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**LEADERSHIP COMMITMENT AND INCLUSIVITY CULTURE IN STATE CORPORATIONS IN KENYA: A CASE STUDY OF KENYA REVENUE AUTHORITY HEADQUARTERS**

<sup>1</sup>**Caroline N. Munialo**

<sup>2</sup>**Ms. Gladys Mabonga**

<sup>1</sup>MML Candidate, Management University of Africa

<sup>2</sup>Lecturer, Management University of Africa

Corresponding Author's Email: [munialo23cn@gmail.com](mailto:munialo23cn@gmail.com)

**ABSTRACT**

The primary objective of this study was to examine the relationship between leadership commitment and the creation of an inclusivity culture within the Kenya Revenue Authority (KRA). Specifically, the study evaluated the effects of leadership vision, and leadership policies on the development of an inclusivity culture at KRA. The research explored the intersection of leadership commitment and inclusivity integrating key theories such as Transformational Leadership Theory, and Social Identity Theory. Transformational Leadership Theory served as the anchor theory, emphasizing how leaders inspire and motivate employees toward higher performance levels and organizational change. The study targeted all 1,320 employees working at Times Tower, employing stratified random sampling to select 132 respondents for participation. Primary data were collected using a structured questionnaire that contained both open and closed-ended questions, while secondary data were gathered from journals, books, and reports. Data analysis was performed using descriptive statistics, including regression analysis and standard deviations, alongside thematic analysis to identify and interpret patterns related to leadership commitment and inclusivity culture. The findings revealed that KRA leadership exhibited significant commitment to inclusivity, positively correlating with employee perceptions of the inclusivity culture. Specifically, leadership vision emerged as the most influential factor in fostering inclusivity. Overall, this research contributes to the understanding of the vital role leadership commitment plays in shaping an inclusive organizational culture and provides actionable recommendations for enhancing inclusivity practices within KRA.

**Keywords:** *leadership commitment; inclusivity culture; leadership vision; leadership policies*

**INTRODUCTION**

The importance of leadership commitment in fostering an inclusive culture within organizations has gained global recognition, as it significantly enhances performance, innovation, and employee satisfaction. For instance, studies conducted by organizations such as Catalyst in the U.S. (Catalyst, 2020) and the Chartered Institute of Personnel and Development (CIPD) in the U.K. (CIPD, 2021) demonstrate that leadership behaviors play a crucial role in creating an inclusive

environment, leading to increased employee engagement and reduced turnover. Furthermore, research by Mazzei, Flynn, and Haynie (2020) and Shore et al. (2020) emphasizes that inclusive leadership not only fosters a positive work atmosphere but also contributes to higher engagement levels and lower turnover rates.

The global landscape reflects a trend where leaders who prioritize inclusivity are more successful in retaining talent, promoting job satisfaction, and establishing a cohesive team culture. Despite these advancements in diversity policies worldwide, many multinational corporations continue to face challenges in effectively translating these policies into practice. This is often attributed to inadequate leadership commitment and a lack of strategic focus, as highlighted by Kumar and Sam (2021). These findings underscore the necessity for leaders across different contexts to enhance their commitment to inclusivity to realize the full benefits of diverse workforces globally.

Leadership in the broader African context is crucial in addressing systemic inequalities and promoting inclusivity within organizations. For instance, leadership commitment to diversity management in South Africa has helped address racial and gender disparities, particularly in post-apartheid organizations (Phiri & Matanda, 2021). Similarly, in Nigeria, Adetunji and Olaniyi (2020) found that leadership engagement is crucial for the successful implementation of diversity policies, but gaps in leadership training and awareness often result in inconsistent application. These findings underscore the importance of sustained leadership focus on inclusivity to achieve meaningful diversity outcomes.

Awareness of inclusivity is increasing in East Africa, yet inconsistent leadership commitment continues to impede the effective implementation of diversity policies. Studies in Tanzania, for example, reveal that despite having diversity policies, many organizations struggle to integrate these into their operations due to insufficient leadership support and resource constraints (Mwangi, Njuguna, & Kamau, 2021). In Uganda, similar challenges persist, as a lack of leadership engagement in public institutions leads to disparities in representation and participation (Nanyanzi & Kigozi, 2022). This regional trend highlights the need for stronger leadership to prioritize and effectively implement inclusivity initiatives.

In Kenya, leadership commitment to inclusivity within state corporations has gained increased attention, but challenges remain. Research indicates that while policies aimed at fostering inclusivity exist, their implementation is often inconsistent due to varying levels of leadership advocacy and engagement (Mutiso, 2021). Studies focusing on gender inclusivity also highlight that the absence of women in leadership roles continues to hinder the overall effectiveness of diversity initiatives within public institutions (Kinyua & Njoroge, 2022). These findings emphasize the need for stronger leadership commitment to inclusivity in Kenyan organizations.

Specifically, within the Kenya Revenue Authority (KRA), leadership commitment to fostering an inclusive organizational culture has seen some progress, though gaps persist. Njenga (2020) found that while gender inclusivity initiatives have been implemented, uneven leadership support across departments has hindered full realization of inclusivity goals. Similarly, Mwangi (2021) noted challenges in promoting broader diversity, including resistance to change and inadequate resource

allocation. These studies suggest that while KRA is committed to diversity, sustained leadership engagement is needed to ensure the consistent implementation of inclusivity policies across the organization.

### Statement of the problem

The gap between policy and practice regarding inclusivity is a significant challenge for the Kenya Revenue Authority (KRA). Despite efforts to promote inclusivity, statistics indicate that the implementation of related initiatives often falls short of expectations. For example, while KRA has established policies to enhance gender diversity, only 30% of leadership positions are occupied by women, which contrasts sharply with the organization's stated commitment to gender inclusivity (Mwangi, 2021). Furthermore, a survey revealed that 65% of employees perceive a lack of genuine leadership commitment to inclusivity initiatives (Njenga, 2020), highlighting the difficulties KRA faces in translating policy into effective practice. This inconsistency in leadership further complicates the situation, as diversity training programs have not produced the anticipated results, with only 45% of employees attending such training and just 40% feeling that the training adequately addressed inclusivity challenges (Mutiso, 2021).

While KRA has implemented policies and training programs aimed at fostering a diverse and inclusive environment, their effectiveness is undermined by various factors, including inconsistent implementation and limited leadership engagement. Specifically, the absence of sustained commitment from leadership means that inclusivity policies are not adequately reinforced, while training initiatives lack follow-through, preventing them from becoming ingrained in the organizational culture. This disconnect between policy intentions and daily practices leads to uneven progress and limited impact, further underscoring the challenges in achieving meaningful inclusivity within KRA. Research suggests that organizations with strong leadership commitment to inclusivity can see significant improvements in employee engagement, which emphasizes the importance of integrating inclusivity into the core organizational culture (Phiri & Matanda, 2021).

Despite recognizing the importance of inclusivity, KRA faces a lack of understanding regarding how to effectively translate policies into actionable practices. The specific strategies and actions needed to bridge the gap between policy formulation and implementation are not clear, highlighting the necessity for further exploration into the unique challenges and opportunities that KRA encounters in fostering an inclusive workplace (Karanja, 2021). This study aims to investigate ways to strengthen leadership commitment, focusing on the specific challenges related to leadership and inclusivity. By providing actionable insights and recommendations, the study seeks to enhance the effectiveness of inclusivity initiatives at KRA and similar organizations in Kenya, offering valuable lessons for others grappling with similar issues in fostering inclusivity.

### Objectives of the study

- a) To evaluate the effect of leadership vision on the creation of inclusivity culture in the Kenya Revenue Authority.
- b) To assess the role of leadership policies on the creation of inclusivity culture in Kenya Revenue Authority.

### **Hypothesis**

H<sub>01</sub> Leadership vision significantly effects the creation of inclusivity culture in the Kenya Revenue Authority.

H<sub>02</sub> Leadership policies do not significantly affect the creation of inclusivity culture in Kenya Revenue Authority.

### **Significance of the study**

This study provides valuable insights into the role of leadership commitment in fostering an inclusive culture at KRA, highlighting gaps and suggesting targeted strategies to enhance diversity and inclusion efforts, thereby improving employee engagement and organizational performance. It offers lessons for other organizations to adopt effective leadership and avoid pitfalls while implementing diversity policies. For policymakers, it presents empirical evidence to strengthen inclusivity policies and guide strategic interventions. Additionally, researchers gain a case study on leadership and inclusivity, contributing to academic discourse and identifying further research needs, such as expanding diversity studies beyond gender.

### **Scope of the Study**

The main objective of this study is to examine the relationship between leadership commitment and the creation of inclusivity culture in state corporations in Kenya. The study will be conducted at the Kenya Revenue Authority (KRA) headquarters located along Haile Selassie Avenue in Nairobi. The target population was 1320 employees working in the organization which includes top management, middle management and operational staff. The duration of the study is anticipated to span approximately six months from May 2024 to October 2024.

### **Limitations of the Study**

The study on Leadership Commitment and Inclusivity Culture at KRA faced challenges including confidentiality concerns, noncooperation from participants, and tight schedules. Confidentiality issues limited access to in-depth data due to strict policies and participant hesitation, which was addressed by emphasizing anonymity, informed consent, and secure data handling. Noncooperation stemmed from participant skepticism and fear, mitigated by leadership endorsements, anonymity options, and incentives to boost participation. Tight schedules of respondents delayed data collection but were managed through flexible data collection methods, such as online surveys and virtual interviews, along with reminders and off-hour scheduling. These strategies ensured comprehensive data collection despite the initial challenges.

## **LITERATURE REVIEW**

### **Theoretical Review**

This study was anchored on Transformational Leadership Theory and Social Identity Theory. Transformational Leadership Theory, introduced by James MacGregor Burns (1978) and expanded by Bernard M. Bass (1985), focuses on leaders who inspire followers to transcend their self-interests for organizational benefit. It encompasses idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration, emphasizing how leaders

act as role models, drive vision, foster innovation, and address individual needs (Bass & Riggio, 2023; Bass, 2024). Despite its widespread application, the theory faces critique for potentially overemphasizing the leader's role and being culturally limited (Avolio & Bass, 2023; Bass, 2024). In the context of the Kenya Revenue Authority (KRA), Transformational Leadership Theory is vital for promoting leadership practices that enhance organizational culture, employee engagement, and operational effectiveness (Bass & Riggio, 2023; Avolio & Bass, 2023).

Social Identity Theory, developed by Henri Tajfel and John Turner (1979), examines how individuals form their self-concepts based on group memberships, creating in-group and out-group dynamics (Tajfel & Turner, 2024). This theory highlights how social categorization influences behaviour and relationships, impacting organizational interactions and inclusivity (Brown, 2024; Tajfel & Turner, 2024). Applying this to KRA, leaders can better understand group dynamics within the organization to promote unity and reduce bias, enhancing a more inclusive culture. These frameworks collectively provide a robust basis for examining how leadership commitment shapes inclusivity culture, with Transformational Leadership Theory serving as a guiding lens to assess leadership practices and their effect on organizational success.

### **Empirical Review**

#### **Leadership Vision and the Creation of an Inclusivity Culture**

Bass and Avolio (2019) conducted a quantitative study using a cross-sectional survey to assess the impact of transformational leadership on inclusivity within U.S. finance sector multinationals. Their use of the Multifactor Leadership Questionnaire (MLQ) and the Inclusion Climate Scale found that leaders who clearly articulated a vision for inclusivity improved employee engagement and perceptions of inclusivity. The study concluded that leadership vision is critical for nurturing a culture that values diversity, recommending leadership training to develop inclusive behaviours. While the study's large sample size strengthened the reliability of its findings, the cross-sectional design limited the ability to infer causality.

Nishii (2020) expanded on this with a longitudinal case study in California technology firms, focusing on how sustained leadership vision influences inclusivity over time. By using purposive sampling and collecting data through semi-structured interviews and document reviews, the study revealed that consistent promotion of an inclusivity-focused vision led to improvements in practices like diverse hiring and retention strategies. Nishii concluded that for meaningful progress, leadership must maintain and communicate the vision for inclusivity persistently. The study's longitudinal approach allowed for insights into changes over time, but purposive sampling could limit the range of perspectives represented.

Carmeli et al. (2021) examined the role of inclusive leadership in fostering team innovation in the UK healthcare sector through a mixed-methods approach. The study gathered data using surveys and focus group discussions, analyzing quantitative results with structural equation modelling (SEM) and qualitative data with coding techniques. Results showed that inclusive leadership significantly enhanced team innovation by promoting an environment where diverse perspectives were valued. The study concluded that fostering inclusivity leads to better creativity and teamwork, recommending that leaders undergo inclusivity training to maximize collaborative potential. The mixed-methods approach provided comprehensive insights but was limited by convenience

sampling, which could introduce bias.

Pless and Maak (2022) focused on barriers to leadership-driven inclusivity in European multinationals through a comparative case study. Using snowball sampling, they interviewed senior leaders and diversity officers and reviewed internal policies. Analysis through grounded theory highlighted common challenges like resistance to change, unconscious bias, and limited resources, even when leaders promoted inclusivity. The study concluded that while leadership vision is essential, it must be supported by robust organizational structures to be effective. Recommendations included establishing accountability frameworks and ensuring adequate resources for diversity initiatives. The focus on real-world barriers provided practical insights, although the sampling method might have constrained the diversity of views.

Research by Sabharwal (2021) supports the idea that leadership vision, while crucial, must be complemented by organizational structures for sustained inclusivity. In a quantitative study involving public sector organizations in India, Sabharwal employed survey methods to analyze the role of leadership commitment and structural support on inclusivity outcomes. The study utilized the Inclusive Leadership Scale and employee satisfaction surveys, revealing that leadership vision significantly impacts inclusivity but only when supported by clear policies and resource allocation. The findings highlighted that organizations with both strong leadership vision and comprehensive inclusivity policies showed higher levels of employee engagement and satisfaction compared to those relying solely on leadership efforts. Sabharwal concluded that for inclusivity to be embedded into the organizational culture, leaders must pair their vision with tangible, systemic support mechanisms. This study reinforces the view that while leadership vision is foundational, sustainable inclusivity requires robust frameworks and resources within organizations.

### **Leadership Policies and Creation of Inclusivity Culture**

Globally, leadership vision and policies play an essential role in fostering inclusivity within organizations, as evidenced by multiple empirical studies. Nishii (2020) conducted a longitudinal case study of large multinational organizations in the U.S., using purposive sampling and thematic analysis of data from interviews, surveys, and organizational documents. The study concluded that a clear leadership vision for inclusivity effectively cultivated a culture valuing diversity, which improved organizational performance. Nishii emphasized that leadership policies must align with the overall organizational vision to establish an inclusivity culture and recommended continuous engagement through leadership training programs. The longitudinal nature of the study was a strength, providing insights over time, but its purposive sampling limited the generalizability.

Carmeli, Gelbard, and Reiter-Palmon (2021) focused on inclusive leadership and team innovation in Israeli technology firms, using a cross-sectional survey design and stratified random sampling to ensure diverse representation. Their findings demonstrated that inclusive leadership positively influenced team innovation by fostering an environment that encouraged diverse perspectives. The study concluded that inclusivity-driven leadership policies were critical for promoting organizational creativity and recommended training programs for leaders to enhance team performance. The study's use of stratified sampling strengthened its representativeness, but the cross-sectional approach restricted causal interpretations.

Byrd (2021) examined how leadership vision and unconscious bias affected inclusivity policies in U.S. government agencies through a qualitative study using convenience sampling. Thematic content analysis of in-depth interviews revealed that unconscious bias was a significant obstacle for leaders when implementing inclusivity policies. Byrd concluded that unconscious bias training was essential for leaders to recognize and address implicit prejudices. The study recommended ongoing policies for regular bias assessments. The qualitative approach provided deep insights into participant experiences, though the convenience sampling limited the scope of perspectives.

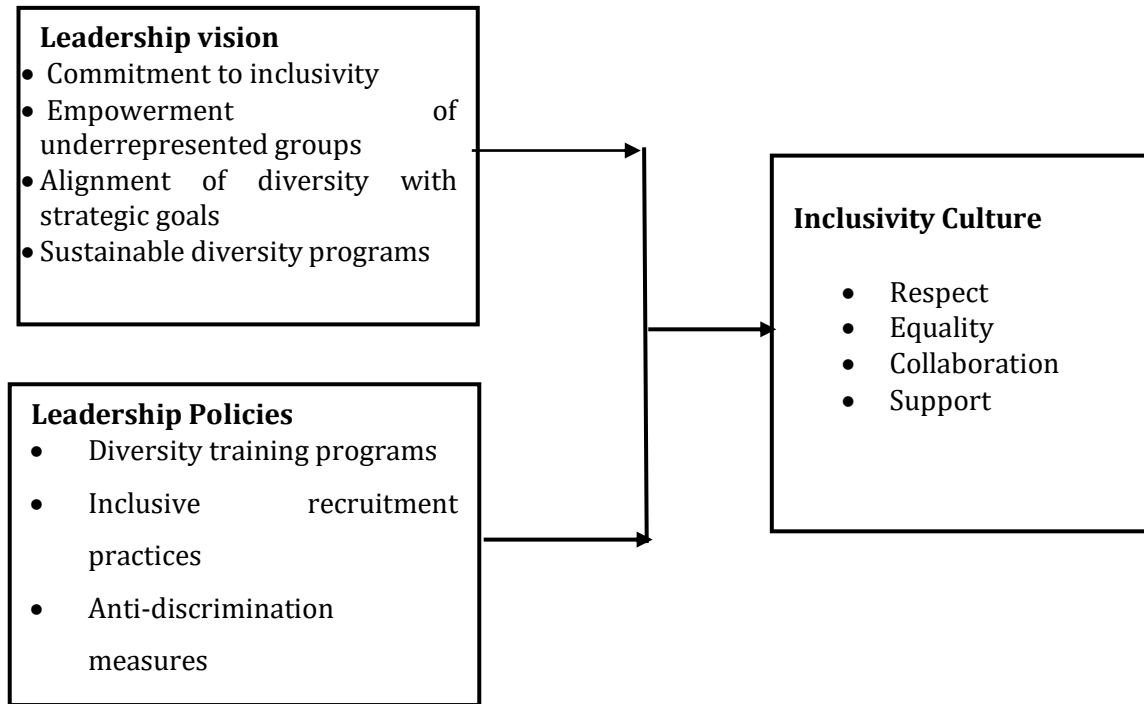
In Kenya, Omondi and Oduor (2022) studied leadership's role in fostering inclusivity at Safaricom, a leading telecommunications firm, using a case study design and stratified random sampling. Data from semi-structured interviews and company reports revealed that Safaricom's leadership policies, which focused on gender equality, employee empowerment, and diversity, were fundamental in creating an inclusive culture. The study concluded that targeted leadership policies helped embed inclusivity within the organization. While the stratified sampling method enhanced the study's representation, the single-company focus limited broader applicability.

### **CONCEPTUAL FRAMEWORK**

In this study, the conceptual framework integrates the key variables identified in the empirical review to illustrate the relationships between leadership vision, and leadership policies, and the creation of an inclusivity culture in state corporations in Kenya.

**Independent Variables**

**Dependent Variable**



**Figure 3: Conceptual Framework**

**METHODOLOGY**

This study utilized a descriptive research design, combining both quantitative and qualitative methods to explore relationships between variables without manipulation. According to Mugenda and Mugenda (2003) and Kothari (2004), this design is instrumental for analyzing how explanatory variables interact with response variables, thereby allowing researchers to observe, analyze, and explain data patterns. The appropriateness of this approach stems from the study's structured and semi-structured research questions, which aim to illuminate inclusivity perceptions within the Kenya Revenue Authority (KRA).

The target population for this research consisted of 1,320 employees at KRA's Headquarters in Times Tower, incorporating diverse roles from top management to operational staff across several departments such as Customs and Border Control, Finance and Accounting, and Public Relations. Kothari (2014) defines a population as the complete set of individuals sharing common characteristics within a research context. By focusing on this specific group, the study aimed to generalize findings about inclusivity and diversity in workplace practices. From this population, a sample size of 132 was determined, aligning with the recommended 10% of the total population for descriptive studies as outlined by Mugenda & Mugenda (2003) and Kothari (2004).



To select a representative sample, the study employed stratified random sampling, which involves dividing the population into subgroups based on organizational levels and then randomly choosing participants from each stratum (Hair et al., 2018). This method enhances the study's validity by ensuring adequate representation of different organizational levels, thus reducing bias and allowing for comparative analysis. The sample comprised 132 employees distributed across various departments, with the following sample size breakdown: Corporate Services Department (17), Customs and Border Control Department (26), Domestic Taxes Department (40), Investigations and Enforcement Department (20), Finance and Accounting Department (17), Policy and Research Department (10), Legal Services Department (7), and Public Relations and Communications Department (5).

Data collection was carried out using a semi-structured questionnaire designed to gather quantitative data on aspects related to leadership vision, policies, resource allocation, and accountability concerning inclusivity. Creswell & Creswell (2018) emphasize the importance of valid and reliable data collection processes. A pilot study was conducted to test the questionnaire's effectiveness, involving 10-15 diverse participants to gather feedback on its clarity and relevance (Creswell & Creswell, 2017; Van Teijlingen & Hundley, 2001). To ensure the reliability of the instrument, techniques such as test-retest methods and Cronbach's alpha calculations were employed, confirming that the questionnaire provided stable and consistent results (Field, 2018; Tavakol & Dennick, 2019).

The data collection procedure involved distributing questionnaires using a drop-and-pick method, allowing respondents adequate time to complete them while ensuring confidentiality and the option to withdraw from the study (Creswell & Creswell, 2017; Roberson, 2006). Analysis of the quantitative data was conducted through multiple regression analysis, as represented by the formula  $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon$ . In this formula, Y represents the dependent variable, which is Inclusivity Culture, while  $\beta_0$  is the intercept. The coefficients  $\beta_1$  to  $\beta_2$  correspond to independent variables related to leadership vision, policies, resource allocation, and accountability. The error term  $\epsilon$  captures the discrepancy between observed and predicted values. The regression analysis was chosen for its ability to quantify these relationships and identify significant predictors of inclusivity outcomes at KRA. The findings were complemented by qualitative insights gathered from interviews, presented thematically to provide context and depth to the quantitative findings, ensuring a comprehensive understanding of inclusivity dynamics in the workplace.

## RESEARCH FINDINGS AND DISCUSSION

Out of the 132 distributed questionnaires, 120 were completed and returned, yielding a response rate of 90.91%. According to Mugenda and Mugenda (2003), a response rate above 70% is adequate for analysis and generalization to the population, making the data reliable for further analysis. This high response rate enhances the validity of the findings, allowing for a more accurate representation of the views held by KRA employees regarding inclusivity and leadership.

Understanding the demographic characteristics of respondents is crucial for interpreting their perceptions of inclusivity culture at the Kenya Revenue Authority (KRA). The data reveals a gender imbalance, with 58% of respondents being male and 42% female, which highlights the need for KRA to focus on enhancing gender inclusivity, a trend often observed in Kenya's public

sector (Okech, 2019). Additionally, the age distribution shows that 35% of respondents fall within the 35 to 44 age range, while 25% are aged 25 to 34 years, indicating a relatively youthful workforce. This younger demographic is likely to hold more progressive views on inclusivity and diversity issues, thereby contributing to a more inclusive organizational culture.

The educational qualifications of respondents further underscore KRA's commitment to hiring qualified personnel, with 45% holding undergraduate degrees. Such higher educational attainment is associated with greater awareness of inclusivity practices, enhancing the organization's culture. The largest segment of respondents (40%) comprised administrative/support staff, whose roles are vital for operationalizing inclusivity initiatives. However, the underrepresentation of executive leadership (10%) could limit insights into top management's perspectives on inclusivity strategies. Moreover, data on years of employment indicates a stable workforce, with 35% of respondents having worked at KRA for 1 to 5 years. Employees with longer tenures tend to possess a deeper understanding of the organizational culture, offering valuable insights into inclusivity practices (Allen et al., 2010).

### **Descriptive Analysis of Variables**

#### **Leadership Vision**

The findings suggest that leadership at KRA is largely perceived as committed to inclusivity, with a mean score of 3.85. This aligns with Transformational Leadership Theory (Bass, 1985), which postulates that transformational leaders inspire and motivate their followers towards a shared vision, in this case, inclusivity. However, the lower score for empowering underrepresented groups (mean = 3.65) indicates that although the vision is clear, the actual empowerment of these groups remains a challenge. This aligns with findings by Northouse (2016), which highlight gaps between leadership vision and actionable outcomes.

Moreover, the alignment of diversity with strategic goals (mean = 3.75) reflects a moderate level of integration between leadership's commitment to inclusivity and organizational strategy, suggesting that more needs to be done to embed inclusivity into the long-term goals of KRA. The development of sustainable diversity programs (mean = 3.70) indicates a relatively positive trend, but there is still room for improvement in ensuring that these programs are long-lasting and impactful.

A small standard deviation in both areas would highlight shared perceptions of moderate progress, while a larger standard deviation could point to divergent views on how well diversity initiatives are integrated into strategy and sustained over time

#### **Leadership Policies**

The results indicate that leadership policies at KRA are moderately supportive of inclusivity. The adequacy of diversity training programs (mean = 3.60) is slightly below expectations, suggesting that while training is present, it may not be comprehensive or effective enough. This is consistent with Kalev, Dobbin, and Kelly (2006), who argued that diversity training programs often fail to translate into meaningful organizational change unless they are well-designed and backed by strong leadership commitment.

Inclusive recruitment practices received a relatively higher score (mean = 3.75), reflecting an effort to ensure diverse hiring, but leadership policies that provide adequate resources for inclusivity initiatives scored lower (mean = 3.50). This indicates a lack of sufficient financial or human resources dedicated to inclusivity, which could undermine the effectiveness of such initiatives.

On a more positive note, anti-discrimination measures (mean = 3.85) seem to be adequately developed, showing that KRA leadership has taken steps to create a work environment that minimizes discriminatory practices. However, the effectiveness of these policies could be questioned if other resources and support systems remain inadequate.

### **Inferential statistics**

Inferential statistics were employed to examine the relationships between leadership commitment and the creation of an inclusivity culture at the Kenya Revenue Authority (KRA). By applying inferential methods, including ANOVA and regression analysis, the research moved beyond descriptive measures to assess the impact of variables namely leadership vision and leadership policies. These statistical techniques allowed for generalization from the sample to the broader population, providing insights into how various aspects of leadership contribute to fostering an inclusive work environment within the organization.

### **Correlation Coefficient**

Correlation coefficients are shown between the independent variables (Leadership Vision and Leadership Policies) and the dependent variable (Inclusivity Culture). The correlation results reveal that Inclusivity Culture has a strong positive correlation with each of the leadership variables, particularly with Leadership Vision (0.68), indicating that organizations with a clear and inclusive vision tend to exhibit a more inclusive culture. The positive correlation with Leadership Policies (0.62) shows that organizations with policies supporting inclusivity generally foster a more inclusive environment.

For Leadership Vision, the results show a strong relationship with Inclusivity Culture (0.68), meaning that a clear leadership vision aligns well with an inclusive organizational culture. Leadership Vision also has a positive correlation with Leadership Policies (0.52), suggesting a moderate alignment between a clear leadership vision and policies that support it.

In the case of Leadership Policies, the positive correlation with Inclusivity Culture (0.62) suggests that supportive policies are positively associated with a culture of inclusivity. The moderate positive relationship with Leadership Vision (0.52) shows that a strong vision for leadership and well-developed policies are complementary but distinct influences on the organization.

### **Regression Analysis**

Simple regression analysis is employed to examine the effect of individual leadership factors—namely, leadership vision and leadership policies on inclusivity culture at the Kenya Revenue Authority (KRA). By analyzing each predictor separately, this approach enables us to determine the direct influence of each leadership variable on inclusivity culture, providing clarity on how

each component independently contributes to fostering an inclusive organizational environment.

**Leadership Vision**

**Table 1: Model Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error
Leadership Vision	0.68	0.46	0.45	0.71

The model summary shows that the R-value, representing the correlation coefficient between Leadership Vision and Inclusivity Culture, is 0.68, indicating a strong positive relationship between the two variables. The R<sup>2</sup> value is 0.46, suggesting that approximately 46% of the variance in Inclusivity Culture can be explained by Leadership Vision. This high R<sup>2</sup> value reflects that Leadership Vision is a significant predictor of Inclusivity Culture, while the remaining 54% of the variance may be influenced by other factors not included in this model. The Adjusted R<sup>2</sup> of 0.45, which adjusts for the number of predictors in the model, confirms the reliability of this explanatory power.

**Table 2: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	32.45	1	32.45	63.24	0.000
Residual	37.85	98	0.39		
<b>Total</b>	<b>70.30</b>	<b>99</b>			

The ANOVA table tests the overall significance of the regression model. The F-value of 63.24, with a significance level (p-value) of 0.000, is less than 0.05, indicating that the model is statistically significant. This means that the regression model for Leadership Vision as a predictor of Inclusivity Culture fits the data well, and Leadership Vision significantly impacts Inclusivity Culture within KRA.

**Table 3: Regression Coefficients**

Variable	Unstandardized B	Std. Error	t	Sig.
Constant	1.25	0.20	6.25	0.000
Leadership Vision	0.50	0.08	7.96	0.000

The coefficient for Leadership Vision ( $\beta_1 = 0.50$ ) indicates that a one-unit increase in Leadership Vision is associated with a 0.50 increase in Inclusivity Culture. The significance level ( $p < 0.01$ ) confirms that this effect is statistically significant. In other words, higher levels of Leadership Vision contribute significantly to creating an inclusive culture. The t-value of 7.96, much higher than the critical value, also underscores the strong influence of Leadership Vision on Inclusivity Culture.



### Leadership Policies and Inclusivity Culture

**Table 4: Model Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error
Leadership Policies	0.62	0.38	0.37	0.75

The R-value of 0.62 indicates a strong positive correlation between Leadership Policies and Inclusivity Culture. The R<sup>2</sup> value of 0.38 suggests that approximately 38% of the variability in Inclusivity Culture can be explained by Leadership Policies, indicating a moderate explanatory power. The Adjusted R<sup>2</sup> of 0.37 provides a corrected estimate, affirming the robustness of Leadership Policies as a predictor.

**Table 5: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	27.45	1	27.45	49.90	0.000
Residual	45.30	98	0.46		
<b>Total</b>	<b>72.75</b>	<b>99</b>			

The F-value of 49.90 with a p-value of 0.000 ( $p < 0.05$ ) in the ANOVA table shows that the regression model for Leadership Policies is statistically significant. This indicates that Leadership Policies play a meaningful role in predicting inclusive culture.

**Table 6: Regression Coefficients**

Variable	Unstandardized B	Std. Error	t	Sig.
Constant	1.15	0.25	4.60	0.000
Leadership Policies	0.45	0.09	7.06	0.000

The coefficient for Leadership Policies ( $\beta_2 = 0.45$ ,  $p < 0.01$ ) implies that each one-unit increase in Leadership Policies is associated with a 0.45 increase in Inclusivity Culture, suggesting a significant positive relationship. The t-value of 7.06 and significance level confirm the strong, positive effect of Leadership Policies on Inclusivity Culture at KRA.

### Multiple Regression Analysis

Multiple regression analysis is applied in this study to explore the combined influence of leadership vision and leadership policies, resource allocation, and leadership accountability on inclusivity culture at KRA. This method allows for a holistic view of how these leadership elements interact and jointly shape the inclusivity culture. By considering all variables simultaneously, multiple regression provides insights into the relative importance of each factor when predicting inclusivity culture and identifies how they work together to impact inclusivity within the organization.



**Table 7:** Model Summary

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error
1	0.755	0.570	0.553	0.341

The R value (0.755) indicates a strong positive correlation between the independent variables and inclusivity at KRA. The R<sup>2</sup> value (0.570) suggests that 57% of the variation in inclusivity can be explained by Leadership Vision and Leadership Policies and Inclusivity Culture. The remaining 43% may be explained by other factors not included in this model. The Adjusted R<sup>2</sup> (0.553) is slightly lower than R<sup>2</sup>, accounting for the number of predictors in the model and indicating that 55.3% of the variability in inclusivity is explained by these predictors.

### ANOVA for Regression

The ANOVA table shows whether the regression model significantly predicts the dependent variable (Inclusivity at KRA).

**Table 8 :** ANOVA

Model	Sum of Squares	df	Mean Square	F	p-value
Regression	12.589	5	2.518	21.66	0.000
Residual	9.493	95	0.100		
<b>Total</b>	<b>22.082</b>	<b>100</b>			

The **F-value** (21.66) and **p-value** (0.000) indicate that the model is statistically significant at the 0.05 level, meaning that the independent variables are significant predictors of inclusivity at KRA. The regression coefficients indicate the strength and direction of the relationship between each independent variable and the dependent variable (Inclusivity at KRA).

**Table 9:** Coefficients

Variables	Unstandardized B	Std. Error	Beta	t	p-value
(Constant)	1.123	0.283		3.967	0.000
Leadership Vision	0.315	0.065	0.305	4.846	0.000
Leadership Policies	0.245	0.073	0.228	3.356	0.001

The regression equation based on the coefficients is as follows:

$$Y_i = 1.123 + 0.315X_1 + 0.245X_2$$

Leadership Vision ( $\beta_1 = 0.315$ ,  $p = 0.000$ ): A unit increase in Leadership Vision leads to a 0.315 increase in Inclusivity, holding other variables constant. This variable has the most significant positive impact on inclusivity.

Leadership Policies ( $\beta_2 = 0.245$ ,  $p = 0.001$ ): A unit increase in Leadership Policies leads to a 0.245 increase in Inclusivity.

All the variables have positive coefficients, suggesting that improvements in Leadership Vision, Policies, Resource Allocation, Accountability, and Inclusivity Culture contribute positively to the inclusivity levels at KRA.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

The findings from this study highlight the critical role of leadership commitment in fostering an inclusive culture at KRA. Leadership Vision emerged as the strongest predictor of inclusivity, followed by Leadership Policies. The study confirms the applicability of Transformational Leadership Theory and Social Exchange Theory in understanding how leadership practices influence organizational inclusivity. Leaders who are committed to inclusivity inspire their employees to embrace diversity and contribute to a positive organizational culture. However, this commitment must be supported by clear leadership vision and consistent policy implementation to achieve lasting change.

### Contribution of the Study to Knowledge

This study offers a significant contribution to knowledge by addressing methodological differences, contextual gaps, and generalization limitations in the existing literature on inclusivity culture, particularly within public sector institutions in Kenya. Unlike many past studies that predominantly relied on qualitative approaches or focused on specific sectors, this research employs a descriptive research design that integrates both quantitative and qualitative data to capture a holistic view of inclusivity at the Kenya Revenue Authority (KRA). This mixed-methods approach allows for a nuanced understanding of how demographic variables such as gender, age, educational qualifications, and tenure influence employee perceptions of inclusivity, bridging the methodological gap present in earlier studies that may have overlooked the interplay of these factors.

Additionally, while previous studies often generalized findings from a narrow demographic or geographic context, this research focuses specifically on KRA, a key public sector institution in Kenya, thus providing localized insights that enhance the relevance of the findings for similar organizations. The study also highlights the specific challenges related to gender imbalances and representation in executive leadership roles, which have been inadequately addressed in prior research. By identifying and analyzing these contextual gaps, this study aims to fill the void in understanding how inclusive practices can be effectively implemented in public sector workplaces. Consequently, the findings are intended to inform policymakers and organizational leaders at KRA and similar institutions about the importance of fostering an inclusive culture, thereby contributing to the broader discourse on inclusivity in the Kenyan public sector.

### Recommendations

To enhance inclusivity within the Kenya Revenue Authority (KRA), leadership should establish a clear, collaborative vision that prioritizes diversity as a core organizational value, incorporating measurable inclusivity goals such as gender representation and participation in training programs. Policies must support this vision through comprehensive inclusivity guidelines in hiring, promotions, and training, alongside regular training for employees to address unconscious biases. Creating an inclusivity committee to oversee policy implementation and integrating inclusivity metrics into performance evaluations will promote accountability. Additionally, offering flexible work arrangements will further demonstrate KRA's commitment to fostering an inclusive workplace, contributing to greater employee satisfaction and organizational effectiveness.

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