firm, the board being one of the resources and how they help in enabling the firm access and utilize external resources (Letting, 2011). It also views the board members as an internal resource hence when well constituted with right diversity may affect the firm's strategic change. Stewardship theory holds that board members are stewards whose main role is to make decisions in the best interest of the shareholders and for-profit maximization. Hence, the more diverse the stewards are, the better their ability to make decisions in the best interest of the shareholders.

1.1.3 The Dar es salaam Securities Exchange

The Dar es Salaam stock exchange (DSE) is a stock market located in Dar es Salaam, Tanzania. The DSE was formed in September 1996 and commenced operations in 1998. Its membership comprises of Associate Members and Licensed Dealing Members (LDMs). Associate members encompass institutions that which brace the DSE while LDMs refers to the firms that trade on the floor. The stock market has its membership in the African Stock

Exchanges Association. The Capital Markets and Securities Authority (CMSA) is responsible for monitoring and reviewing the dealing of the DSE. The DSE operations in close alliance with the Nairobi Securities Exchange (NSE) in Kenya and the Uganda Securities Exchange (USE) in Uganda. As of July 2021, there are twenty-nine listed companies. Appendix 1 summarizes the current market listings.

The DSE serves to provide corporate governance guidelines to its members and providing a conducive trading environment for the listed companies and those that wish to be listed or exit the market. By ensuring transparency in pricing and stability in regulation, the DSE enhances the trading mechanism on which buyers and sellers trade. The DSE also monitors periodic strategic options adopted by the listed companies in strategically positioning themselves through the operational and technological changes in the respective industries. This calls for boards whose decisions can propel strategic change in the firm to match the listing rules, regulations and performance requirements. In addition, the DSE also facilitates synergy by functioning as a center to pooling together of capital resources which enables investment and provides financial resource to the listed firms.

Among the various reforms carried out by Tanzania since 1980s in the bid to improve the regulatory environment include; adoption of the Capital Markets and Securities Act (1994) and the Capital Markets and Securities Authority (CMSA) in 1995. The Companies Act also underwent a revision in 2002. In spite of these regulatory progressions, there are still very few studies on the boards and how they impact on the strategic change in Tanzania (Fulgence, 2014). This can be attributed to possible absence of attention and sanitation towards the board's influence on strategic change in Tanzania.

The Companies Act (CA) 2002, which came in as a revision, does not dictate as to what diversity should compose the board i.e. as to whether the board should be comprised of what gender, nationality, age or education level. Nevertheless, the firms adopt guidelines by the CMSA and DSE and that call for balance in board diversity. The duties of the boards are scoped in Chapter VII of the CA 2002 . The Board is accountable for the strategic decisions of the firm and through their strategic decisions and are held accountable for this to the shareholders. This duty is fulfilled by ensuring that the boards are properly composed with members whose diversity brings the required gist to drive strategic change. Legal and institutional framework for listed companies requires registration with the Business Registration and Licensing Authority (BRELA), the Capital Markets Regulatory Authority and other regulations applicable to specific industry. Therefore, to qualify for listing a firm has to be a public company as outlined under the Capital Markets and Securities Act.

Tanzania can be classified as one of the emerging economies in sub-Saharan Africa whose governance structure is unique due to the unstable regulatory environment and constant growing pressure on boards (Ntim ,2012). This could include its securities market, which is among the smallest capital markets in the world with only 29 listed firms. Tanzania can also be considered unique due to its economic status and failure of a number of public corporations between 1980s and 1990s (Fulgence, 2014).

Tanzania one of the emerging economies, its protectionist laws and unpredictable legal environment and unstable political landscape may have a negative effect on constitution of foreign members in boards. The laws tend to be more favorable to encouraging local members into the boards that foreigners. Similarly, in spite of many no-governmental organizations championing gender issues in the country especially for the women, like many

emerging economies there's still a lot to be done. This can be seen in one of the presidents' (The late Dr. John P. Magufuli) declaration that pregnant girls should never be allowed back to school which received a lot of backlash from local and international rights activists and organizations. When it comes to age, the setup is such that the young must respect and not question their elders which may also be a hindrance to contributions by young members in the boards which in overall may affect contributions towards a firm's strategic change.

The major reforms and frequent amendments to the Companies Act, DSE Rules and the CMSA Regulations are intended to bring sanity to the boards in Tanzania and particular to the firms listed at the DSE. Nevertheless, the Dar es Salaam Stock Exchange (DSE) stock market has remained among the world's least developed stock markets (Ntim, 2012) with a current market capitalization of TZS 28 billion and only 29 listed firms and a market capitalization of Tanzania Shillings 28 billion only which is also much lower if compared with the Nairobi Securities Exchange which has current listing of 65 firms and a market capitalization of Kenya Shillings 2.248 trillion. This huge margin exists in spite of the fact that both security markets operate in the same East African Region. Attributing to the social and cultural set up of the country, Tanzania's economy is in mayhem following a flop in its state-owned enterprises in the 1980s and 1990s (Fulgence, 2014). This may partly be attributed to the absence of adequate accountability and unclear roles of the board with regard to strategic change. A turnaround is required to have vibrancy in the DSE by having clarity on accountability of the boards towards strategic change.

1.2 Statement of the Problem

Amendments of the Companies Act, 2002 and development of the fundamentals of successful corporate governance by the CMSA and its subsequent amendments are some of

the indicators that corporate governance has received increased attention in Tanzania. Scholars and regulatory authorities observe this as a major progress towards a reliable governance structure (Kiwale, 2007). Unfortunately, most of these revised corporate governance principles are derived from developed economies. Questions that arise then are whether these governance laws and regulations are compatible with those of emerging economies like Tanzania whose economic terrain, legal frameworks, social and cultural set ups may be different from those of developed countries. These regulations and studies leading to their formation may not be applicable in sub-Saharan economies like Tanzania that are characterized an unstable, unpredictable and weak regulatory environment (Tricker, 2012; Arora and Sharma, 2016)

In spite of the various legal and regulatory reforms over decades, not many studies have been advanced to shed light on the impact of board diversity on strategic change in Tanzania (Fulgence, 2014). Hence, very little is known about board diversity and their effect on strategic change in Tanzania. The DSE still ranks as one of the smallest securities exchange market globally with a current market capitalization of Tanzania Shillings 28 billion and only 29 listed firms. Hence, this study adds to the existing few studies on the association between board diversity and strategic change by using Tanzanian data from the firms listed at the DSE. This study will also subscribe towards getting clarity on the relationship between board diversity and strategic change following mixed results from other studies elsewhere (Tarus & Federico, 2014; Letting, 2011).

1.3 Objectives of the Study

1.3.1 General objective

The general objective of this study was to establish the effect of board diversity on strategic change for the firms listed at the Dar es salaam Securities Exchange.

1.3.2 Specific objectives

The specific objectives were:

- i. To examine the effect of board gender diversity on strategic change on the firms listed at the DSE.
- ii. To examine the effect of board education diversity on strategic change on firms listed at the DSE.
- iii. To examine the effect board nationality diversity on strategic change on the firms listed at the DSE.
- iv. To investigate the effect of board age diversity on strategic change on firms listed at the DSE.

1.4 Research Hypotheses

The following hypotheses were derived in this study;

Hypothesis 1 (H¹): Board gender diversity has an effect on a firm's strategic change.

Hypothesis 2 (H²): Board education diversity has an effect on a firm's strategic change.

Hypothesis 3 (H³): Board nationality diversity has an effect on a firm's strategic change.

Hypothesis 4 (H⁴): Board age diversity has an on a firm's effect on strategic change.

1.5 Justification of the Study

1.5.1 Members of the Dar es salaam Securities Exchange

The study aimed to provide understanding of the importance of taking into account board diversity in constituting boards. This was displayed through examination of how board diversity impacts strategic change which is key in turning around firms for their survival and continued listing at the DSE. This would in turn propel the growth and development of the DSE to climb up the ladder in global position.

1.5.2 Policy Makers and Regulators

The outcome of this study targeted to promote efforts towards regularization and legally mandating diversity in the boards. This ensured that all caliber of members is taken into account in boards to ensure quality and timely strategic change decisions. The findings also would support the Government and CMSA in setting up diversity benchmarks for the listed and non-listed firms.

1.5.3 Theory

The study also aimed to serve as a key contribution to existing literature and also giving scope give recommendations for future areas of investigation and study with respect to the relationship existing between board diversity and strategic change. The study was a key contribution towards the existing body of knowledge.

1.5.4 Management and Boards

The study targeted helping shareholders appreciate the importance of board diversity and the reason to take it into consideration in appointment of board members as it may go a long way in improving firm's strategic change and decision making. The findings may help

in forming a guide to the management of both listed and non-listed entities on the incorporation of board diversity in the board membership. This would in turn lead to formation of boards whose diversity is utilized for maximum benefit in the firm's strategic change decisions.

1.6 Scope of the Study

Statistically and geographically, the research was scoped within the data for firms listed in the DSE for the period between 2002 to 2020. The period selected represents the span in which there were various changes to the laws including the Companies Act, 2002 and the DSE Rules, 2016. Hence the findings of the study were a reflective of the effect of introduction of these changes to the governance terrain in Tanzania and strategic change of the firms listed at the DSE. In the year 2002 there were 5 listed companies and increased over the periods to the current 29 firms as of the year 2020. The selected population of firms were listed in different periods, hence, the data that used in the study was unbalanced. This gave a number of observations of 412.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter aims to provide the theoretical background to the research through a literature review. The chapter was organized into four parts. Section 2.1 discusses the theoretical literature specifically discussing the theories the study is based on. Section 2.2 details on the components of Board diversity under study. Section 2.3 deals with conceptual framework. Section 2.4 deals with operationalization of the dependent and independent variables in this study.

2.2 Theoretical Review

Several studies over decades have advanced various theories on the boards and their roles in strategic decisions and by addition strategic change. The theories incorporated in this study are; Stakeholder Theory, Upper Echelon Theory, Resource Dependency theory and Stewardship Theory. These theories on corporate governance give the core insight into the role of boards and their impact on effective strategic decision-making. The following are some of the theories that guided this study in examination of the link between board diversity and its effect of firms' strategic change.

2.2.1 Stakeholder Theory

The theory was put forth by a professor of the University of Virginia, Dr. Edward Freeman as described in his book "Strategic Management –A stakeholder Approach. Stakeholder theory views the scope of the board's responsibility as being beyond the conventional accountability to shareholders. It argues that the boards are accountable to other stakeholders as well who are directly or indirectly linked to the company. It places more

weight on the intertwining relations of the organization and others' (stakeholders) who have interest in the firm namely, employees, consumers, suppliers, financiers, government, community and general public. The theory is multidimensional as it takes into account all facets that have an impact on the firm (Lin & Tom, 2018). The theory has been a subject of a number of studies. Hence, the boards, in exercising their strategic decisions, have to take into account the implication of such decisions on all the stakeholders connected to the business. This requires a well-balanced and diverse board that is able to table all possible perspectives for discussion and incorporation in driving the firm's strategic change.

Presence and consideration of stakeholders' interests can have an impact on the board's strategic decisions since the stakeholder theory requires attribution of the nature of the interrelationships and the impact on the stakeholders (Unite et al., 2019). Jensen also concurs with the heterogeneity of stakeholders to whom boards are accountable (Jensen, 2001). He agrees with other scholars in the view that board decisions may result in clashing outcomes and effects on the various strata of stakeholders. This may be interpreted as boards having more than one objective and roles to achieve which may be seen as one of the weaknesses of the theory because it violates the proposition that a single-valued objective is a prerequisite for purposeful or rational behavior by any organization. According to this theory, all stakeholder's interests have an inherent value and none should be considered to be paramount over the other (Alazzani et al., 2017; Bernile et al., 2018).

Traducers of the stakeholder theory argue that presence of a dominating active shareholder may also impair objectivity in decision making of the board. This may lead to blind trust and decision making based on established cultural and social set up. Related literature supports that a diverse board is a source of variety of perspectives and ideas that

emanate from the various unique virtues of its members, which improves and enhances strategic decision making and strategic change initiatives (Alazzani et al., 2017; Unite et al., 2019). Board diversity also enhances the zeal of a board to solve critical problems and drive strategic change (Dallas, 2001).

2.2.2 Upper Echelon Theory

This theory was advanced by Hambrick and Mason (1984). The theory elaborates that diversity of the board is partly reflected in their decisions (Tarus and Federico, 2014). The theory further suggests that a firm's results have a link to boards and their traits. Therefore, 'if one is to comprehend why firms perform certain activities as they do, there must be consideration of the assumptions and diversity of the boards (Hambrick, 2007). Other studies on correlation between board members and the firm strategic decision have also given reference to this theory (Letting et al, 2012; Hambrick, Humphrey, & Gupta, 2015).

A number of studies seem to agree with the Upper Echelon theory that the top management at board level, have a significant impact on a firm's strategic change decisions. The basic consensus in strategic management is that boards have significant input in formulating corporate strategy and bringing about strategic (Jebran et al., 2020). Most studies, based on the Upper Echelons theory, have established that there's a link between the diversity of decision makers and the resulting strategic decisions (Harjoto et al., 2018; Michel & Hambrick, 1992). The resulting decisions depict the traits of the decision makers (Irungu, 2007).

The board of directors' quotidian traits include gender, age, nationality, education and experience (Letting, 2011). Other board attributes are size, independence and CEO duality.

The theory presents that boards are key in manipulating organizational results. Hence, the firm's results are a combination of strategies and effectiveness based on the inherent traits of the board of directors, who are the most influential actors in the organization.

Exponents of this theory hold that strategic decisions cannot be alienated from the existent traits of the and the diversity of the boards. This is due to the significance of the power to manipulate strategic decision of the firm and by extension steer strategic change. The diversity of board may determine strategic change and direction of a firm (Salloum et al., 2019)). This key since strategic change will require inputs and action from the board level in terms of initiation, approval, reviewing implementation, controlling and advising on the strategic decision. Board diversity facilitates improved monitoring of management (Triana et al., 2013), which in turn leads to better implementation and control of strategic decisions. Board diversity gives a breadth of ideas, experiences, varying views and knowledge, which improves decision-making processes (Lückerath-Rovers, 2013).

2.2.3 Resource Dependency Theory

This theory originated from vistas of Jeffrey Pfeffer and Gerald Salancik., in the 1970s advancing the importance of resources to organizations success and access and domination over the resources gives competency and advantage to the firm. The theory extrapolates how access to core and valuable resources determines individual and organizational power and influence on the its distribution. In this study the Resource dependency theory will be applied as a theory which accounts for boards as one of the key resources and the social and business links, they provide to enable the firm navigate and control its internal resources and external resources (Wellalage & Locke, 2013). Access and

control over valuable resources including board and their diversity may have impact as to the extent to which strategic change decisions are fueled.

The theory further advances that boards are a means of navigating the business environment through control of external forces, minimizing environmental risks and interdependency (Wellalage & Locke, 2013). It pivots its argument on the significance of the boards in enabling the firm to access resources valuable to the firm (Letting, 2011). Other scholars, agree on this view on the role of the directors in the enabling the firm control important resources through their interrelationships which to a great extent can be said to be intertwined in their diversity on the board ((Lincoln & Adedoyin, 2012).

Resource Dependency Theory forecasts the link existing between board diversity and its implication on strategic decisions including strategic change. A firm that has access to required internal and external resources will have more ability to turn around or institute strategic change (Letting, 2011). The theory purports that diverse boards can present key inputs and access to essential resources, image, and agreements and can attract required human resource skills (Wellalage & Locke, 2013). A diverse board with various virtues and characteristics can give the firm access to the external environment and rejuvenate the firm's values and reputation (Wellalage & Locke, 2013).

2.2.4 Stewardship Theory

In Stewardship Theory the board members are considered as the stewards of the company assets and are required to make decisions in the best interest of the shareholders (Malin, 2007). The theory stems from psychology and sociology. Stewards are company senior employees and managers who make decisions on behalf of the shareholders, protect

and profitably run the firm and are satisfied and motivated when firm goals are attained successfully (Abdulla & Valentine, 2009). The theory presents a perspective that strategic outcomes of the firm is linked to having diversity in board membership with members who are better equipped to make strategic decisions and drive strategic change (Bathula, 2008).

The theory also argues that the effective regulation led by diverse board empowers them to deal with critical problems and drive strategic change. Consequently, a diverse board is preferred due to variety of knowledge, experience, innovation, qualification and exposures that enable them to better serve shareholders' interest. Proponents of the theory contend that competitive advantage may arise due to the nature of the board and the quality of strategic decision and their effective implementation towards maximization of profits (Kiel and Nicholson, 2003). Regarding the leadership structure, stewards maximize their strength in diversity to attain firm's goals and not individual goals (Balta, 2008).

2.3 Empirical Review

Empirically, this reviews how board demographic diversity affects strategic change. The study specifically focused on the effect of board members age, gender, nationality and education level on a firm's strategic change. Board diversity may be comprehended as a cultivation of a wide combination of board characteristics and demographics diversity (Van der Walt and Ingley, 2003). Board diversity may be classified as demographic and cognitive. Demographic diversity is attributed to the easily perceptible virtues of board members including gender, nationality, age, race or ethnicity. On the other hand, cognitive diversity is associated invisible attributes that cannot be easily allotted to the board members such as experience, professional memberships, level of education and functional foundations.

A number of studies have covered this area on whether board composition or diversity have any value to strategic change (Unite et al., 2019). Board diversity in terms of education backgrounds provides useful skills and experiences that in turn provide great input in strategic decision making ((Johnson et al., 2013). Various contemporary studies also accord boards greater ability and position to manipulate strategic decision of firms especially in conditions where there are high agency costs and boards have sufficient motivation to protect shareholders' interests. More recently, studies reached a partial conclusion with regard to the effect of board diversity on strategic change, finding a negative correlation with age. The reasons for this deviation being attributed to social cultural environmental set up where the young are not to question the elders. The particular board diversity which this study shall delve into include; gender, age and nationality.

2.3.1 Board Gender diversity and strategic change

Gender diversity with respect to boards, may defined as the presence of female directors on the board of directors of corporations (Ullah et al, 2019). There have been various debates on increasing the role of women in boardrooms, top executive positions and in various government areas. In spite of mixed findings, most studies concur on the positive outcome of having a balance in the mix of gender on boards. In invention, improving creativity and quality decision making process, women have been perceived as being better than men in particular sections and departments of a firm (Triana et al., 2013). This is interestingly presenting out a distinctive aspect based on merely gender. Other studies also present the perspective women are more independent than men due to the dissociation from herd decision making based on a sense of chronology (Lückerath-Rovers, 2013).

There has been a tremendous increase in the number of women taking on managerial responsibilities and pushing for senior board positions in spite of which, the top level or board positions still remain inadequately represented by women especially in emerging economies (Omar & Davidson, 2001). An Australian Census Report by Australia's Equal Opportunity for Women in Workplace Agency (EWOWA,2008) carried out revealed that in spite of regulatory requirements in Australia, UK and USA, the proportion of women on boards was still wanting with finds reflecting a less than 16% representation. The selected countries in that research have been on the forefront in championing women leadership and board representation yet still yielding a less than 22.5% average in overall, even with the quota policy requirements (European Professional Women's Network—EPWN, 2006).

A firm's image may also improve when gender balance is inculcated in its board (Lincoln & Adedoyin, 2012). This will in turn positively impact on firm performance and improve firms' equity value especially where it exhilarates favorable customer behaviors and trend. Further, consideration of gender diversity on the boards provides a wider spectrum of selection of suitable board members instead of limiting only to qualifications or experience. Averagely this implies that higher quality board members have a chance to be selected from the wide base of both men and women as part of minority group (Smith et al, 2006).

Another popular view is that gender diversity where women occupy senior positions in the company including boards gives career development inspiration for growth of women in lower ranks in the firm due to the mentorship effect. Women on the board act as role models to other women in lower career development levels and helps setting a benchmark for career advancement (Andries et al., (2017)). This motivation may result in improved productivity of the firm both directly and indirectly since the firm will have access to a wider

pool of human resources to select internally for board positions. This motivation basically increases the quantity and quality of a firm's internal resources which further will support the resource dependency theory.

Studies have also established that women contribute to improvement of a firm's image. Stakeholders perceive a firm as serving a moral value where board diversity is taken into consideration (Andries et al., 2017). A positive image on the firm comes with its perks from all stakeholders. This also helps in creating a positive environment for firms to foster any form of change and strategic undertakings. This also minimizes the resistance to change from stakeholders when they feel that their moral obligation is met. Also, women on boards add renewed and refined perspectives on market, ecological and ethical matters which have significant impact on strategic decisions and strategic change (Andries, 2017).

Irrespective of the numerous findings leading to positive correlation between gender diversity and strategic change of firm, there are other scholars who have presented contrary arguments. Interesting question have arisen as to whether it is better to have diverse board or diverse boards are a nest for calamity for companies (Lincoln & Adedoyin, 2012). Do women really make any contribution in turning around firms or making strategic decision? If yes, is this because they are women or because they are properly qualified and experienced to make a decision just like opposite gender with similar qualification and experience? Are women being given a handout as undue advantage just to display gender equilibrium or because they actually do bring a change in the firm through the boards?

Conversely, following a sample study on Danish listed firms for the period ranging from 1998 to 2001, it was noted that women inclusion on boards had no effect on firm

performance. This may be strange although may need to be investigated further to make any conclusion of it will have similar results on strategic change as the dependent variable (Rose, 2007). This is an example of the contrary findings. Other contrary findings also, based on a panel examination of the top 1500 us public companies arrived at similar conclusion that women inclusion on the boards had no effect of a firm's financial performance (Dezsö and Ross, 2008).

2.3.2 Board Age diversity and strategic change

This refers to the mix of the natural cumulative age of the individual board members (Letting, 2011). A number of studies have considered age as a measure of experience and an indicator of an individual's ability and degree to which they can delve into taking. Junior board members are deemed to have a higher risk appetite and would therefore have higher propensity to risking strategic change. On the other hand, aged board members are considered more conservative and less flexible to accept new ideas. Ability to analyze information and processing it for use has been found to be associated with age where older board members are found to have lesser ability compared to the younger board members due to the difference in physical stamina and mental energy. These arguments present a link between board age diversity and strategic decision making.

Another study further argues that younger executives may have more recent education that's more relevant to changes in the firm. This makes them suitable in strategic change decisions on current issues of the firm which include formulation of strategic change. Other attributes accrued to younger board members are flexibility which decrease as one gets older while rigidity and resistance tend to increase as one gets older. These findings clearly indicate

the importance and role of having younger board members on board. This is implied to provide the drive and energy both physical and mental for strategic change drive.

It has also been observed that a great extent age determines differences in decision makers' evaluation of strategic options for strategic change. Firm diversification in terms of products and also internationally has been noted to be have more association with boards with younger members. Perhaps this is as a result of the nature of younger generation. The presence of the mental and physical energy added to the willingness to change due to flexibility (Tarus & Federico, 2014) makes a younger generation a key yeast to board diversity.

A number of studies associate youthful decision-makers with strategic change boldness. Therefore, it is hypothesized that board with younger members and likely to take on riskier ventures and be more aggressive and confident towards strategic change decisions. Young board members are more flexible and possess more physical and mental energy necessary for driving strategic change but may also be short of prerequisite experience for making decisions (Letting, 2011). Perhaps if one would consider a homogeneous board of younger generation, Although, experience and control then call for the right mix of old and young members on the board.

Age coupled with experience, knowledge and skill sets, analytical and skeptical mental abilities are essential in decision making and propelling strategic change. Studies also hypothesize the same that age diversity has positive implication on a firm's strategic change. Therefore, to have an equilibrium of risk taking, knowledge and wisdom, a board requires diversity in age with proper balance between the young members who give challenge and

delve into current affair and the aged who give guidance end advise based on experience to drive towards successful change.

In Kenya based on the study of firms listed at the NSE, age diversity of board members had no material impact on strategic change (Tarus and Federico, 2014). Particularly, the study points that younger board members had little input in board strategic decision. The study attributes this deviation from common hypothesis by various studies, to the cultural and social set up of the country where the younger are not to dispute or disagree with the elders, which makes them docile on the boards. This presents an interesting angle on the influence of the environment on the performance of board members. It will therefore be interesting to see the yield on similar study in Tanzania since the social and cultural set up in age perspective does not wander far from Kenya's.

2.3.3 Board Nationality diversity and strategic change

Board nationality refers to the presence of expatriate members/foreigners on the board other than those of the home country of the firm (Lars & Trond, 2001). Studies have noted that cross cultural communication and other conflicts arising out of individual differences may increase on the board that is diverse across boarders in its membership (Lehman and Dufrene, 2008). On the contrary, having foreign members on board may be a competitive advantage through international networks due to foreign presence (Johnson et al., 2013). It may also be perceived as commitment to shareholders especially for multinational firms. These are studies based on developed countries with contradictory findings. Unfortunately, this element of board nationality has not had much attention from scholars especially in emerging economies. Most existing literature is on developed countries and with mixed findings.

Although, this is a very interesting area considering the nature of emerging economies like Tanzania which are characterized by huge foreign investment. The element of globalization totally turns around the perspective of political boundaries (Oxelheim & Randøy, 2003). Foreign content on the boards of multinational firms is considered a positive indicator for a firm and may attract more growth and performance across the borders. Foreign content for smaller firms was found to have little impact on the firms' strategic decisions (Oxelheim and Randøy, 2003). Perhaps this is because small firms in a short term are focused on the local market contrary to larger firms that have an eye on both local and global markets.

A study on Korean firms revealed a correlation in presence of foreign board members and firm performance (Choi et al, 2007). This signifies the impact of foreign directors on board, hence the hypothesis that a similar positive correlation is possible with strategic change. Further studies also on a sample of the Korean banks arrived at a similar conclusion (Choi & Hasan ,2005). Emerging economies, based on a study on Turkish firms, have been evidenced that board with more nationality diversity on the boards have higher performance level (Ararat et al, 2010). These studies agree on the positive impact of foreign board members in the firm.

Other studies also find no link or impact of foreign board members and strategic change for a firm. In a study using European firms, no association was found between the firm performance and the inclusion of foreign board members in the firm (Kilduff et al, 2000). Similarly, in another study no link between having foreigners on boards and firm performance (Rose, 2007). From Indonesia, also found nationality of board members to have

no influence on firm strategic decisions and performance. By drawing from Oxelheim and Randøy (2003), these deviations in findings, could be attributed to a country's economic level or the nature of the industry or size of firms studied.

2.3.4 Board education diversity and strategic change

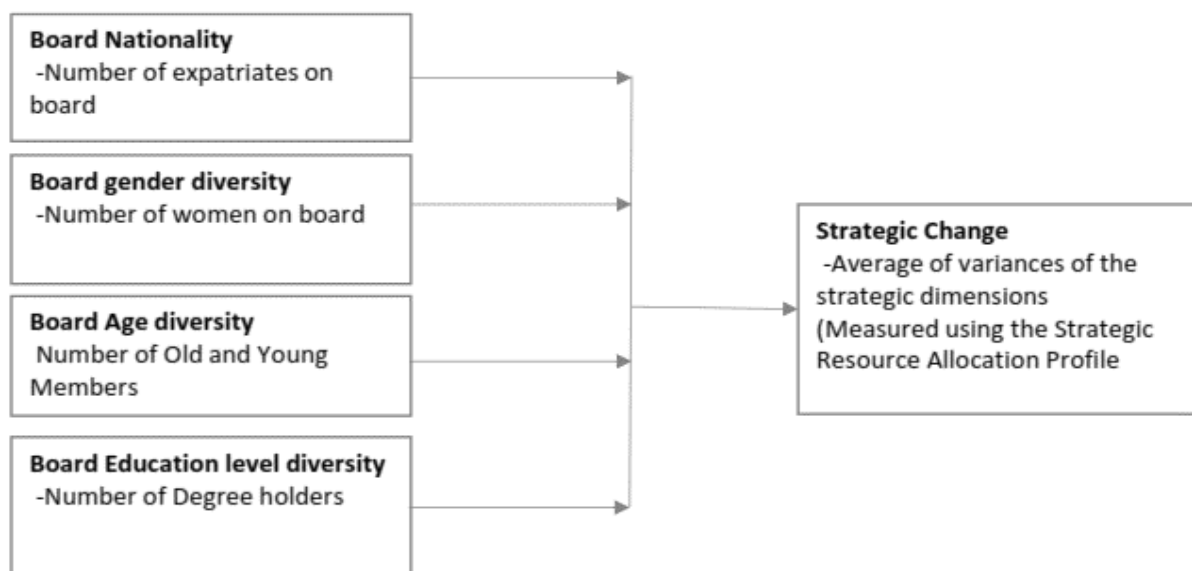
Literature on the impact of board academic level diversity on the strategic decisions and strategic change by extension is scarce. Where available it deals only with the executive management levels. A number of studies indicate that there's a positive link between board education level diversity and strategic change (Kim and Lim, 2010). Other studies on the other hand indicate no significant link between board education level diversity and strategic change or other dependent variables (Assenga et al.,2018). In some instances, a negative relationship has been noted between the number of boards members with PhDs and strategic change and firm performance. What has been noted to matter is the nature of training given to the board members and the extent of investment in research and training (Muller, 2002). Other studies note that the degree to which board members have varying academic levels and, may highly likely to lead to conflicts in perceptions and response to critical matters (Milliken & Martins, 1996). Such conflicts are likely to be more visible and more frequent in higher levels of cognitive conflict.

Education level is one of the key facets of board diversity especially when it comes to tasks allocated. The resource dependence theory holds that the level of education and training leads to increased knowledge which enables individuals to successfully achieve their set organizational goals. Other studies also post that the board's education level diversity is positively linked with risk; however, others reach a contrary finding that educational level and risk are negatively associated (Graham & Harvey, 2001). Most of the literature indicates

that firms whose board members possess strong qualification in finance are likely to more effectively monitor management's manipulation of activities and take timely proactive measures (Agrawal & Chadha, 2005). Hence the finding of some studies of a significantly positive link between the board's academic diversity and board monitoring intensity.

2.1 Conceptual Framework

Conceptual framework refers as set of logical ideas and concept which arranged and organized in a manner that make them to be used for the communication to others. The conceptual framework for this study is as displayed below;



Source: Researcher

2.2 Operationalization of variables

2.2.1 Independent variable

The independent variables for this study are board members gender, age and nationality whereas the independent variable is strategic change. Board members gender was determined as a proportion of the women to men in each financial period. This was expressed

as a percentage. Hence, a higher percentage represented a more diverse board. Board members age was determined as an average of the total years of the board members to their number. Nationality was also expressed and a proportion of foreign members to local members, hence a higher percentage indicated more foreign members on the board. Education level diversity was measured by the number of board members holding degree qualifications and above. The overall board diversity was then expressed as a sum of gender, nationality, age diversity and education level diversity.

2.2.2 Dependent variable

The dependent variable strategic change was measured using the Strategic Resource Allocation Profile (SRAP) Model in line with other studies. The Strategic Resource Allocation Profile (SRAP) composed of six dimensions, advanced by Finkelstein and Hambrick (1990) was applied in measurement of strategic change. The method on measure of strategic change garnered support due to its representative nature which makes its application and results more representative that gives an all-round perspective (Hair *et al*,2006). Five dimensions of the SRAP were applied in this study giving a multidimensional measure of strategic change as follows; advertising intensity (advertising costs/sales), plant and equipment newness (net book values of plant and equipment/sales), nonproduction overhead (selling, general, and administrative expenses/sales), inventory level (inventories/sales) and financial leverage (debt/equity).

Table 2.1: Summary of operationalization of variables

Board Diversity	Full variable label	Description/measurement
Gender	Proportion of Women on Boards	Computed as Number of women board members divided by total number of board members

Board Diversity	Full variable label	Description/measurement
Nationality	Foreign members proportion on Boards	Computed as Number of foreign board members divided by total number of board members
Age	Proportion of young and old members in boards.	Natural log of cumulative age of directors
Education level	Degree education	Number of members with degree qualification and above.
Strategic Change	Strategic Resource Allocation profile (SRAP) Model	Multidimensional measure on the key strategic change expenditure indicators; Advertisement, plant and equipment, non-production overheads, inventory and financial leverage.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The purpose of the research methodology is to give details regarding procedures used in conducting the study (Kothari, 2008). This chapter presents the research methods that was employed to facilitate execution of the study to satisfy study objectives. The chapter specifically comprises the research design, target population, sample and sampling techniques, data collection instruments, procedures and data processing and analysis.

3.2 Research design

Research design is the presentation of parameters for gathering, scrutinizing and analyzing statistics in a way that consolidates and logically links to the objective of the study (Kothari, 2008). Research design applied by researchers can be descriptive, cross sectional, experimental, exploratory, explanatory or longitudinal (Saunders *et al*, 2008). In this study the variables were measured as they naturally transpire without any manipulation or control, hence, a descriptive research design was applied.

Descriptive research design mainly serves to furnish statistics on multiplicity of a given population or event (Mugenda & Mugenda, 2003), in this case, the board diversity. Where a study's objective is to investigate the specific particulars, a given population or event and descriptive research design has been considered to be more relevant (Cooper & Schindler, 2003). In this study a description of the diversity of boards and their effect on a firms' strategic change was conducted.

3.3 Target Population

A research population is a large number of people and collection of individual or object that the study is to focus and are of the similar diversity (Schindler, 2013). A population can also be termed as a composition of occurrences, group of individuals or objects bearing uniform diversity that corresponds to certain set (Mugenda & Mugenda, 2003). In this study, the target population was composed of the firm listed at the Dar es salaam Securities Exchange for the period of nineteen years between 2002 and 2020. The selected population of firms were listed in different periods, hence, the data that used in the study was unbalanced. This gave a number of observations of 412.

The quoted companies at the DSE were considered due to their market position in the economy and the stringent compliance environment under the CMSA and the Companies Act, 2002 for successful listing. The listed firms are also more prone to have proper formal governance structures and strict and well-composed boards (Letting, 2011). The listed firms are also likely to have adequate means of accessing capital and other resources necessary for instituting strategic change in various performance conditions towards attainment of firm strategic goals. The listed firms have also been preferred due to relative availability of data that's more objective and reliable from the published directors' annual reports and financial statements which also reflect the board diversity attributes under this study; age, gender and nationality.

In this study, the target population of concern was composed of the firm listed at the Dar es salaam Securities Exchange for the period of nineteen years between 2002 and 2020. The selected span covers the period that was marked with material alterations to the Companies Act, 2002. As at 31 December 2020 there were 29 firm listed at the DSE

(Appendix 1). A census approach was used in this study where every unit in the population was observed, hence, no sampling was applied.

3.4 Research instrument

The Document Check Index was used to collect data on the independent variables. This method has also been applied in other studies (Korir, 2020). In general data were obtained from company disclosure reports, annual reports, memorandum and articles of association, company websites, and stock exchange website. The conclusion was reached by utilizing such, data obtained from DSE listed companies. Content analysis was done the directors report which disclosures the board and its diversity.

This study utilized secondary financial data sources from the annual director's reports and financial reports published by the listed companies at the DSE over the period of nine teen years. Particulars and attributes of board diversity was obtained from the directors' disclosures in their annual reports. The particulars of the boards of directors like age, qualification, nationality name, position, independent or dependent and their tenure was obtained from the data submitted annually by the listed firms to CMSA and the DSE.

3.5 Data Processing and analysis

In analysis of the information extracted from SPSS, descriptive design and multiple regression analysis was used in this study. The analysis encompassed a cross examination of the various assumptions associated with the correlation co-efficient and multi-variate linear regression analyses. In assessing the strength of the linear association between the variables under study and determining the degree of correlation, the Pearson correlation coefficients was applied.

By applying descriptive statistics, the research was better placed to explain the distribution of results or metrics using fewer indices. It also facilitates processing of raw data to result in information that's understandable and interpretable by users (Mugenda & Mugenda, 1999). The multiple regression analysis was conducted on board diversity to cross check the relationship between the independent variables with strategic change.

The association was analyzed using Pearson correlation coefficient and regression analysis. The analysis was based on a confidence limit of 95 % based on two tailed significance level of 0.05.

3.6 Panel Data Diagnostic Tests

A panel data regression analysis is subjected to several assumptions and inference problems which impacts on both cross sectional and time series data. Therefore, it is important to conduct statistical tests to ensure that data analyzed is not susceptible to material errors (Tarus & Aime, 2014). In this study random effects model was applied in testing heteroscedasticity (Kraatz and Zajac, 2001). The study also applied White test of heteroscedasticity which is used to check the hypothesis that the variances of error terms are equal. Hence, if White test is at p 0.05, then the conclusion is that the variances of error terms are materially different, therefore violating the insinuation of equal variance (Field, 2005). The findings of White test depicted a p-value of 0.815 implying absence of heteroscedasticity.

Multicollinearity was also examined using the multicollinearity test (Hair et al. ,2006). When a strong correlation is found between two or more variables in a regression model, then multicollinearity is said to be present (Field, 2005).It becomes challenging to

ascertain parameter estimates in case collinearity is high because of the unlimited number of combinations that can be used to work together. Various studies propose two approaches in testing or identifying multicollinearity (Hair et al., (2006). The first approach is by observation of the of the correlation matrix for the independent variables. A correlation of 0.9 or higher implies significant collinearity. In this study, the findings indicated a lower correlation of 0.67 hence absence of collinearity challenges. The second approach is by use of the variance inflation factor (VIF). In this study the VIF results ranged below 2.57 hence absence of multicollinearity problems.

In this study, the Kolmogorov–Smirnov test was used to check normal distribution. The analyses and compares results. A test result of p 0.05 implies the distribution sample is almost same as a normal distribution (Field, 2005). The test results in this study were 0.3867 and p-value of 0.14 implying insignificant variance hence the data distribution was normal. Lastly the Hausmann test was used check the problem of indigeneity which is a common problem with panel data. The findings did not indicate presence of indigeneity problem.

The data processing in this study was therefore use the following diagnostic tests summarized in Table 2 below:

Table 3.1: Panel Data Diagnostic Tests

Test	Test used	Interpretation
Multicollinearity test	Variance Inflation Factor (VIF)	a VIF of 5 or 10 and above indicates a multicollinearity problem.
Heteroscedasticity test	Standardized residual plot	If $P < 0.05$, there is serial correlation hence use FGLS (Feasible generalized least squares)
Normality	Kolmogorov-Smirnov and Shapiro-Wilk	If $p \text{ value} > 0.05$, the data is normally distributed.

The specific econometric regression is as follows (Wintoki, 2007).

$$Y_{it} = \alpha + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 X_{3it} + \beta_4 X_{4it} + \epsilon_{it}$$

Where: -

Y – Strategic change – calculated as an average of the strategic decision indicators based on the Strategic Resource Allocation Profile (SRAP).

X₁ – Foreign board members – Proportion of foreigners on the board.

X₂ – Gender diversity – The percentage of women on board.

X₃ – Age diversity – The average age (mean) of the board members.

X₄ – Education level diversity – The average number of (mean) board members with degree and above qualifications.

$\beta_1, \beta_2, \beta_3$ and β_4 – Beta coefficients – represent the independent variables of

interest i - Industry t – Time- year reference α – the constant

ϵ - Error term associated with exogenous noise and the unobservable feature

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This section presents data analysis and interpretation in respect to the research objectives. The focus of the study was to establish the effect of board diversity on strategic change for the firms listed at the Dar es salaam Securities Exchange. This study employed a descriptive research design. Data analysis, presentation, and discussion were done in line with the study objectives. The objectives of the study were; i.) To examine the effect board nationality diversity members on strategic change on the firms listed at the Dar es salaam Securities Exchange, ii.) To examine the effect of board gender diversity on strategic change on the firms listed at the Dar es salaam Securities Exchange, iii.) To investigate the effect of board age diversity on strategic change on firms listed at the Dar es salaam Securities Exchange, and iv.) To examine the effect of board education diversity on strategic change on firms listed at the Dar es salaam Securities Exchange.

4.2 Descriptive Statistics

The descriptive statistics of the variables applied in this study was key crucial in understanding the data in terms of its general nature and distribution. The selected population of twenty-nine firms were listed in different periods, hence, the data that used in the study was unbalanced. Therefore, the number of observations was 412.

Table 4.1 Summary of Descriptive Statistics

Variable	Obs.	Mean	Std. Dev.	Min	Max
Strategic change (Number)	412	0.1842	0.145	-1.206	2.408

Variable	Obs.	Mean	Std. Dev.	Min	Max
Age (number)	412	2.013	1.018	0	10
Education level (Bachelor's Degree)	412	4.457	0.874	1	8
Gender (number)	412	0.568	0.491	0	3
Nationality (number)	412	0.027	0.883	0	2

On average, the selected independent variables; age, nationality, education and gender, contributed to about 18.9% as drivers of strategic change. On a median scale age diversity, education, gender and education were noted to have above average key effect on strategic change, hence more influence. Nationality reflected below average and negative relationship with strategic change.

The results presented in Table 4.1 depict that strategic change measured as impacted by nationality, age, gender and education level of the board members was a mean of 0.1842 and a standard deviation of 0.145 reflecting a fairly low significance but of importance. The minimum value of strategic change is -1.206 while the maximum value was 2.408. This means that while some companies gave positive impact on the mix of the independent variables under study, others in some years resulted in a reverse/negative impact.

4.2.1 Age

The results for age variable indicate that the average number of the young and old members was 2.013, signifying that in each board there were two older members hence implying that the most of boards for the sampled firms constituted at least two older members. However, the deviations from the mean were 1.018 indicating that there was a wide variation in the number of old and young amongst the firms reviewed over the study

period. Further, the lowest number of old members was zero while the maximum was ten. This could have been attributed to the absence of guidelines on what should be the age of board members for the firms listed in the Dar es salaam securities exchange. The maximum number of ten implies that some boards in certain periods constituted up to ten older members.

4.2.2 Education Level

The results also showed that the average of members with degree and above education level was 4.457 depicting that on average, most board members had at least four members with degree level education or higher. The standard deviation of 0.874 implied a large variability in relation to the variable over time. The minimum value was 1 implying that at least one board member had a degree or higher education level. The maximum value was eight and this implied that in some boards of the firms under study up to eight members had higher education level (Degree or higher).

4.2.3 Gender

Gender diversity measure was determined by the number of female members in the boards. The result in table 4.1 shows that on average in every two boards there was at least one female board member. However, the minimum value for the construct was zero indicating that some boards did not have gender diversity. This may have been due to the absence of gender diversity guidelines on board composition for the firms listed at the DSE. Nevertheless, some boards had up to three female members as evidenced by the maximum value.

4.2.4 Nationality

The total mean of members with different nationalities over the study period was 0.027 with a standard deviation of 0.883 indicating huge variability in relation to the observations over time. The minimum and maximum values over the same period were 0 and 2 respectively. The minimum number of zero indicates that some boards actually most board did not have members with difference nationalities. This could be attributed to the spirit of nationalism especially with majority of the locally held firms. The highest number of foreign mixes on the other had two and this appeared only on the multinational corporations.

4.1 Diagnostic tests

The study assessed for multicollinearity, heteroscedasticity, normality and test for stationarity. The diagnostic results were as follows;

4.1.1 Multicollinearity Test

Table 4.2: Multicollinearity Test

Variables	Tolerance	VIF
Gender diversity	.575	1.740
Education diversity	.550	1.817
Nationality diversity	.729	1.372
Age diversity	.595	1.681
Strategic change	.896	1.116

Source: Research Findings

The multicollinearity findings on table 4.3 show that all VIF figures are less than 10 hence an indication the variables are not closely related with each other. Thus, multicollinearity has not been detected among the variables.

4.1.2 Test for Heteroscedasticity

This test was carried out using a standardized residual plot as indicated in figure 4.1.

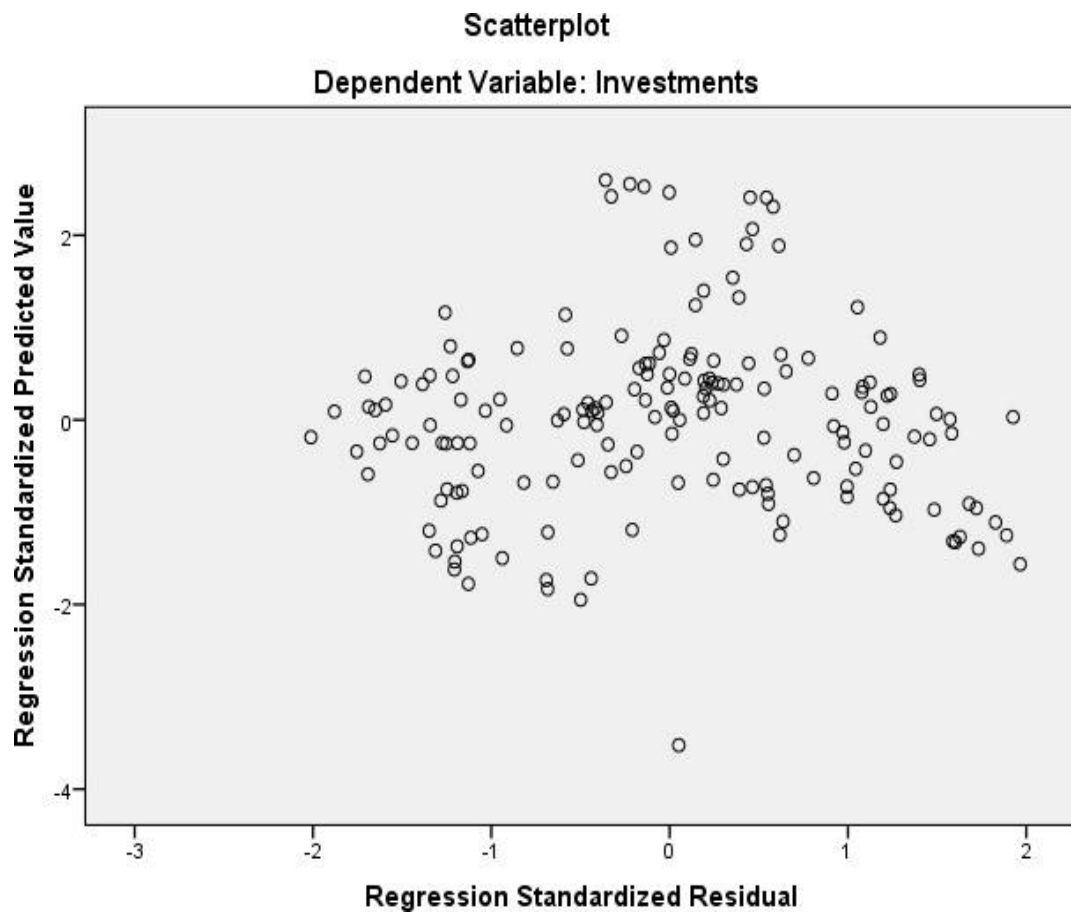


Figure 4.1: Standardized Residual Plot

Source: Research Findings

The findings on figure 4.1 indicate that the plotted points converge at specific points, which indicates the absence of heteroscedasticity, and that the presumed similarity in factors still was upheld.

4.1.3 Normality Test

The study assessed for normality using the Kolmogorov-Smirnov and Shapiro-Wilk as shown in table 4.4.

Table 4.3: Normality Test

Variables	Kolmogorov-Smirnov ^a		Shapiro-Wilk	
	Statistic	Sig.	Statistic	Sig.
Strategic change	.113	.200*	.933	.201
Gender diversity	.216	.072	.808	.100
Education levels	.161	.110	.903	.302
Nationality	.330	.090	.770	.510
Age	.158	.053	.891	.061

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Source: Research Findings

The tests of normality results on table 4.4 indicate that all factors for the research were evenly distributed as shown by the all the p figures in both the Kolmogorov-Smirnov and Shapiro-Wilk are less than the significance values of 0.05.

4.1.4 Test for Stationarity

The study assessed for stationarity through the Augmented Dickey Fuller (ADF) unit root test to determine if the factors were stationary or otherwise.

Table 4.4: Test for Stationarity

Variable	Test	Test statistic (t)	Sig.
Strategic change	Test with constant	-5.34298	0.00000
	With constant and trend	-5.78142	0.00000

Variable	Test	Test statistic (t)	Sig.
Gender diversity	Test with constant	-4.91612	0.00000
	With constant and trend	-4.92269	0.0002547
Education diversity	Test with constant	-3.46483	0.008965
	With constant and trend	-3.6312	0.02721
Nationality diversity	Test with constant	-3.54603	0.006908
	With constant and trend	-3.70755	0.02177
Age diversity	Test with constant	-3.52042	0.007505
	With constant and trend	-3.91882	0.01134

Source: Research Findings

Table 4.5 indicates the stationarity findings which indicate that those study variables are stationary as proved by p-figures, that are lower than 0.05. This indicates that the assumption of stationarity has not been violated and the data is stationary.

4.1.5 Correlation Analysis

In order to establish a relationship between the different variables in the study, Pearson's analysis was performed on the gender diversity, education diversity, nationality diversity, age diversity, and strategic change indicators at 5% significance level. Table 4.2 shows the correlation analysis of the board demographic diversity variables and strategic change. This was to ascertain the significance of the distribution of the variables associated with board demographic diversity and strategic change.

Table 4.5: Correlation Analysis

Variables	Strategic change	Gender	Education	Nationality	Age
Strategic change	1				
Gender	.018	1			
Education	.187*	.452**	1		
Nationality	-.115	-.349**	.156*	1	
Age	.172*	.399**	.517**	.007	1

*. Correlation is significant at the 0.05 level (2-tailed).

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

Source: Author (2021)

The correlation results on table on 4.5 shows that gender diversity had poor but strong correlation ($r = 0.018$) with strategic change while education levels of directors had poor but strong correlation ($r = 0.187$) with strategic change. The results also show that the correlation between nationality of the board members and strategic change was weak and negative ($r = -0.115$) while the correlation between age and strategic change was weak and positive ($r=0.200$) respectively. The results imply that gender, education and age when well-balanced in the board, positively contributed to strategic change although with a very minimal impact. On the other hand, a negative correlation between nationality of board members and strategic change implies a reverse impact perhaps due to the complications that may result in decision making with mixed cultures in having various nationalities on board. Also, expatriate board members may have varied views which may not be palatable with the local economic conditions and cultures within which a firm operates which may not be suitable in driving strategic change

4.2 Model Fitting

4.2.1 Regression Analysis

The study applied regression examination to check relations of dependent and independent factors. The results of regression model comprise of the model summary, variance analysis and a summarization of the coefficients.

Table 4.6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.435 ^a	.189	.160	.208127	1.700

a. Predictors: (Constant), Age, Nationality, Education, Gender

b. Dependent Variable: Strategy change

Source: Author (2021)

The study results on table 4.6 depict that R square value is 0.189, hence implying that the independent variables under examination which include board age, nationality, education, and gender diversity account for 18.9% of the change on the dependent factor (strategic change). The Durbin Watson statistics value of 1.700 lies within the recommended range of 1.5 and 2.5 thus an indication that there is no autocorrelation among the research variables.

Table 4.7: Analysis of Variance (ANOVA)

Model	Sum of Squares	Mean Square	F	Sig.
Regression	1.696	.283	6.526	.000 ^b
Residual	7.277	.043		
Total	8.973			

a. Dependent Variable: Strategy change

b. Predictors: (Constant), Age, Nationality, Education, Gender

Source: Author (2021)

Table 4.6 shows that the F statistics value of 6.526 was significant as indicated by the P value of $0.001 < 0.05$. This is an indication that regression model was fit and also acted as a good predictor of the correlation of the research variables.

Table 4.8: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Strategic change	-.334	.214		-1.565	.119
Gender	-.284	.155	-.168	-1.833	.069
Education	.080	.033	.230	2.453	.015
Nationality	-.208	.089	-.189	-2.327	.021
Age	.106	.027	.307	3.951	.000

a. Dependent Variable: Strategy change

Source: Author (2021)

The coefficient findings on table 4.7 shows existence of a poor but unimportant correlation of gender diversity with strategic change of firms listed in the Dar Es Salaam Securities Exchange but there existed a strong and important correlation of education levels of the board members with strategic change for the firms listed in the Dar Es Salaam Securities Exchange. These findings further showed existence of significantly small but important correlation of nationality of the board members and strategic change of the firms listed in the Dar Es Salaam Securities Exchange. While the correlation of age with strategic change of the firms listed in the Dar Es Salaam Securities Exchange was strong and relevant respectively.

4.3 Hypotheses Testing and Interpretation of results

This study had four specific objectives. Four hypotheses were derived from the objectives. The basis of the hypotheses was that Boards diversity attributes have an effect on strategic change. The hypotheses tested include;

Hypothesis 1 (H^1): Board gender diversity has an effect on a firm's strategic change.

Hypothesis 2 (H^2): Board education diversity has an effect on a firm's strategic change.

Hypothesis 3 (H^3): Board nationality diversity has an effect on a firm's strategic change.

Hypothesis 4 (H^4): Board age diversity has an on a firm's effect on strategic change.

4.3.1 Hypothesis 1 (H1): Board gender diversity has an effect on a firm's strategic change

The findings indicated that there is an insignificant correlation of gender diversity with strategic change of the firms listed in the Dar Es Salaam Securities Exchange. This indicates that board gender diversity does not have a material impact of strategic change

decisions of the firms listed at the DSE. In spite of the unanticipated findings, this further fuels to the question of whether is it the gender aspect of the members that affects strategic change decisions or rather the competency, skill and experience of the members themselves. Thus, making it more rational for more studies in this aspect perhaps in conjunction with other such attributes rather than gender on its own (Lincoln & Adedoyin, 2012).

4.3.2 Hypothesis 1 (H¹): Board gender diversity has an effect on a firm's strategic change

The findings depicted a significant and important correlation of education levels of the board members with the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. Hence, this finding therefore implies existence of a key correlation of education levels of the board members with the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. This is also line with other similar studies on this attribute that link strategic change and better board performance to education levels of the board members (Kim and Lim, 2010). Further to note that the education level attribute did not take into account the relevance of the education of the members to the industry of the firm, therefore a key area to drill further whether relevant education of the board members has a greater impact than just higher education level.

4.3.3 Hypothesis 3 (H³): Board nationality diversity has an effect on a firm's strategic change.

This finding indicates that nationality significantly influences the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. Nevertheless, it is key to note that other studies have indicated a negative correlation between board nationality and a firm's strategic change (Eulerich, Velte & Uum, 2013). The other negative findings could be attributed to foreign controls or associated barriers with foreign investors in other countries as

could be opposed to a developing country like Tanzania. This also further presents the question as to whether nationality on its own is relevant or it is worthwhile to study it in conjunction with other competency, experience and skill-based traits of the respective board members.

4.3.4 Hypothesis 3 (H³): Board nationality diversity has an effect on a firm's strategic change.

The study results indicated a material linkage between age and strategic change of the firms listed in Dar Es Salaam Securities Exchange. These findings therefore depict that age of the board members has a significantly key effect on the strategic change of the firms listed in Dar Es Salaam Securities Exchange. Although key to note that other studies on similar attribute resulted in negative findings (Letting, 2011) which indicated that the young in the boards had trivial impact in decision making perhaps due to the cultural set up where the young do not question or challenge decisions of the older in Kenya.

CHAPTER FIVE: SUMMARY CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter sums up the study and details conclusions based on the research findings. The significance of the research results and the respective research objectives are also detailed in this chapter. The chapter also discusses the results of this study in comparison with those of other studies as discussed and detailed under the literature review in chapter two.

5.2 Summary

This section presents a summary of the findings of the study. The aim of the study was establishing the effect of board diversity on strategic change for the firms listed at the Dar es salaam Securities Exchange. The main objective was segmented into four specific objectives upon which the research questions and tests were developed and conducted. The summary of findings is presented in the sections 5.2.1 to 5.2.4 for each specific objective.

In overall the results established a positive and a statistically significant association between board diversity and strategic change. The answer to the main question then being that board diversity does have an impact on strategic change decision for the firms listed in the Da es salaam Securities Exchange. This is parallel with previous study findings that link the impact of board characteristics with the nature of the resulting decisions in driving strategic change in a firm, (Tarus & Federico, 2014). However, findings that board nationality diversity poorly correlates with strategic change is inconsistent with other studies which established a positive relationship (Lars & Trond, 2001).

Theoretically, the findings of this study are consistent with the Stakeholder theory, Upper Echelon Theory, Resource Dependency Theory and Stewardship Theory. The Stewardship and Stakeholder theories holds that boards are trustees and are accountable to various stakeholders with varying attributes and cultures and that therefore, a more diverse board implies that a wider scope of various stakeholder's interests is properly represented in decision making. Although on the other hand the findings present a contrary poor correlation for nationality diversity which could be taken to represent interests of overseas stakeholders. This poor correlation could be attributed to the fact that majority shareholders of the firms listed in the DSE are local stakeholders.

From the Resource Dependency perspective, board members are viewed as among the key resources that a firm relies on in driving strategic change and achieve competitive advantage. Therefore, a more diverse board, presents a wider scope of abilities, skills and experiences that the firm utilizes to achieve its objective and drive strategic change. For instance, while a young population is open to risky changes having an older generation in the board ensures that such decisions are not reckless and costly to the firm. Therefore, having both old and young generation on board steers balances towards strategic change.

The Upper Echelon Theory contends that the top management or key management, being the board in this case, are in a position of materially influence the decisions of a firm and hence dictate strategic change. Hence, a competent and more diverse team of top management results in more balanced decision and gives strategic solutions pertinent to the survival of a firm. The study findings therefore align with the perspective that a diverse board

presents and balanced management team that positively impacts of a firm's strategic change decisions.

5.2.1 Effect board gender diversity on strategic change.

The finding revealed that there is an insignificant correlation of gender diversity with strategic change of the firms listed in the Dar Es Salaam Securities Exchange. These indicate that board gender diversity lacks an important impact on the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. This is contrary to other studies which established that gender diversity of board is strongly connected to the operations of the firms (Vafaei, Ahmed, & Mather, 2015). A positive affiliation was revealed among the diversity of gender and performance of the firm (Julizaerma & Sori, 2012). Also, board composition indicators among them age, gender, independence, and ethnicity have been noted to significantly influence performance listed firms in Dar Es Salaam Securities Exchange (Kitui, 2013).

This finding presents a contrary finding to the perspective that women are much better in invention, improving creativity and quality decision making process, women have been perceived as being better than men in particular sections and departments of a firm (Triana et al., 2013). This also presents an interesting opportunity for further future studies to concretely establish whether women on boards perform better simply because of the gender or because of their competencies, experience and skill which could be a par comparative with the men rather than just the gender difference (Lincoln & Adedoyin, 2012).

In most jurisdictions there have been implemented legal requirements to have a given threshold of women board members to achieve gender balance. Hence a firm in compliance

of this is also deemed to have a good public image and compliant, but researchers now have to ponder further if really it is just the gender aspect that's required on board or rather competent and skilled women. This will be instance be aligned with the education level variable which cuts across all members.

5.2.2 Effect of board education diversity on strategic change.

The findings also depicted a material and important correlation of education levels of the board members with the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. Hence, this finding therefore implies existence of a key correlation of education levels of the board members with the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. Other studies have also indicated that rich diversity in the educational backgrounds and the presence or absence of board members that are independent have a negative affect performance (Fraga & Silva, 2012).

In spite of the scarce literature on the effect of education level diversity on strategic change, the few existing studies positively link board education level diversity and strategic change (Kim and Lim, 2010). Some studies though, note that existence of varying academic levels on the board may bring forth conflicts in perspectives and hinder decision making to critical problems (Milliken & Martins, 1996). In theory, it is pertinent that the education level, experience and skill of the board members be meticulously determined and be aligned with the firm's strategic goals, the board members being a resource themselves and members of the Upper Echelon.

It also keys to note that the study merely observed the education level without taking into account relevance of the education to the industry and the related skills and experience of

the board members. It is possible that education level on its own may not play a key factor in strategic change as this has always stirred debates on whether even entrepreneurship has any correlation with education level. This creates an opportunity for future studies to examine further in detail other accompanying parameters that make education level essential in boards depending on the roles that the individual will expected to perform and deliver.

5.2.3 Effect board nationality diversity on strategic change.

Based on the study results, there existed a poor and relevant correlation of the nationality of the board members a strategic change of the firms listed in the Dar Es Salaam Securities Exchange. This finding indicates that nationality significantly influences the strategic change of the firms listed in the Dar Es Salaam Securities Exchange. On the other hand, other studies have revealed a negative effect of different board mixture traits on a firm's strategic change, particularly regarding nationality and age diversity (Eulerich, Velte & Uum, 2013). Other contrary studies have noted that ethnic diversity in boards is not linked to the firm's financial performance, although; a higher younger average board age and gender diversity had a material link with better performance of share value (Taljaard, Ward, and Muller, 2015).

There are two globally rising aspects in most developing economies like Tanzania. First is the drive to attract foreign investors to assist in driving economic change through the expected foreign direct investment. In order to protect their local investment, majority of the foreign investors would prefer their own expatriates on boards who could fairly represent their interests and culture in the firms. This could be said to drive the need to have expatriate board members in a firm. On the other hand, in the wake of nationalism, most economies are also developing mechanisms to ensure that local resources are exploited and utilized by and

for the benefit of the local individuals. This can be seen through the stringent immigration procedures that require local talent to be thoroughly sought and put to use before considering expatriates on board. The spirit of nationalism on the contrary could imply negative domestic image for firms that prefer expatriate mix in their board set up. It is also essential for future studies to delve further into whether it is just the essence of different nationalities on board that impacts in decision making or rather the experience and skill of the individuals themselves.

5.2.4 Effect of board members' age diversity on strategic change.

Fourthly, the study results indicated that the linkage between age and strategic change of the firms listed in Dar Es Salaam Securities Exchange was material and key respectively. These findings therefore depict that age of the board members has a significantly key effect on the strategic change of the firms listed in Dar Es Salaam Securities Exchange. This is consistent with a number of studies that contending that a younger generation may be more creative with most recent education that's relevant in driving strategic change in a firm as opposed to the older counterparts who may be more conservative and less flexible (Letting, 2011). This clearly points at the relevance of having younger generation in boards to provide the required physical and mental energy for driving strategic change.

Other studies though, indicate that board age diversity has no impact on strategic change (Tarus & Federico, 2014). This deviation could be attributed to the difference in cultural set up in various economies depending on whether the young have room to voice their concerns on boards or are required to just respect decisions of their elders without question or alternative suggestions. Considering the results of this study probably this may not be the case since the deviation noted was in Kenya which may be said to have no

significant difference with Tanzania in term of how the young relate with their elders. It is therefore pertinent to conduct more studies in this area to concisely establish how age really affects strategic change or there are other prerequisite factors that have to be examined simultaneously with age in order to have an impact, for example, age and skills or education level.

5.2.5 Factor for weak fit between board diversity and strategic change

The possible explanation for poor contribution of board diversity to strategic change is that lack of strategic change or poor strategy may encourage group members to speak with one voice because of the common focus to improve performance. In particular, the collective responsibility of the board for strategic change supersedes other diversity-related conflicts. It is therefore possible that a higher factor indicating contribution of board diversity towards strategic change is likely to promote pluralistic ignorance where majority members may want to control decision-making in the firm and in the process take glory for success. The minority in the diverse board may feel isolated and, thus, fuel conflict. Such conflicts affect strategic change decisions. The findings therefore point that demographic diversity on firms' board tend to have low contribution towards strategic change.

5.3 Conclusions of the Study

Based on the study findings it was concluded that board diversity is inevitable in corporate boards. It is important to give a hand to the firms' managers and policy makers' in generating diverse boards. Diversity is key although may not be the only component or ingredient towards successful contribution towards positive strategic change contributions. Vastness in knowledge, skills, and professional experience of the board members contributes value to firms only when complementary performances are also acted upon to gain

competitive advantage strategically. Use of these cognitive resources rich in board members' diversity during board discussions should not be taken for granted. It requires leadership in the boardrooms as well as an open and free board atmosphere.

Consistent with the stewardship and resource dependency theories, the study findings indicate that age diversity does affect a firms' strategic change making a new contribution and evidence that age has a key value in the strategic decision-making process. In spite of the fact that a number of studies echoing age as an important factor in influencing a firm's decision-making process in terms of information research, originality of ideas, malleability and information processing, the results of this study indicate that diversity in age is key to strategic change. In particular, boards consisting of both old and young board members may not comprehensively and exhaustively contribute in strategic change. This can possibly be illustrated especially from the Kenyan cultural set up which gives leeway to the senior or older society members to unduly take advantage in the decision-making process overriding young members' views. Nevertheless, with the global swap in the social structures and Western influence, the young are now taking up positions in decision-making. This on its own may not augur well with the senior or older members as it may be perceived as being disrespectful. Consequently, the senior or older board members may not side with the thoughts, views and inputs of the young members and vice versa. This may create a deadlock in strategic decisions. Although this may be atypical to Kenya, Ireland et al. (1987) is consistent with this view that people of similar age are likely to have similar values and beliefs and so encourage consensus in decision-making and bolster members' participation in strategic decisions. According to Hambrick et al. (1996), heterogeneity in age may lead to dispersion in the boards' perspective and, hence, increase potential of conflict in decision-making, resulting in negative effect on strategic change.

The second outcome of this study is in alignment with the notion that nationality diversity among board members enhances strategic change. Past studies from various scholars have reached a similar finding that there exists a link between functional background diversity and a firm's strategy (Geletkanycz and Black, 2001; Dearbon and Simon, 1958). Further, the results of this study indicate that that boards with diverse functional backgrounds are more likely to have a higher impact and influence towards strategic change. This stems from the rationale that since functional background influences the way decisions are made by board members, challenges are identified, information is disseminated and processed and even the nature of a firm's strategies undertaken, then, board diversity in functional background is likely to broaden the firm's vision and in so doing affect strategic change. This tallies with the views of the stakeholder theory that a more diverse board in terms of nationality implies taking into account views of a wider scope of stakeholders in decision making.

The study further depicted that the resource dependence theory, which is a theoretical framework for board composition, functions as a linking model between board composition diversities specifically board education and board nationality, and strategic change. The empirical findings of this study allowed the study conclude that board diversity has a significant impact on strategic change among firms listed in Dar es salaam Securities Exchange. However, the findings of this study showed that not all separate demographic diversity aspects play a significant role, but overall, the effect is statistically significant. Thus, firms should consider employing from a wider talent pool to foster performance by diversifying their boardrooms.

5.4 Recommendations of the Study

The results of this study have the following recommendations on board diversity and strategic change;

This study investigated the effect of board diversity on strategic change while the findings of this study provide new insights to strategic change and corporate governance by demonstrating importance of benefiting from board processes and coping with social barriers in better understanding and exploring diversity' influence on strategic change, this study's findings are no exhaustive owing to the state of dynamism in strategic management.

This study therefore recommends that more inclusive research should be conducted that will involve a bigger scope to establish whether the board diversity characteristics such as nationality, age, gender and education diversity) influence strategic change ascertain if the result of this study transcends to other organization and industries. A relative study should also be conducted among non-listed firms in the Dar es salaam Securities Exchange to establish if there are any differences in the board diversity and strategic change. This will enable to ascertain if comparable results are attainable.

In this research a descriptive design was used in arriving at the discussed results and above conclusions. However, it is important to note that descriptive design studies variables in their natural sceneries without any manipulation of data. The study therefore recommends employment of an experimental design where the study variables can be manipulated and measured accurately to accurately reflect the impact of board diversity of strategic change.

Employees play a great role in strategic change, this is because, despite the board diversity, individual employees strive to effectively implement strategic change. Therefore, there is need to assess the role of employees in relation to board diversity and strategic change and hence determine how employees bridge the gap between board diversity and strategic change. Based on the study findings its was observed that age, nationality, education levels, and gender diversity accounted for 18.9% of the variation in strategic change while 81.1% was unaccounted for other factors. The study therefore recommends an additional study on the other factors that may affect strategic change apart from the considered research variables.

5.5 Limitations of the study

It is key to also take into account the study's limitations. The research was based on secondary data obtained from the financial reports which may not be as accurate as primary information. relied on archival data especially information contained in the financial statements. Also, although the study considered diversity a factor for strategic change, it would be worthy to look into combination of attributes for example is it just gender that contributes or the experience and qualification of the selected gender also counts? There also could be other variables measures that could be particularly relevant to Tanzania, for example, ethnicity and political affiliations of the board members. Third, the study is based on a sample of listed firms in the Dar es salaam Securities Exchange. This restriction limits generalizability of the findings.

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5 APPENDICES

6 Appendix 1: Listed Companies at the DSE

No.	Code	Firm Name	Sector
1	CRDB	CRDB Bank PLC	Banks, Finance & Investments
2	DCB	DCB Commercial Bank Plc (DCB)	Banks, Finance & Investments
3	DSE	Dar es Salaam Stock Exchange (DSE)	Banks, Finance & Investments
4	EABL	East African Breweries Limited (EABL)	Industrial & Allied
5	JATU	JATU PLC	Industrial & Allied
6	JHL	Jubilee Holdings Limited	Banks, Finance & Investments
7	KA	Kenya Airways Limited	Commercial Services
8	KCB	KCB Group	Banks, Finance & Investments
9	MBP	Maendeleo Bank Plc (MBP)	Banks, Finance & Investments
10	MCB	Mwalimu Commercial Bank PLC.	Banks, Finance & Investments
11	MKCB	Mkombozi Commercial Bank Plc (MKCB)	Banks, Finance & Investments
12	MUCOB		Banks, Finance & Investments
13	MUCOBA	Mufindi Community Bank Ltd (MuCoBa)	Banks, Finance & Investments
14	NICO	National Investment Company Limited ("NICOL")	Banks, Finance & Investments
15	NMB	NMB Bank Plc (NMB)	Banks, Finance & Investments
16	NMG	Nation Media Group (NMG)	Banks, Finance & Investments
17	PAL	Precision Air Services Plc	Commercial Services

No.	Code	Firm Name	Sector
18	SWALA	Swala Oil and Gas (Tanzania) plc ("Swala")	Oil & Gas
19	SWIS	Swissport Tanzania Plc	Commercial Services
20	TBL	Tanzania Breweries PLC	Industrial & Allied
21	TCC	Tanzania Cigarette Company (TCC)	Industrial & Allied
22	TCCL	Tanga Cement PLC	Industrial & Allied
23	TICL	TCCIA Investment Company Limited	Banks, Finance & Investments
24	TOL	TOL Gases Limited	Industrial & Allied
25	TPCC	Tanzania Portland Cement Company Ltd	Industrial & Allied
26	TTP	TATEPA Public Limited Company	Industrial & Allied
27	USL	Uchumi Supermarkets Ltd	Commercial Services
28	VODA	Vodacom Tanzania Limited	Telecommunication
29	YETU	Yetu Microfinance bank	Banks, Finance & Investments

Source: DSE 2021