Gordon Institute of Business Science
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Influence of a board of directors age diversity on an organization's innovation and performance trajectory

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ABSTRACT

One of the main objectives of most companies listed on the Johannesburg Stock Exchange is to perform well, thereby providing a return for shareholders who have invested their money therein. Coupled with that in recent years it has become critical for companies to remain innovative in order to stay up-to-date with the ever-increasing dynamic digital and technological advances.

This study aims to explore how a board of directors' age diversity impacts an organization's innovation and performance trajectory. Research has been lacking in this area. A qualitative approach was used to ensure a comprehensive overview of how diversity at the governance level can shape innovation processes. Interviews with 16 directors of companies listed on the Johannesburg Stock Exchange were conducted.

For the most part it was evident that if collaboration occurs amongst diverse groups then there exists a high probability of reaping positive benefits for the business all round. This study has highlighted that a board should compromise of both the old and the old to reach potential innovation.

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy Corporate Strategy at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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CHAPTER 1: INTRODUCTION

> *"The concept of a diverse workforce refers to the co-existence of people from different social, cultural, and ethnic backgrounds within the organization. Diversity also signifies the differences between individuals on their attributes which indicate how the people distinguish from one another and demand diverse management practices" (Bashir et al., 2021, p. 1).*

1.1 Introduction

This chapter introduces the study's topic of focus which explores board age diversity on an organization's innovation performance trajectory. A background to this field of study is provided which provides the context of from which the study emanates. The theoretical relevance of this study and its potential contribution are also laid out. The business relevance of the study is also discussed given the importance of board diversity towards organizational performance. The research questions are also introduced along with a summary of the methodological scope of research.

1.2 Background to the study

A diverse business board is one that can encompass differing ages, nationalities, gender and education level of its members (Cumming & Leung, 2021). Board diversity brings in a wide range of knowledge, skills and perspectives, which promotes improved decision-making and more effective risk management in businesses (Galbreath & Gavin, 2019). This leads to a strengthened decision-making process and a more robust risk management strategy. A diverse board can boost company performance, innovation, and risk management due to the differences in perspective held by its members (Faria et al., 2020). Several studies indicate that companies with highly educated board members and a significant representation of women have demonstrated higher profitability and market overvaluation compared to companies with a greater proportion of foreign board members (Tarigan et al., 2018).

In literature, the performance of executive boards is considered conceptually to be synonymous to 'team performance' such that board diversity's impact on team performance measures is studied alongside team creativity, the ability of the team to innovate, the effectiveness of the team, team learning, productivity and stability (Tshetshema & Chan, 2020). Kim (2017) therefore defined this team-member diversity as the differences that exist amongst members of a working group possessing heterogenous characteristics.

Consequently, firms allocate diverse teams (or diverse boards) with the aim of achieving high team performance and improving business innovation.

For a while now, board diversity has received much attention in academia and industry with regards to demographic facets such as gender, race and age (Sarto, et al, 2019). Several countries such as Norway, Italy, France, Belgium, UK, and Portugal have adopted various legislations to improve boardroom diversity. However, the human capital aspects of board heterogeneity have become a vital issue of discussion, (Sarto et al, 2019). Tarigan et al.,(2018) state that board diversity benefits can be seen through successful marketing for various markets, innovation and creativity and a broader perspective. Notably, when a board is selected, key that a consideration is given into the diverse dynamics which can potentially contribute meaningfully to how the board makes decisions. These dynamics can include the characteristics of the board such as academic background, age, gender, expertise amongst others.

Taking from the South African context, board diversity became an integral policy matter in post-apartheid South Africa. Mans-Kemp and Viviers (2017) note that because of the discriminatory policies in the country pre-1994, companies listed on the Johannesburg Stock Exchange largely had white middle aged men serving on their boards. The South African Labour Relations Act (No. 28 of 1956), did not allow black people to hold leadership positions and directorships within South African companies (Mans-Kemp & Viviers, 2014). After the attainment of democracy in 1994 several foreign investors returned to South Africa but in exchange for their capital the condition was that there was need for reforms in corporate governance practices and corporate governance structures (Abdo & Fisher, 2007).

New legislation was implemented to create a level playing field for South Africans. Such policies paved a way for the introduction of diversity on boards. Unfortunately, as noted by Zajiji et al. (2021) despite how noble these initiatives were, little change was witnessed as women are still severely under-represented in senior management and as directors. Further, in South Africa ethnic diversity was encouraged when the Broad-Based Black Economic Empowerment Act 53 was introduced in 2003 which called for the introduction of ethnically diverse boards, organizations with ethnic diversity experience a wide array of outcomes and differing dynamics. Despite this Act there continues to exist poor representation of blacks in positions of influence as Nyirenda (2010) states that there have been several ‘token’ board appointments of black people in South Africa since gaining independence.

1.3 Theoretical relevance of study

Baker et al. (2021) have highlighted the importance of understanding how the threads of diversity weave together to significantly influence a company's performance metrics. They argue for the necessity to deepen understanding of how diversity, as a multifaceted concept, can wield influence over a company's performance trajectory. Similarly, Dong et al. (2023) note that the results in the extensive literature on board diversity have been inconclusive at most. An organization's board is seen as the highest body in charge of supervision, monitoring and decision-making, concluding that board diversity is essential in setting the direction for business performance (Hirt et al., 2020). Hirt et al. (2020) note that diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge.

Li et al. (2021) present an in-depth analysis of academic material on board diversity, underscoring the pressing need for further research focused on age diversity within the boardroom, specifically on whether the age diversity of boards impacts the success of companies. The recognition of the potential impact of age diversity on corporate boards on company innovation has led to a surge in interest in this topic in recent years (Hosodaet al., 2019). Globally companies are progressively realizing that a board of directors that is made up of individuals from a variety of age groups can offer exceptional viewpoints, and competencies that could stimulate originality in the company and in this way contribute towards its longevity (Kumar et al., 2023)). Globally in recent years the age range of employees has undergone remarkable changes, leading to a diverse workforce that consist of multiple age groups. This has been as a result of advancements in technology, longer life expectancies, and postponed retirement. As employees from different age groups work together, it becomes crucial for companies to understand the implications of age diversity for innovation. Age-diverse boards are better equipped to address complex challenges and adapt to changing market dynamics, ensuring long-term sustainability (Kumar et al., 2023).

The introduction of legislation to encourage diversity in organisations is testament to the value of policy that informs board diversity in corporate governance (Birken & Cigna, 2019). Diversity policies play a significant role in providing legal frameworks that encourage demographic representation (Wiersema & Mors, 2016). However, not much is known regarding how board policies are implemented for the success of promoting innovation and business success in the economy (Cumming & Leung, 2021). Fernández-Temprano & Tejerina-Gaite, (2020) state that diversity has been a subject of discussion on active policy formulation which makes it even more important to discuss the role diversity plays. According to Aggarwal et al. (2019)

researchers, policymakers and practitioners reason that a well-structured board improves organisational policymaking and performance.

Post apartheid South Africa has experienced significant corporate governance reforms as well as reforms to legislation which have opened up opportunities for board diversity with scholars questioning the extent to which this reform in legislation benefits South African companies (Scholtz & Kieviet, 2017). More research is needed nonetheless that explores the impact that diversity has towards the success or failure corporate performance in South Africa’s listed companies (Peens & Taylor, 2017; Zajiji et al., 2021).

By exploring the impact of board diversity on an organization’s performance trajectory, this study provides insights into optimizing board compositions for improved performance and longevity.

1.4 Business relevance of study

Callender and Jackson (2019) review the evidence for the business case for diversity in the workplace. The authors make a compelling case that diversity, incorporating age diversity, can inject a spectrum of experiences, viewpoints, and competencies into the boardroom, paving the way for enhanced decision making and subsequently, improved company outcomes. The advantages of board diversity for business is that it fosters creativity, sparks innovation, and encourages problem-solving (Hwang & Kim, 2020). However, caution must be taken about the potential hurdles and obstacles in actualizing diversity in the workplace. For example, some scholars have argued that board diversity of senior management members can potentially lead to communication and interpersonal challenges or conflicts, which may incur costs for the organization (Tarigan et al., 2018). These scholars further highlight that diversity on boards is also associated with an increased cost related to the time it takes to make decisions, as well as the problems of poor coordination of the diverse board which poses a challenge for business especially in competitive environments.

1.5 Study aims and objectives

The study aimed to explore the impact of board age diversity on an organization’s innovation performance trajectory. This issue is significant because while diversity is recognized as a driver of organizational performance, the specific relationship and mechanisms involved require further exploration.

Objectives:

1. To investigate how the variation of age on a board influences the potential for a company's innovation.
2. To examine the mechanisms through which diversity impacts business performance results.
3. The explore the policies that are designed to promote diversity and what their potential effects on innovation are.

1.6 Research questions

The main research question guiding this study is:

What is the impact of board diversity on an organisation's performance trajectory?

Sub-questions:

1. How does the variation of age on a board influence the potential for a company's innovation?
2. What are the mechanisms through which diversity impacts business performance results?
3. What policies are designed to promote diversity and what are their potential effects on innovation?

1.7 Scope of study

For this study, participants were individuals from companies listed on the JSE whom the researcher had access to given that she too works for a JSE listed company. The selection spread across small cap, medium and of the top 10 in terms of market share, size & industry. These individuals had to have sat on their respective boards for a minimum of three years as they would have the capacity to provide rich data for the study.

The study explores how the variation of age on a board influence the potential for a company's innovation. This is because Li et al. (2021) present an in-depth analysis of academic material on board diversity, underscoring the pressing need for further research focused on age diversity within the boardroom, specifically on whether the age diversity of boards impacts the success of companies.

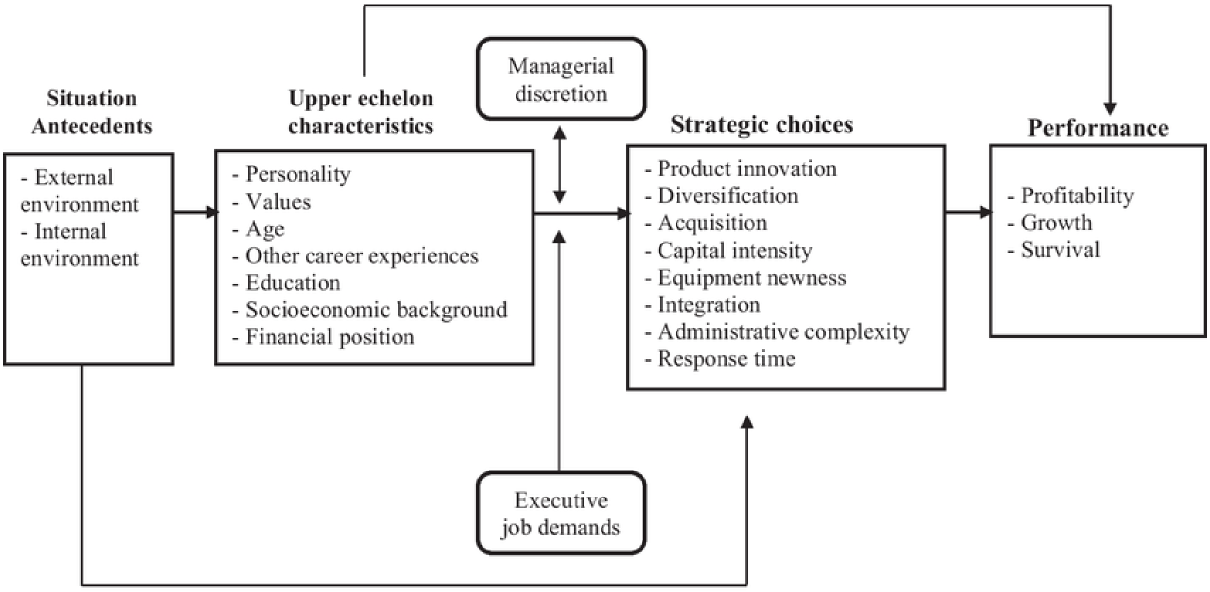
The study also examines the mechanisms through which diversity impacts business performance results. This is because Baker et al. (2021) have highlighted the importance of understanding how the threads of diversity weave together to significantly influence a company's performance metrics. They argue for the necessity to deepen understanding of how diversity, as a multifaceted concept, can wield influence over a company's performance trajectory. Similarly, Dong et al. (2023) note that the results in the extensive literature on board diversity have been inconclusive at most.

Lastly, the study explores the nature of policies that exist to encourage diversity as well as explores the effects of such policies on business innovation. This is because not much is known regarding how well policies on corporate board diversity promote and facilitate economic outcomes, such as innovation amongst firms (Cumming & Leung, 2021). Fernández-Temprano and Tejerina-Gaite (2020) state that diversity has been a subject of discussion on active policy formulation which makes it even more important to discuss the role diversity policies play towards promoting diversity.

1.8 Theoretical framework

The theoretical framework which guides this study is the Upper Echelons theory (Hambrick & Mason, 1984). This study will utilize the Upper Echelons Theory to analyze and interpret findings. The literature review reveals a growing body of research that highlights the benefit of diversity on board innovation and business performance. The Upper Echelon Theory (Hambrick & Mason, 1984) suggests that the characteristics of top management teams, encompassing diverse backgrounds such as education, work experience, and cultural background, influences their unique characteristics, values, and cognitive perspectives (Liu, 2023). These factors, in turn, directly affect their strategic decision-making and the overall performance of the company. By studying and observing the demographic variables of these top management teams, we can objectively understand how they relate with business performance.

Figure 1: Upper echelon theory broken down



Source: Adapted from Hambrick and Mason (1984, p. 198)

1.9 Study contribution

This study contributed to knowledge on the subject of board age diversity by responding to the existing knowledge gaps:

The findings and contribution that emerged from each question are as follows:

How does the variation of age on a board influence the potential for a company's innovation?- For this question there emerged two contradictory perspectives where one half of participants felt that age diversity on board propels a company's innovation whilst anther group felt that age diversity actually hinders a company's innovation. At this juncture a summary of the first finding ensues. The study found that age diversity promotes shared insights and collective intelligence for innovation. This finding is supported by scholars (see Gerhardt et al., 2022) who argue age diverse boards have the benefit of having members who have diverse work experiences, different role functionality and expertise due to the need to balance existing knowledge and skills of the board in order for them to govern effectively. Therefore, age-diverse teams are valuable due to their diverse characteristics that each person brings on board due to different backgrounds..

The researcher argues that since young people as millennials were revealed to have a quicker adaptation to new technologies, it is in the business' favour to incorporate them onto boards for effective strategic implementation which will lead to the successful adoption of new innovations. However, participants also revealed that the older generation contribute immensely to boards due to their wealth of experience which should ideally be complemented by the fresh ideas which young people bring. The findings of this study contradicts assertions by other scholars (see Jonson et al. 2020) who state that a homogenous board which is comprised of individuals who predominantly share similar values results in better communication and goal congruence. Instead, this study found that age-diversity creates heterogeneity on a board in terms of generational differences, expertise and ideological perspectives which still produce goal congruence as everyone is playing on the same team which is to see the business growing.

In contrast, the study also found that having diversity amongst board members slows down decision making and progress as it takes longer for the individuals of different characteristics and backgrounds to agree on decisions. This therefore delays or even hinders effective business innovation. However, other scholars (see Liu, 2023) argue that in some instances age diversity can have no impact on organizational performance. In contrast, this study found that the presence of age diversity on a board is not ineffectual but rather that the presence of different ages always causes some form of impact whether positive or negative towards business performance and adoption of business innovation. This study also showed that the board leadership such as the CEO play a key role in fostering teamwork to create an environment where collaboration of ideas occurs amongst the different ages within the board exists. This finding is different from that of other scholars in that it revealed that top leadership such as the CEO is instrumental in creating a work environment that caters functional age diverse boards towards business innovation whereas other scholars have found that this top leadership actually steer the direction and adoption of business innovation on their own through using their personal interests, experiences and expertise.

What are the mechanisms through which diversity impacts business performance results?- The study found that board diversity played a significant role in promoting business growth through for example, the rich experience they bring which can result in competitive advantage. A diverse board means that the business can have wide reach in the market and serve its customers and consumers. If more than one gender and nationality as well as different educational backgrounds are represented, the business can perform at an advantage in its industry against competitors who lack this demographic diversity.

The wide literature on diversity and business performance discusses the importance of educational background diversity and its positive influence on return on investment. Scholars (see Gomez & Bernet, 2019) found that gender and education diversity had a more positive impact on return on investment while foreigner diversity had a negative influence. However, this current study did not find this particularly evident as some participants seldom mentioned educational background diversity as having much weight in business performance.

This study reveals that decision making is an important aspect in board heterogeneity. When there is a set of divergent views on the board they can be channelled into finding the best possible decisions that improve the company's performance. This finding is similar to other scholars (see Fernández-Temprano & Tejerina-Gaite, 2020) who echo the same sentiments where they argue that a board that constitutes demographic diversity is expected to be proficient in decision-making, supervision, advisory services and monitoring. A board's decision making is sharpened when there are multiple views, diverse backgrounds and experiences. The participants in the study articulate that decisions on the right markets to explore or better decision making can be achieved through a diverse board. Nationality diversity was pinned as important on board diversity as the rich experience and expertise that comes from different environments and markets can improve a business' performance trajectory.

The participants of this research discussed gender diversity as important in shaping the diversity of a board. In as much as gender diversity is crucial, it can often be viewed as affirmative action, instead of merit based. In this case, a board with more than one gender can only be ceremonial instead of being underpinned by the need to improve performance. Therefore, this can hamper potential growth of the company, leading them to lag behind in their respective industries.

Some participants spoke of gender diversity as a legal requirement to fulfil a quota system and noted that in some male dominated sectors women's input would not be fully considered. This can hamper business growth as gender diversity can bring business ideas and solutions to problems stemming from gender diversity amongst consumers, clients and the companies' workforce at large. However, this finding contradicts other scholars (see Zaid et al. (2020) who underscore the importance of gender board diversity in impacting positively an organisation's social performance. More females on the boardroom may enhance a company's performance mainly because they possess female attributes such as empathy, kindness, sympathy and interpersonal sensitivity. These characteristics allow females to become more responsive to the needs of different stakeholders.

Participants highlighted that corporates governed by the drive for transformation in representation and inclusion may have a competitive advantage in the market. Furthermore, innovation, financial growth and racial diversity within the board bring more positive outcomes in the business trajectory of a company. This is so because diverse ideas are brought forward when different backgrounds merge together. This can only work when these are coupled with the right business principles. Therefore, this diversity can translate to business growth. Likewise, this findings is similar to that of other scholars (see Mihail et al., 2021) who highlight that a heterogeneous workforce is essential for establishing innovative products, services, and business practices that can make an organisation stand out and give it a competitive advantage in the marketplace.

The study also revealed that understanding the consumer's needs and wants is central to business growth as it is the essence of business. Understanding the consumer base enables the business to find their target market by ascertaining their needs so that services and goods are tailored to meet those needs. As customers increase, the business income also increases along with loyalty to the business. This finding was supported by scholars (see Hwang & Kim, 2023) who note that diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge.

Another theme that emerged on this research question is unity of purpose. Participants revealed that diversity is a key factor in promoting unity of purpose for business growth. Diverse experiences and ideas in the board room can provide proper business strategies if they are directed into finding common ground as unity of purpose. Unity of purpose is a foundational business principle that encourages goals and visions to be strategically followed in unison. This study also incorporates the social identity theory which suggests that people's understanding of self is based on social categories and group memberships. Social identity involves a person knowing that they are part of a specific social grouping which they attribute certain value to. Belonging to a group in an organisation can create a cohesive and efficient organisation which is good for business performance.

What policies are designed to promote diversity and what are their potential effects on innovation?- It is important to note early on that the answers to this research question were largely inconclusive and yielded unclear results as participants could not clearly link their diversity policies to the potential effects of these policies on innovation even after the researcher probed further. The findings speak more to the diversity policies that exist in the different JSE listed companies but less to the potential effect of these policies on innovation.

Below is a description of the findings in this regard. Instead, the study found that in a bid to promote inclusivity and representation, South African companies are bound by policies that promote inclusion of formerly disadvantaged groups such as BBBEE policies which are founded on the nation’s diversity and inclusion foundation. These diversity policies are a form of affirmative action which correct the wrongs spearheaded by apartheid. However, despite this Constitutional clarity on appreciating diversity, one can argue that businesses need to make decisions that best suit their operational and growth strategies such that they will choose whom to incorporate on their boards based on the interests of their business and not based on emotive issues raised by the Constitution. It was clear that diversity was seen as a positive attribute that brings through diverse solutions and collaboration that is founded on multiple unique ideas.

This diversity is assumed to drive innovation in a corporate setting due to harnessing many different perspectives yet scholars have shown that though there exists theoretical representation of diversity on boards, most of these differences add not much value to the boards as they are largely tokenism. The findings of this theme are supported by scholars (see Zajiji et al., 2021) who highlight that South Africa’s history of apartheid saw most companies having boards of directors that were largely homogenous and less diverse particularly between 1961-1994 due to policies that advanced segregation. Consequently, post-apartheid the country has experienced significant corporate governance reforms as well as reforms to legislation which have opened up opportunities for board diversity although the study found that this existence of board diversity does not necessarily result in genuine collaboration amongst members.

1.9 Conclusion

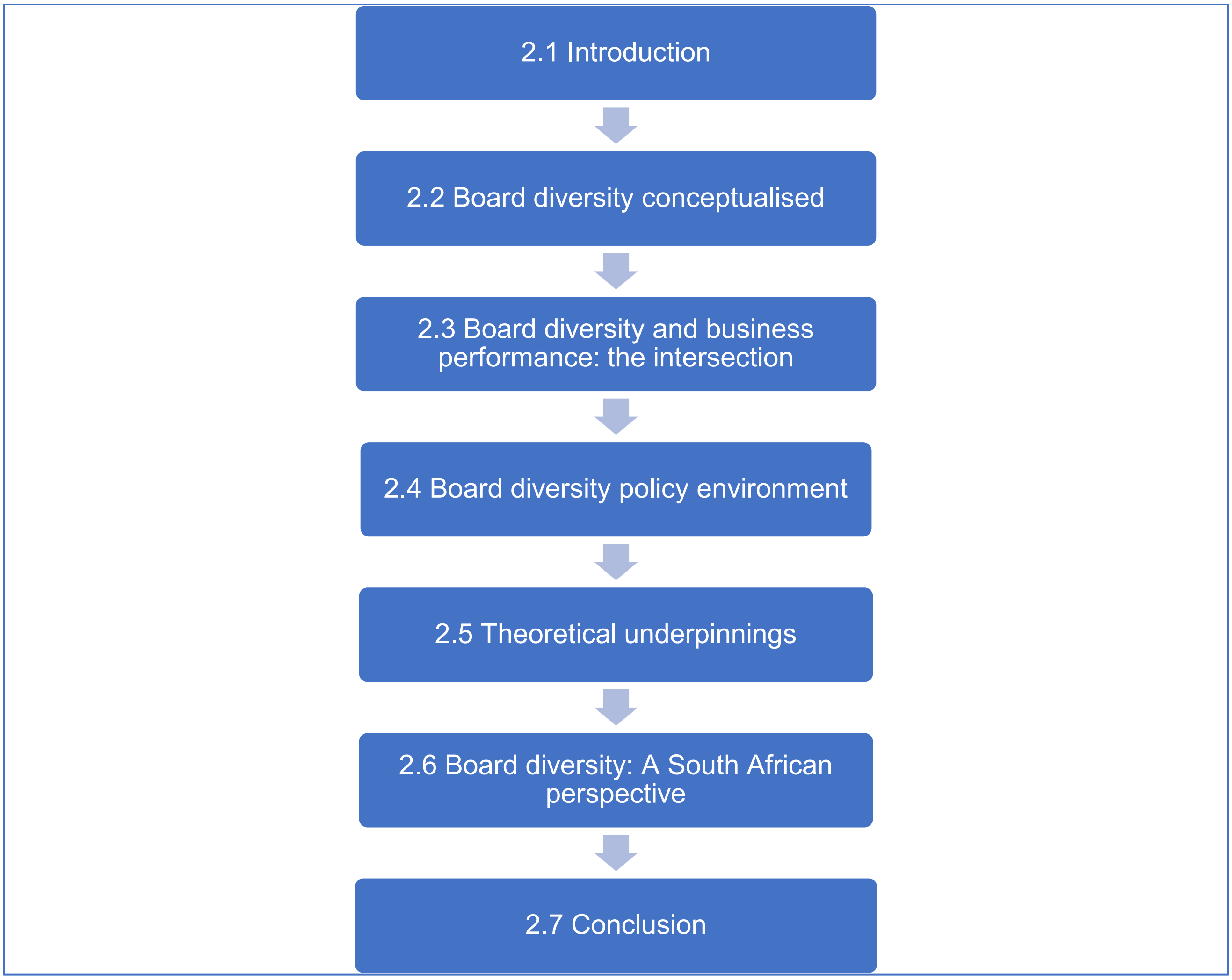
This chapter introduced the research topic and provided an overall picture of the nature of research, its theoretical contribution to knowledge, its relevance to the business industry and also provided a brief background of the topic. Study aims and objectives were also unpacked. Research questions were also laid out. The methodological scope of the study was also outlined. Lastly, the study’s contribution was summarised. The following chapter discusses in-depth the literature that exists in the field of board diversity which is of interest and significance to this study.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter reviews the literature on the conceptualisation of board diversity and how board diversity affects business performance. The importance of policy towards board diversity is also expanded to gain a better understanding on how board heterogeneity needs to be implemented with the aid of policies. Such policies advocate representation and inclusion as these have the potential to improve business performance. Through the unpacking of the Upper Echelons theory (Hambrick & Mason, 1984) this study interrogates how these theories inform the impact of board diversity on an organisation's performance trajectory.

The roadmap below (Figure 2) provides a logical structure to the flow of literature:



Source: Authors own

2.2 Board diversity conceptualised

"The concept of diverse workforce refers to the co-existence of people from different social, cultural, and ethnic backgrounds within the organization. Diversity also signifies the differences between individuals on their attributes which indicate how the people distinguish from one another and demand diverse management practices" (Bashir et al., 2021, p. 1). Board diversity comes in two forms either at surface level in the form of age, race, gender or at deep level in the form of personality differences such as beliefs and values amongst others (Dayan et al., 2017).

In literature, the performance of executive boards is considered conceptually to be synonymous to 'team performance' such that board diversity's impact on team performance measures is studied alongside team creativity, the ability of the team to innovate, the effectiveness of the team, team learning, productivity and stability (Tshetshema & Chan, 2020). Kim (2017) therefore defined this team-member diversity as the differences that exist amongst members of a working group possessing heterogenous characteristics. Consequently, firms allocate diverse teams (or diverse boards) with the aim of achieving high team performance and improving business innovation.

Tshetshema and Chan (2020) argue that existing literature shows that there are two main opposing or contradictory views regarding what studies on board/team diversity have found. These scholars argue that the optimistic studies have revealed that board diversity actually causes positive business performance outcomes due to the diversity in ideas, experience, knowledge and thought processes from the team members. In contrast, the pessimistic studies have found that board/team diversity actually slows down business performance, slows down progress, causes conflicts, due to differences in thought process, ideas, culture, race amongst others. These pessimistic studies concluded that people generally like to affiliate with other individuals of similar identity and characteristics. Consequently, individuals of different or opposing values and beliefs are thus seen as a threat therefore hindering effective communication and team performance.

Some scholars have defined board diversity based on the gender composition, education and nationality differences of individuals serving on the board (Tarigan et al., 2018). According to Fernández-Temprano and Tejerina-Gaite (2020) increasing focus has been directed, both within academic research and regulatory domains, towards board attributes that have the potential to impact how effective processes for decision-making are. These attributes, which fall under the umbrella of demographic diversity, encompass factors such as age, education, gender, and nationality of board members. The objective should be to ascertain the influence of these characteristics on board functioning and, consequently, firm performance.

The correlation between the business importance of embracing diversity and inclusion and a company's innovation strategy is closely intertwined as embracing multiple and diverse perspectives with a wide range of experiences can foster the generation of novel ideas concerning products and practices Forbes (2023). The issue of board diversity has the potential to impact the firm's efficacy and, in turn, its financial performance (Tarigan et al., 2018). In the global arena of business competition, diversity and inclusion often require flexibility and adaptation, as different markets and cultures have different interpretations of what diversity entails Forbes (2023). The presence of board diversity improves both board independence and the quality of decisions made by incorporating the perspectives of underrepresented groups (Khatib et al., 2021).

However, despite the benefits, some scholars have argued that board diversity of senior management members can potentially lead to communication and interpersonal challenges or conflicts, which may incur costs for the organization (Tarigan et al., 2018). These scholars further highlight that diversity on boards is also associated with an increased cost related to the time it takes to make decisions, as well as the problems of poor coordination of the diverse board which poses a challenge for business especially in competitive environments.

> “…business leaders need to take "courageous" actions to make sure their companies are more diverse and inclusive in order to remain competitive amid demographic and technological changes in the workplace….” CBC News, November 22, 2017

According to Forbes (2023) a heterogeneous workforce is essential for establishing innovative products, services, and business practices that can make an organization stand out and give it a competitive advantage in the marketplace. Diversity and inclusion often have to change, as companies compete on a global scale, as different markets and different cultures have a different understanding of the conceptualization of diversity. Notably, a demographically diverse board is expected to be proficient in decision-making, supervision, advisory services and monitoring (Winkler et al.,2020).

For a while now, the concept of diversity within boards has increasingly been recognised in academia and industry with regards to demographic characteristics such as gender, race and age (Sarto, et al, 2019). Several countries such as Norway, Italy, France, Belgium, UK, and Portugal have adopted various legislations to improve boardroom diversity. However, the human capital aspects of board heterogeneity have become a vital issue of discussion, (Sarto et al, 2019). Tariganet et al. (2018) state that board diversity benefits can be seen through successful marketing for various markets, innovation and creativity and a broader perspective.

It is important to be cognisant of different factors that contribute meaningfully to board diversity which also contribute to effective decision making such as background, age, gender, expertise.

Nonetheless, it is fair to note that in as much as board diversity has a wide range of advantages, it is also without disadvantages. For instance, during financial strain, an organization may find it difficult to reach consensus with regards to leading strategic initiatives (Dalton et al., 1998, 1999). The disadvantages of board diversity in financial performance have also been found in a study by Dong et al. (2023 where the findings suggest that the organization with a diverse board may not gain from environmental, social and governance activities. Actually, as board diversity increases, the increased environmental, social and governance activities may lead to poor performance.

Such intricate details on the repercussions of increased board diversity are important to contextualize as they are dependent on different variables and settings. For example, Katmon et al. (2019) have indicated that corporate social responsibility disclosure is negatively associated with board age and nationality diversity. The effect of diversity on the board can be bi-directional. Hence, it is a subject that requires further exploration in order to capture how the negative effects of board diversity can be mitigated and how they occur in the first place.

Ultimately, the conceptualization of board diversity is based on demographic factors which are gender composition, education and nationality differences of individuals serving on the board (Tarigan et al., 2018).

The next section discusses board diversity and business performance.

2.3 Board diversity and business performance: the intersection

Studies on the association between board diversity and the financial results of a business. have been vast. Nevertheless, Dong et al. (2023) note that the results in the vast literature on the subject have been inconclusive at most. An organization’s board is seen as the highest body in charge of supervision, monitoring and decision making. Board diversity is essential in setting the direction for business performance. Diversity comes in different variations, from age, education, gender and nationality. Hirt et al. (2020) note that diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge. Gaining a competitive edge propels a business’ performance as it encourages growth.

Moreover, as stated by Mahadeo et al. (2012), board diversity has a positive influence on return on investment. The research found that gender and education diversity had a more positive impact on return on investment while foreigner diversity had a negative influence. It is important to understand the influence of foreigners in a board on business performance; hence this research unpacks the mechanisms through which age diversity impacts business performance results. The research inquires this academic gap by interrogating how age diversity on nationality and other demographic facets on a board influence business performance.

Additionally, Lo (2014) and Lo and Kwan (2017) argue that while profit maximisation is still considered as the primary and survival goal for firms, social and environmental factors are now equally important. Zaid et al. (2020) underscore the importance of gender board diversity in impacting positively an organisation's social performance. More females on the boardroom may enhance a company's performance mainly because they possess female attributes such as empathy, kindness, sympathy and interpersonal sensitivity. These attributes enable women to be more responsive to the needs of different stakeholders (Zaid et al., 2020). It can be argued that this notion feeds into gender stereotyping where these attributes are only associated with women, however, extant research has proven this assertion to be largely true as boards with enough female representation have recorded good business performance, see for example Birken and Cigna (2019).

Similarly, according to Campbell & Minguez Vera (2008) gender diversity has the potential to increase creativity and innovation. Likewise, Birken and Cigna (2019) allude that over the past years, performance and experience diversity in the board was paramount. However, an ideological shifting to analysing the impact of gender diversity on how decisions are made was necessary It is now evident that has now emerged that boards with gender diversity perform well. Additionally, companies with more females on their boards have less likelihood of being affected by scandals of governance involving fraud, bribery and other negative features that potentially depress business confidence. Hence there is a positive correlation between gender diversity and business performance.

Another important form of diversity is age based. Age-diverse teams have value because they connect people with complementary abilities, skillsets, information, and networks (Gerhardt et al., 2022). If well managed, decision making, collaboration and overall performance will improve. This occurs only if members are open to sharing and learning from their differences (Gerhardt et al., 2022). It can be noted though with regards to legislation on privacy that it is accessing personal information about a person has become difficult. Arguments that support and go against age diversity are similar to the arguments for gender diversity (Ferrero-Ferrero et al., 2015). However, a focus on age diversity has been overlooked. This study pursued this line of inquiry to uncover how the variation of age on a board influences the potential for a company's innovation.

Jonson et al. (2020) state that a homogenous board is comprised of individuals who predominantly share similar values. The argument is that this results in better communication and goal congruence. Nevertheless, this may also discourage new strategies and the decision making process may be based on compromise. A board with diverse characteristics can provide useful expertise. Ultimately, board heterogeneity provides representation from people across divides which is essential in business performance as it encourages a wealth of ideas, practices and experiences. The next section unpacks policies with the area of board diversity.

According to Sarto et al. (2019) the study of board diversity has gained momentum with scholars exploring the impact of demographic differences such as gender, racial profile and age on the performance of the board. The presence of demographic diversity is important when firms are setting up teams for establishing innovation projects (Tshetshema & Chan, 2020). These scholars argue that demographic diversity in the form of age, gender and culture increases the team innovative performance. These scholars examined the impact of demographic diversity as a whole whilst the researcher in this study narrowed down to focus specifically on the impact of age alone on innovation performance as this area has limited research. "There is still a lack of previous studies that examined the effect of board diversity on performance and risk yet diversity seems to be vital because a more diverse board provides more valuable resources, which should improve firm performance and reduce risk" (Innayah et al., 2021, p. 206). Board diversity has a significant impact on the governance efficiency of a business as the characteristics possessed by top management impact on corporate governance strategies implemented (Liu, 2023).

Liu (2023) argue that having diversity amongst board members slows down decision making and progress as it takes longer for the individuals of different characteristics and backgrounds to agree on decisions. The argument here is that board diversity can actually slow down business performance compared to businesses that have more homogenous boards as these tend to make decisions quicker given their alignment of ideas and perspectives. Consequently, this affects the competitiveness of the business as rivals can respond quicker and implement their strategies and acquire first-mover advantage whilst diverse boards are still working on agreeing on the appropriate strategy to adopt. Thus, board diversity has its own complexities where misalignments or difficulties occur towards uniting on ideas that everyone agrees on. Thus, diverse experiences of the board members which can potentially benefit the business due to the strength that exists when diverse strong minds come together can also be detrimental to business performance.

According to Bashir et al. (2021) there exists limited current research that examines the impact of age diversity on an organization's financial and non-financial performance. Understanding this relationship is critical towards propelling an organization’s main objective which is to grow and sustain its performance. Age is a key element which can increase competency of the workforce. These scholars argue that the younger generation particularly generation X, Y and Z have a unique understanding and appreciation for technology which boosts innovation performance such that combining this younger tech-savvy generation with the older generation forms a unique blend of the old and the new which can contribute meaningfully towards addressing multidimensional challenges that organizations face today.

According to Sarto et al. (2019) board heterogeneity can also manifest in the form of diverse work experiences, different role functionality and expertise due to the need to balance existing knowledge and skills of the board of directors in order for them to govern effectively. These scholars argue that understanding how this diversity manifests and influences decision making and innovation performance is important as human capital plays a key role towards the decisions that the team makes. Thus, the diverse qualities that the board of directors possess enhances problem-solving and stimulates constructive debates towards innovative business solutions. these scholars further argue that these diverse qualities also stimulate new insights amongst the board of directors.

More studies are needed that look into the impact of diversity within top team management towards business performance as well as how this diversity is selected for creating accurate and efficient work teams (Liu, 2023). However, Tshetshema and Chan (2020) argue that there exists mixed and largely contradictory findings from academic research which explores the impact of age diversity on a board. These scholars reveal that some studies (see Pesch et al., 2015) found that age diversity (defined as differences in age amongst group members) hinders business performance due to conflicts and misunderstandings that tend to arise due to generational differences. These studies found age to be a hindrance to innovation. Similarly, Bashir et al. (2021) raise similar arguments that age diversity can actually limit productivity and lower organizational performance due to poor compatibility amongst employees of different ages. They argue that age differences can limit progress sometimes due to existing biases by certain age groups against other age groups within the same workgroup. However, these scholars also argue that in some instances age diversity can have no impact on organizational performance.

Some scholars argue that when the board of directors is made up of fairly older individuals of an average similar age range and has little to no younger members there is less tension and less disagreements that arise due to age diversity (Liu, 2023). This is due to the maturity associated with being older. However, Bashir et al. (2021) highlight that previous studies (see Kunze et al., 2013) have shown that age diversity within an organization brings about diverse effects both positive and negative. They state that age is a key factor that determines employee behaviour and cognition in a work environment. This means that in some instances age has positive attributes such as the sharing of unique perspectives by the different age groups as experiences differ by age. Meanwhile, some negative attributes may be that due to age differences, individuals may struggle to agree on ideas, low compatibility may be an issue whilst other age cohorts may undermine others and overlook the contribution they may bring to the team thus limiting organisational innovation, financial and non-financial performance.

Bashir et al. (2017) also highlight that both old and young employees within an organization are equally important and serve different purposes which complement each other in different ways towards achieving organizational growth. However, these scholars also highlight that a key difference between young and old employees is that young employees (or the younger generation) are more inclined towards change and introducing radical, novel ideas whilst the older employees (typically the older generation) are more resistant to change as they are comfortable with maintaining old systems and standards. These differences are what reveal a need for work teams that have a mix of the young and old in order to ensure that innovation occurs and that firms keep up with the evolving technologies outside of the organization as well as continue to learn and adapt to the changing external environment.

However, Tshetshema and Chan (2020) also highlight that other past studies contradict this finding and have shown that age diversity amongst board members actually brings forth unique ideas, sharpens old ideas, encourages more progressive thinking and generally merges the old with the new in terms of work and life experience which consequently increase innovation performance.

Similarly, Sarto (2019) highlight that the empirical studies which have been done on board diversity largely show inconclusive results on the impact of diversity of human capital such as educational experience, work experience and functionality. These scholars argue that some studies have shown that this diversity of human capital on the board of directors positively guides strategic decision making whilst other studies have shown that it actually hinders it or slows it down due to the dominant influence of the CEO whose decisions are often skewed towards his expertise and characteristics.

Similarly, according to Tshetshema and Chan (2020) research on the impact of the existence of gender diversity (defined as existence of differing genders within a work group) has also produced mixed and contradictory results where some studies (see Martinez et al., 2017) have shown that groups that are largely gender-heterogenous tend to be less productive, showing greater conflict, decrease in team cohesion and an increase the number of employees who leave the firm or department. In contrast, the same scholars argue that other existing studies on the impact of gender diversity show that the existence of differing genders particularly at higher management and executive leadership levels have actually resulted in positive outcomes such as sharing of new ideas, efficient communication patterns, good exchange of knowledge-sharing and good levels of trust amongst the team. Consequently, this has resulted in an increase in innovative products, more efficient use of resources and a general favourable work ambience which propels business performance and innovation.

Similarly, the optimistic group of scholars argue that gender diversity brings forth new ideas and new ways of thinking that aids in making strategic decisions in the board room (Guldiken et al., 2019). These scholars argue that having gender diversity on a board of directors through having genuine female representation is more than just 'tokenism', a concept where women are just added on the board whilst their ideas and thoughts are disregarded. They argue that some boards add women due to social pressure and a desire to display a certain image of gender equality to the public. Meanwhile, gender underrepresentation at top management level and within board appointments is largely caused by strategic leaders who have the largest influence in the board selection process. Further, women board directors who perform well in their duties are judged more favourably than their male counterparts due to existing preconceived societal notions that undermine women's capacity to lead and make effective strategic business decisions (Innayah et al., 2021).

Guldiken et al. (2019) provide a different argument that in some organizations the board of directors comprises gender diversity but not so that the women are expected to contribute meaningfully to decision making nor having their voices heard, but rather more as a token and symbolism that there are women present. Such boards are said to typically comprise of one or two female directors who are usually appointed as a mere tick-box exercise and not for them to genuinely be involved in decision making. Further, these scholars highlight through their own research that once a board of directors comprises at least one woman then this increases the likelihood of more women being recruited/appointed over time. Thus, having at least one female director on a board symbolizes progressiveness and an increases likelihood of a more balanced gender diverse board over time. These chances increase even more in environments that have younger male board of directors taking over from the older generation of male board members who likely possess patriarchal and sexist perspectives towards the role that women can play at management and leadership level. Younger male board directors have been seen to embrace gender diversity with ease and comfort compared to the older males.

Innayah et al. (2021) provide a different argument that when placed in positions of directorship on company boards women have a positive effect on business performance due to their ability to initiate rigorous debate on crucial topics that affect the business which male directors may find uncomfortable to openly delve into. Women directors are seen to be generally morally upright thus tend to push for ethical business performance promoting efficient service delivery through enforcing effective communication within the business and fostering strong internal workgroup relationships. These scholars conducted research which examined the effect of having female directors in companies and found that female directors increase business performance although they have a negative impact of risk as women are generally more cautious and risk-averse than men. Women directors tend to have risk oversight on certain strategic decisions as they lean towards caution and restrict certain business activities which may appear very high risk yet also posing potential for yielding high returns. Thus decisions on activities that pose high uncertainties and high impact are often sidelined as female directors generally prefer to play it safe in decision making.

Similarly, Liu (2023) argues that the genuine participation of women on the board of directors has shown positive results where firms have tended to perform extraordinarily well and increased their financial performance in complex and difficult environments. This suggests that women have a unique ability to inspire good work ethic and make relevant strategic business decisions that produce good results.

According to Sarto et al. (2019) "the background diversity of directors provides the board with specialized skills useful to address the challenging tasks of company innovation. In addition, in companies that require high flexibility, such as high-tech firms, the opportunity to rely on heterogeneous knowledge and skills improves not only the board versatility but also the related awareness of the key role played by the development of new business ideas." However, these scholars also argue that there is limited research that has recently explored the implications of heterogenous boards towards company innovation. These scholars argue that it is important to understand how the functional differences that exist amongst board members such as educational background and experience impact on business innovation.

Studies on board diversity (Calabrese & Manello, 2021) have shown that when operating in a foreign land, foreign board directors generally lean towards cautious decision making as they favour long-term growth in that land instead of instant business growth and gratification (Innayah et al., 2021). These scholars highlight that foreign investors tend to generally avoid risk such that the presence of foreign board directors often sees strategic business decisions that are risk-averse as they focus more on growing in that new market as it is not their home country. However, foreign board directors have been seen to have a positive effect on business performance as they are driven by a desire to grow internationally. Their financial resilience strategies for the business are often solid with a drive to equally compete with domestic businesses. Foreign board directors are also generally driven by a desire to be competitive alongside their domestic rivals to attract new potential customers, raise brand awareness, provide excellent service delivery and explore potential domestic investment opportunities. Further, they utilize their expertise to grow in international markets where they are faced with strong domestic competition.

Other scholars have shown that too much cultural diversity as well as too little cultural diversity both result in poor organizational performance as well as poor innovation performance therefore calling for policies that promote a more balanced mix of cultural diversity within a team at any given time to ensure innovation success (Kim, 2017). Studies have also shown that despite existing cultural differences, if individual members are able to successfully integrate and immerse themselves into the new culture before them then this not only increase chances of smooth adaptation but also increases chances of social unity which potentially boosts team performance (Tshetshema & Chan, 2020). The argument here is that greater team performance is a result of work environments where individuals are generally in unity of thought and purpose. These scholars assume that cultural differences in their unaltered form are disruptive and thwart business performance.

Diverse boards introduce a breadth of knowledge, skills, and viewpoints, fostering enhanced decision-making and superior risk management (Galbreath and Gavin, 2019). The result is a strengthened decision-making process and risk management strategy. Faria, Barbosa and de Medeiros (2020) provide a compelling argument for the positive impact of board diversity on various corporate outcomes, such as company performance, innovation, and risk management. Some studies have shown that companies that had highly educated board members and a significant presence of women demonstrated greater profitability and market overvaluation compared to companies with a higher proportion of foreign board members (Tarigan et al., 2018). The research of Baker et al. (2021) with their bibliometric analysis, accentuates the ongoing requirement for further study into board diversity. Their work specifically points towards understanding how the threads of diversity weave together to significantly influence a company's performance metrics. It underscores the necessity to deepen our understanding of how diversity, as a multifaceted concept, can wield influence over a company's performance trajectory. According to Cumming and Leung (2021) there is also limited understanding regarding the economic and innovation implications that arise from increasing the diverse range of external stakeholders with conflicting interests, in conjunction with the expanding internal structures of firms. These scholars also highlight that not much is known regarding how well policies on corporate board diversity promote and facilitate economic outcomes, such as innovation amongst firms.

In a similar vein, Alexandridis et al. (2021) underline the positive repercussions of educational diversity among board members on a company's performance. This observation aligns with the broader perspective that a diverse board, bringing together an array of knowledge, skills, and viewpoints, could pave the way for superior decision-making and more effective risk management. Khatib et al. (2021) shed light on the hurdles faced when encouraging diversity in leadership positions. Their findings on the effectiveness of the 'nudging' approach in promoting diversity could be instrumental in sculpting strategies for advancing age diversity within the boardroom. All in all, these research efforts play a pivotal role in fueling the broader debate surrounding the advantages of diversity and its impact on an organization's performance. By delving into various dimensions of diversity and offering distinctive perspectives, these academic articles provide crucial insights. The outcomes could potentially inform policies and practices for promoting diversity in boardrooms.

Smith et al. (2019) performed an empirical study on Fortune 500 businesses and discovered a beneficial connection between board age diversity and innovation performance. Their findings support the notion that age diversity enhances innovation capabilities. Additionally, Joshi et al., 2017critically analyzed the challenges and benefits of age diversity on boards and its implications for innovation. They emphasized the significance of establishing comprehensive surroundings that cherish and exploit a variety of viewpoints and experiences. Zaniboni et al. (2020) discussed the role of age diversity in fostering an innovation climate within organizations. The research they conducted focused on the importance of receiving guidance from leaders and establishing a work environment which motivates cooperation and the exchange of expertise between staff members of varying ages. Jones and George (2021) conducted qualitative research exploring the experiences and perceptions of board members regarding age diversity and innovation. Their study highlighted the importance of diverse perspectives and knowledge brought by different age groups in driving innovative decision-making processes.

Hosoda et al. (2019) made a significant contribution with their findings that age diversity within work teams can amplify team performance. This result points towards the idea that age diversity within boards might strengthen decision-making processes and problem-solving strategies, and possibly foster an environment conducive to innovation and creativity. Schmid and Roedder (2022) provide a nuanced and detailed analysis of the impact of age diversity in top management teams (including boards of directors) on organisational outcomes. The authors point out that, while the current body of work on age diversity leaves some questions unanswered, there's a suggestion that this diversity might be especially vital for businesses working in fast-paced industries or those that need high levels of innovation and adaptability. Similarly, Li et al. (2021) present an in-depth analysis of academic material on board diversity, underscoring the pressing need for further research focused on age diversity within the boardroom, specifically on whether the age diversity of boards impacts the success of companies. Décieux and Vauclair (2020) provide empirical evidence that supports the positive relationship between age diversity and innovation and argue that this relationship can translate into improved company performance. The scope of their study mainly encompasses companies within the United Kingdom, though the results bear relevance for businesses in diverse scenarios. These articles collectively imply that age diversity can prove to be a significant catalyst for innovation and give firms a competitive edge. However, context is always important to be able to measure the effect of age diversity on the performance of a company. The impact may depend on how diversity is managed and leveraged.

A number of business sources highlight that age diversity on boards leads to improved decision-making processes. In the Harvard Business Review paper which addresses the how to leverage the benefits of age diversity, it is put forward that there are tangible benefits i.e., the wide range of perspectives offered by age diverse boards which allow for a competitive edge (Gerhardt et al., 2022). Age-diverse boards have a broader range of knowledge and experiences, allowing for comprehensive analyses of challenges and opportunities. Additionally, business experts emphasize the link between age diversity on boards and enhanced creativity and innovation. Forbes (2023) highlights that age-diverse boards foster a culture of innovation by encouraging collaboration and the exchange of ideas among directors from different age groups. This diversity of thought stimulates creativity and generates a broader range of innovative solutions. McKinsey highlights that age-diverse boards foster a culture of innovation by encouraging collaboration and the exchange of ideas among directors from different age groups (Dixon-Fyle et al., 2020). This diversity of thought stimulates creativity and generates a broader range of innovative solutions. Against this literary background, the study seeks to explore the impact of board diversity on how an organization performs.

2.4 Board diversity policy environment

The importance of sound policies in introducing board diversity cannot be overstated. The introduction of legislation to encourage diversity in organizations is testament to the value of policy that informs board diversity in corporate governance. For instance, Birken and Cigna (2019) pointed that in 2011 the Malaysian government permitted a policy that required companies with over two hundred employees to ensure that thirty percent of senior management positions would be filled by women by 2016. Nevertheless, the target was missed and thereafter extended to 2020. The Prime Minister threatened to 'name and shame' companies without women on their boards by 2018. It is also imperative that other forms of diversity such as age, nationality and education be equally encouraged as the benefits of these facets of diversity have long been reported.

Diversity policies play a significant role in providing legal frameworks that encourage demographic representation (Wiersema & Mors, 2016). However, adding women to the board as a form of quota has been a contentious issue in countries like France. Some women in France were against the idea of being on a board only because it was a law requirement. Nonetheless, the misconception that gender quotas are solely based on gender and recruitment of incompetent women instead of qualifications was debunked by a Harvard study. The study revealed that quota systems not only enhanced greater gender diversity but also a more formal and professional approach to the selection of board members (Wiersema & Mors, 2016).

All in all, based on the European Commission (i.e. Directive 2014/95/EU) Sarto et al. (2019) discuss that the attention of policy makers needs to be reawakened toward the importance of appointing board of directors who possess diverse backgrounds regarding education and corporate expertise through reworking the existing guidelines and corporate governance expectations. Fernández-Temprano & Tejerina-Gaite (2020) state that diversity has been a subject of discussion on active policy formulation which makes it even more important to discuss the role diversity plays. According to Aggarwal et al. (2019) researchers, policymakers and practitioners reason that a well-structured board improves organisational policymaking and performance. Much research has been carried out on the characteristics of boards and remuneration, however there is not much research on board diversity and the compensation policy of financial institutions (Aggarwal et al., 2019). Clearly, distinct policies that are meant to advance diversity and enhance innovation are core in determining business performance. Hence, this research investigated the policies that are designed to promote diversity and what their potential implications on innovation are.

Another key policy issue on board diversity is in the area of Corporate Social Responsibility. Khatib et al. (2021) discuss that in the current business environment, Corporate Social Responsibility has become a core policy issue in terms of sustainability in environmental, social and economic areas. These policies guide businesses and shape the trajectory of the organization, whether it is in Corporate Social Responsibility, compensation and remuneration based on diversity of the boards.

Bashir et al. (2021) argue that Human Resource departments play a critical role towards designing policies that promote age diversity for the benefit of the organization as different age groups bring unique ideas and experiences which may benefit the firm. These scholars also argue that Human Resources departments have to be mindful of the necessity to ensure competitiveness of the firm hence combining various ages in a department or on a project may be critical. They further argue that Human Resource departments should strengthen organizational competitiveness by designing or in some instances redesigning organizational policies in order to satisfy the needs of the diverse age groups and keep them motivated. This is seen as key to retain the diverse age group and limit employee turnover.

According to Kundu and Mor (2017) the Human Resource department also plays a key role in job crafting appropriate job specs that will attract the different age groups accordingly in order to attract age diversity to cater for the demands of the firm. Thus, the job spec and policies crafted by the Human Resource department are a key source of motivation when the age-diverse employees view them as progressive, consequently propelling employee inspiration to participate in the work culture. Effective Human Resource policies should be crafted to counter any weak areas that may arise from the existence of age diverse workgroups to improve performance and sustain business survival (Bendickson & Chandler, 2017). Consequently, this will result in improved employee performance which will also result in strengthened customer happiness and allegiance. Hence, Human Resource departments play a critical role in solidifying the organization's human capital through functional age diversity. This means that appropriate policies on age diversity can ensure improved employee performance, efficiency, quality output and customer satisfaction.

According to Bashir et al. (2021) Human Resource departments should intentionally provide the necessary training programs to ensure skills transfer and upskilling of both the younger and older employees where necessary to ensure that there is smooth compatibility amongst the workgroups despite their age diversity. This strategy ensures that the innovation and agility associated with the younger individuals will be combined and complemented with the vast experience and expertise of the older individuals. Consequently, this produces a productive and functional team amidst the age diversity. Firms can intentionally implement policies that favour organisational performance and propel innovation through selectively allocating diverse members whose demographic profiles foster innovative performance (Tshetshema & Chan, 2020).

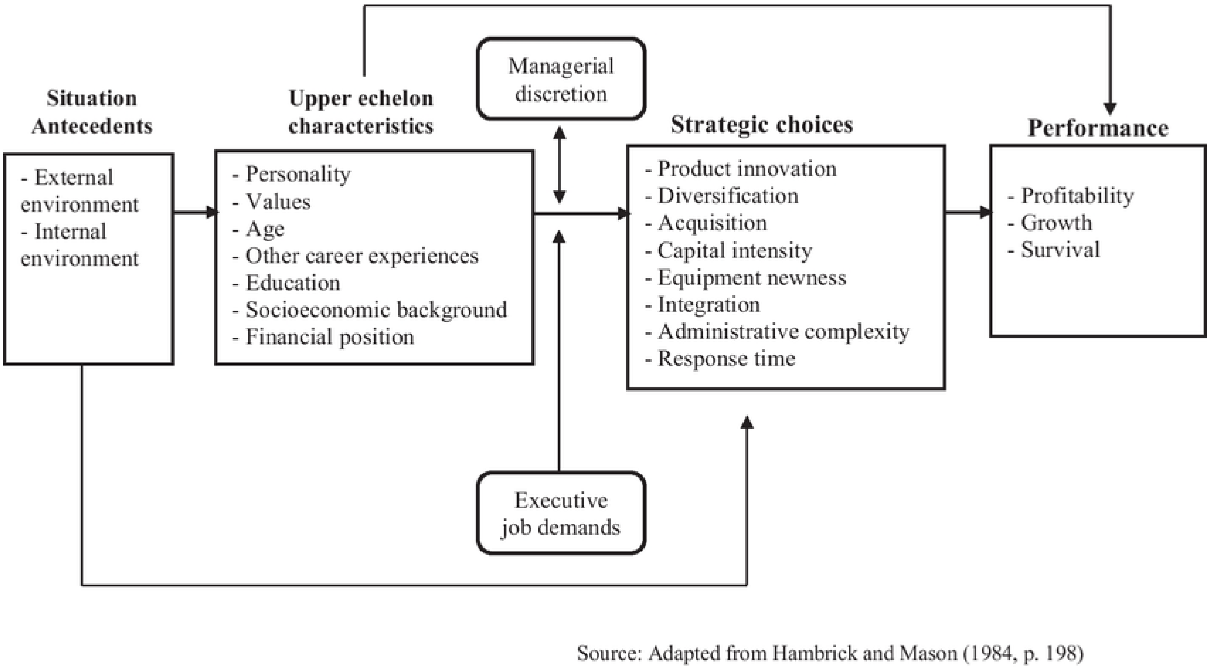
The next section unpacks the theoretical approach adopted for this study.

2.5 Theoretical underpinnings

This study will utilize the Upper Echelons Theory (Hambrick & Mason, 1984) to analyze and interpret findings. The literature review reveals that more research is being done which portrays the advantages of diversity on board innovation and business performance. The Upper Echelon Theory suggests that the top management team's composition, encompassing diverse backgrounds such as education, work experience, and cultural background, influences their unique characteristics, values, and cognitive perspectives (Liu, 2023). These factors, in turn, directly affect their strategic decision-making and the overall performance of the company. By studying and observing the demographic variables of these top management teams, we can objectively understand the relationship between them and the firm's performance.

The Upper Echelon Theory by Hambrick and Mason (1984) is one of the multiple theoretical lenses through which heterogeneity within boards or teams can be explained. According to Sarto et al. (2019) proponents of this theory argue that the existing characteristics of corporate elites such as board of directors play a critical role in moulding business performance through the nature of strategic choices they make as well as the performance levels they initiate. Thus, their values, thought processes and perceptions influence the innovation performance of the company. The Upper Echelon theorists argue that the performance of a firm can actually be predicted based on the current demographic profile of the board of directors such as the age, race, gender, educational background, functional corporate experience and length of time as a board member (Sarto et al., 2019). These attributes determine how the board members collect information, process it, interpret it then make decisions which impact business innovation and performance. Below is a breakdown of the Upper echelon theory:

Figure 3: Upper echelon theory broken down



According to Liu (2023, p. 1) "Upper Echelon Theory is about that the members from the top management teams who have different backgrounds (education background, working background, culture background, etc.) can cause various characteristics, sense of value and personal cognitive, and all these aspects have a direct impact on their strategy decision and firm performance". The Upper Echelon Theory (Hambrick & Mason, 1984) also integrates with the Agency theory and the Social Identity theory. The Agency theory is premised on the assumption that the higher the board diversity, the higher the monitoring of management as a whole because it encourages independence within the board (Zaid et al., 2020). In that same vein, agency conflict between management and the board can be significantly reduced through for example, a gender diverse board and transparency in information dissemination.

As argued by the agency theory, managers can be involved in beneficial activities even if they are unfavourable in the long run. Therefore, with this in mind, a diverse board is essential for the close monitoring of managers' activities and to award them ample space to go for growth opportunities which benefit the business. Diverse boards are expected to effectively watch managers behaviour, (Dong et al., 2023). Also, in their study, Zaid et al. (2020) adopt the agency theory as a theoretical framework cornerstone on the board diversity and corporate sustainability nexus. The agency theory states that diversity is indeed pivotal in corporate sustainability performance. For example, foreigner diversity in a board reflects more independence which promotes the ability to control and monitor. Hence Zaid et al. (2019) discuss the positive relationship between board national diversity and corporate sustainability performance.

Furthermore, the agency theory propounds that higher gender diversity on the board plays a significant role in strengthening board room independence and monitoring managers (Hillman et al., 2007). Therefore this enhances how a business engages in social and environmental activities. Hence, having gender diversity is beneficial as women play a key role towards monitoring and ensuring that the organization abides by expected societal and environmental norms.. Because of the different character attributes that males and females possess, gender diversity on a board brings much needed balance which can translate into a positive impact on business performance.

As mentioned earlier this study also incorporates the social identity theory which is an arm of the Upper Echelon theory (Hambrick & Mason, 1984). The Social Identity theory suggests that people's understanding of self is based on social categories and group memberships. Social identity refers to one's "knowledge that [they] belong to certain social groups together with some emotional and value significance to [them] of this group membership" (Tajfel, 1979). On the contrary, personal identity, another part of self-concept is based on an appreciation of one's own characteristics and idiosyncratic attributes of self. Additionally, people categorize themselves and others into social groups and these groups are differentiated between in-groups and out-groups, (Guan & So, 2023).

Nevertheless, Jonson et al. (2020) provide a critique of diversity which is based on social identity theory which states that in-groups and out-groups create an 'us versus them' conflict on diverse boards. Thus, the advantages that diversity brings will not be realized and discontent and conflict are likely to adversely affect how the organization performs. The concept of in- groups and out- groups if not properly managed can cause detrimental divisions in an organization whether in a board or general management. Even though the benefits of diversity are well documented as discussed prior in this chapter, it can be reasoned that a unified and goal-oriented board can look past these subtle differences in order to improve business performance.

As stated, this research subscribes to the Upper Echelons theory (Hambrick & Mason, 1984) including its two arms which are both the agency theory and the social identity theory which are instrumental in informing how board diversity affects business performance.

2.6 Board diversity: A South African perspective

According to Scholtz and Kieviet (2017) South Africa's history of apartheid saw most companies having boards of directors that were largely homogenous and less diverse particularly between 1961-1994 due to policies that advanced segregation. Post apartheid the country has experienced significant corporate governance reforms as well as reforms to legislation which have opened up opportunities for board diversity with scholars questioning the extent to which this reform in legislation benefits South African companies (Scholtz & Kieviet, 2017). Similarly, Viviers and Mans-Kemp (2017) highlight that the South African corporate environment has a history of gender inequality which is also evident in how most boards on companies that are listed on the Johannesburg Stock Exchange (JSE) still have more male representation in positions of significant influence and decision-making.

A study on board diversity in South Africa's corporate companies listed on the JSE revealed that having women on the board as well as having a significant number of board directors who possess a business qualification have a positive impact on business performance (Scholtz & Kieviet, 2017). However, this same study also revealed that having significant ethnic diversity on a JSE company's board's composition has a significant negative impact on business performance. Viviers and Mans-Kemp (2017) conducted research which explored the relationship between board diversity and corporate citizenship actions which revealed that boards that have significant female representation in positions of genuine influence and decision making contribute significantly to the company's social responsibility engagement. This shows how women are equal contributors to effective business performance especially as they bring different perspectives to how business stakeholders are managed in the dynamic South African corporate environment. These scholars however argue that the South African corporate environment is still very much patriarchal with a higher number of male representation on the boards of listed companies with a high number of these firms including women only to fulfil mandatory gender quotas. Thus, less opportunities are presented for women board candidates as males dominate the corporate board candidacy space.

Taking from the South African context, board diversity became an integral policy matter in post-apartheid South Africa. Mans-Kemp and Viviers (2014) note that because of the discriminatory policies in the country pre-1994, companies listed on the JSE mostly had middle aged white men as board members. The South African Labour Relations Act (No. 28 of 1956), prohibited black people from holding managerial positions and directorships within South African companies (Mans-Kemp & Viviers, 2014).

After the attainment of democracy in 1994 several foreign investors returned to South Africa but in exchange for their capital the condition was that there was need for reforms in corporate governance practices and corporate governance structures (Abdo & Fisher, 2007). New legislation was implemented to create a level playing field for South Africans. Such policies paved a way for the introduction of diversity on boards. Unfortunately, as noted by Zajiji et al. (2021) despite how noble these initiatives were, little change was witnessed as women are still severely under-represented in senior management and as directors. These scholars also highlight that the challenges that women who sit on boards of directors in South African companies are often not well articulated, are intangible and often invisible. Further, these scholars argue that the problem with these invisible challenges that women face is that they are difficult to solve compared to challenges that can easily be identified and articulated. Thus, these invisible barriers are subtle yet hold so much power.

Similarly, Peens and Taylor (2017) also argue that many of South Africa's listed companies appoint women onto their boards as mere tokenism as evidenced by the fact that there are often three or less women on those boards. Further, the voices of these women are said to be often suppressed or overlooked as they tend to be treated merely as symbols of female representation. However, these scholars also argue that there exists contradictory findings regarding the impact of female board members towards impacting corporate financial performance in South Africa as evidence points to both positive influence as well as no influence within South Africa's listed companies. More research is needed nonetheless that explores the impact of diversity on corporate performance in South Africa's listed companies (Peens & Taylor, 2017; Zajiji et al., 2021).

Further, in South Africa ethnic diversity has been championed by the introduction of the Black Economic Empowerment Act which called for the introduction of ethnically diverse boards, organizations with ethnic diversity experience a wide array of outcomes and differing dynamics. Nevertheless, an ethnically homogenous group can potentially lead to categorization and social comparison, as a form of social identity (Scholtz & Kieviet, 2018).

Even though such categorizations may create divisions on the boards, the impact of these dynamics on innovation or general business performance is an interesting line of enquiry. Recently, several scholars have interrogated the effect of ethnic diversity on a board. Although Gazley et al. (2010) did not find any link between ethnically diverse boards and companies' financial performance, Richard (2000) concluded that cultural diversity most likely adds value and, within the right context, influences a company's competitive edge.

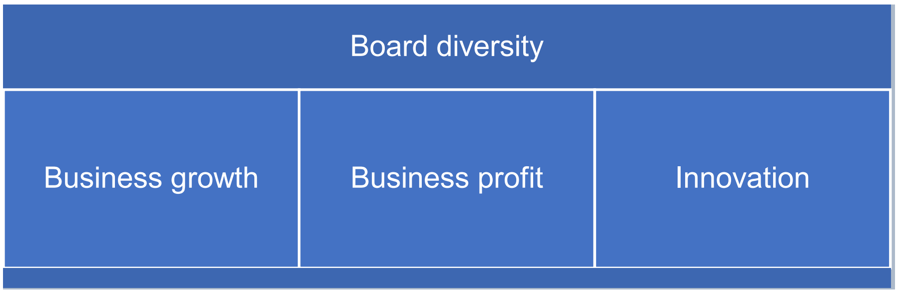
A real drawback is the low presence of black people in positions of influence. Nyirenda (2010) states that there have been several 'token' board appointments in South Africa since independance. Tokenism can be viewed as the appointment of individuals into spaces where they hold no power for effecting change, in order to adhere to race and gender compliance targets (Zajiji et al., 2021). This is not an ideal for both the individuals or the companies involved. Tokenism like the quota system is a subject of much debate as it encourages place holders that only satisfy legislation or policies that advocate representation.

It is necessary to get an understanding of the impact of board diversity with regards to age on innovation in the South African context. Additionally, this study will also unpack the mechanisms through which diversity impacts business performance results and the policies that promote diversity and their effect on innovation.

2.7 Proposed conceptual framework

This study proposes a conceptual framework which shows that the different demographic characteristics that form board diversity are the key foundation towards driving business growth, profit and innovation. This conceptual framework also shows that innovation is likely to happen in diverse boards. Lastly, business growth and profit are also likely to occur in the presence of a diverse board.

Figure 4:



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2.8 Conclusion

This chapter reviewed the literature on the conceptualisation of board diversity and gave an account of how board diversity affects business performance. It is noted that policy making in business performance can be cognisant that board diversity can have both advantages and disadvantages. Thereafter, the Upper Echelons theory (Hambrick & Mason, 1984) and its supporting theories namely the agency theory and the social identity theory were discussed in their relation to board diversity and business performance.

CHAPTER 3: RESEARCH QUESTIONS AND PROPOSITIONS

3.1 Research questions

The main research question guiding this study is:

What is the impact of boards age diversity on an organization's performance trajectory?

Sub-questions:

How does the variation of age on a board influence the potential for a company's innovation? - Li et al. (2021) present an in-depth analysis of academic material on board diversity, underscoring the pressing need for further research focused on age diversity within the boardroom, specifically on whether the age diversity of boards impacts the success of companies.

What are the mechanisms through which diversity impacts business performance results? - Baker et al. (2021) have highlighted the importance of understanding how the threads of diversity weave together to significantly influence a company's performance metrics. They argue for the necessity to deepen understanding of how diversity, as a multifaceted concept, can wield influence over a company's performance trajectory. Similarly, Dong et al. (2023) note that the results in the extensive literature on board diversity have been inconclusive at most.

What policies are designed to promote diversity and what are their potential effects on innovation? - Not much is known regarding how well innovation is promoted by policies on diversity (Cumming & Leung, 2021). Fernández-Temprano and Tejerina-Gaite (2020) state that diversity has been a subject of discussion on active policy formulation which makes it even more important to discuss the role diversity policies play towards promoting diversity.

3.2 Research propositions

Based on existing literature in the field of board diversity, this study has the following propositions:

1. **Board diversity either propels or hinders business performance based on how well the diverse characteristics work well together.** - Jonson et al. (2020) state that a homogenous board is comprised of individuals who predominantly share similar values and that this results in better communication and goal congruence. However, Liu (2023) argue that having diversity amongst board members slows down decision making and progress as it takes longer for the individuals of different characteristics and backgrounds to agree on decisions.

2. **Age diversity on boards brings success to business performance and innovation due to complimentary skills brought about by generational differences.** - Further, age-diverse teams have value because they connect people with complementary abilities, skillsets, information, and networks (Gerhardt et al., 2022). The presence of age diversity is important when firms are setting up teams for establishing innovation projects as age diversity increases team innovative performance (Tshetshema & Chan, 2020).

3. **Policies that promote board diversity are linked to the corporate governance strategy of the organization which are implemented for improving business performance.** - Board diversity has a significant impact on the governance efficiency of a business as the characteristics possessed by top management impact on corporate governance strategies implemented (Liu, 2023).

CHAPTER 4: METHODOLOGY

4.1 Research Design

This research is entrenched in the interpretivist philosophical paradigm which according to Pham (2018) is designed to deeply understand the subjective experiences and perspectives of an area of study. This aided in a thorough exploration of the perspectives of board members regarding the role of diversity in influencing innovation within their companies. Employing interpretivism allowed the study to delve into the intricate realities of the participants, capturing their unique perceptions and experiences.

A qualitative research approach has been chosen in this regard as it aids in gathering rich and contextually nuanced data, providing an in-depth insight into the topic (Bell et al., 2019). Further, scholars have shown that there is a dearth in qualitative studies that explore the role of diversity towards influencing business performance (Cumming & Leung, 2021). Thus, to contribute to academic knowledge and debate on the impact of diversity on innovation a qualitative approach ensured provision of a comprehensive overview of how diversity at governance level can shape innovation processes.

4.2 Population and Research Setting

A research population is the umbrella group from which participants of a study are chosen (Asiamah et al., 2017). This group possesses characteristics that make then a perfect fit for answering the research questions and also allows for an extensive pool of potential participants (Bell et al., 2019). The population for this research encompassed board members from companies of any size in South Africa who are listed on the JSE. This mix allowed for a comprehensive representation of diversity on boards.

Research setting is the context or environment within which the research will take place (Bell et al., 2019). For this study, the setting was therefore the JSE environment that the companies operate in and not a particular fixed setting.

4.3 Level of analysis and Unit of analysis

The level of analysis looks at the significance of the study context and chosen participants (Ben-Ari & Enosh, 2011). For this study, participants were individuals from companies listed on the JSE whom the researcher had access to given that she too works for a JSE listed company. These individuals had to have sat on their respective boards for a minimum of three years. The researcher utilized 16 of these JSE listed companies to speak to individuals she could easily access from there. The significance of analysing individuals who sit on the board for JSE listed companies was that the researcher was exploring the role that board diversity plays towards business performance and innovation hence the researcher found it prudent and relevant to analyse experiences and perspectives of individuals who currently serve as board members for JSE listed companies. This is because JSE listed companies are generally big in size hence experiences of board members will be broad and rich enough to contribute meaningfully to the study.

The unit of analysis is a distinct human subject from which data will be collected (Shaw, 2016). It is important to accurately identify the appropriate unit of analysis who will offer relevant insights into the topic under study (Shaw, 2016). For this study, any individual who sits on a board for a JSE listed company was the unit of analysis.

4.4 Sampling

This study made use of purposive sampling as this strategy allows for the selection of participants who possess specific characteristics pertinent to the research questions (cf. Guest et al., 2006). The criteria for participant selection encompassed board members who have served in their positions for more than 3 years as they possess a wealth of experience and expert knowledge in navigating board diversity broadly, providing rich, in-depth data that can guide the study’s exploration of age diversity's impact on innovation. The study did not exclude participants based on their age as all age groups were welcome to partake in the study. The sample consisted of 16 participants, guided by the principle of data saturation, a point at which no new themes emerge from the data collected (cf. Guest et al., 2006). This principle ensures that the data gathered is comprehensive and accurately reflects the diverse perspectives within the population.

Below is a breakdown of participants who took part in the study:

Figure 5:

Participant number	Participant Title	Participant Area of operation/specialization	Number of years as board member	Interview date
1	Chief Executive Officer	Executive Director	30 years	06092023
2	Director	Non-Executive Board member	25 years	290902023
3	Chair of the Board	Non-Executive Board member	20 years	26092023
4	Chief Executive Officer	Executive Director	25 years	06102023
5	Chief Executive Officer	Executive Director	20 years	03102023
6	Chief executive Officer	Executive Director	10 years	14092023
7	Director	Non-Executive Director	18 years	11102023
8	Director	Non-Executive Directors	15 years	26092023
9	Chief Executive Officer	Executive Director	5 years	11102023
10	Director	Non-Executive Director	25 years	28092023
11	Chief Financial Officer	Executive Director	10 years	11102023
12	Chief Executive Officer	Executive Director	15 years	29092023
13	Director	Non-Executive Director	29 years	09102023
14	Director	Non-Executive Director	22 years	12102023
15	Director	Non-Executive Director	21 years	12102023
16	Chief Executive Officer	Executive Director	5 years	09102023

Source Authors own

4.5 Pilot testing

Pilot testing involves taking the interview guide and pre-testing it on participants who suit the characteristics and criteria of intended participants (Schroder et al., 2011). This is done to assess the feasibility and practicality of the data collection tool. Data collection was initially tested on 4 board members of varying ages, gender and work experience so as to get an understanding of the simplicity or complexity of answering the research questions. This process helped to eliminate poorly structured questions as well as to tailor-make the interview guide towards the research participants.

4.6 Data collection

For this study, the chosen research instrument for data collection was a semi-structured interview guide (see Appendix A). This tool is known for its effectiveness in collecting in-depth and pertinent data based on research questions and relevant literature (Bell et al., 2019; Silverman, 2022). The semi-structured interviews primarily targeted board members from listed companies, a population whose experiences and insights significantly contributed to understanding the relationship between age diversity and innovation. All interviews were recorded and transcribed using Microsoft Teams in full to uphold the reliability and validity of the data. As an additional measure detailed notes were taken during the interviews, which documented the non-verbal cues and other information that enhanced the understanding of the interviewee's experiences.

Below is a summary of the consistency matrix which highlights the relationship between the interview questions, the literature review, data collection and analysis methods used:

Table 1: Consistency matrix of the study

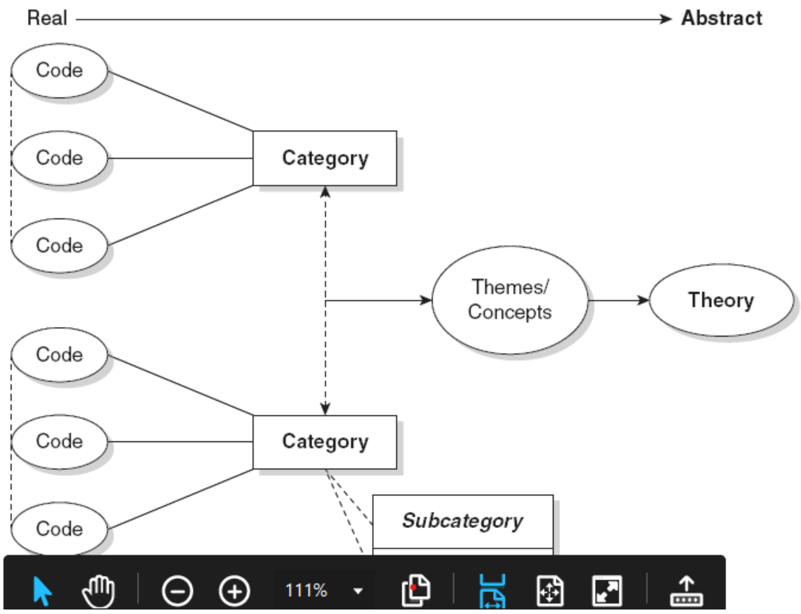
Research questions	Literature review	Interview questions	Data collection tool	Data analysis
Question 1- How does the variation of age on a board influence the potential for a company's innovation?	Li et al. (2021) present an in-depth analysis of academic material on board diversity, underscoring the pressing need for further research focused on age diversity within the boardroom, specifically on whether the age diversity of boards impacts the success of companies.	1. How useful is age diversity towards company innovation on your board? 2. How does engagement occur given the different ages of board members? 3. How do the different age groups on the board view business innovation? 4. In what instances has age been a factor that greatly influenced the innovation process?	Semi-structured interview guide	Atlas.ti software
Question 2- What are the mechanisms through which	Baker et al. (2021) have highlighted the importance of understanding how the threads of diversity weave together to	1. In what ways does diversity in its entirety (nationality, age,	Semi-structured interview guide	Atlas.ti software

diversity impacts business performance results?	significantly influence a company's performance metrics. They argue for the necessity to deepen understanding of how diversity, as a multifaceted concept, can wield influence over a company's performance trajectory. Similarly, Dong et al. (2023) note that the results in the extensive literature on board diversity have been inconclusive at most.	education background, race) influence business performance? 2. How does decision making and adaption of new ideas for the business occur given the employee diversity represented?		
Question 3- What policies are designed to promote diversity and what are their potential effects on innovation?	Not much is known regarding how well innovation is promoted by policies on diversity (Cumming & Leung, 2021). Fernández-Temprano and Tejerina-Gaite (2020) state that diversity has been a subject of discussion on active policy formulation which makes it even more important to discuss the role diversity policies play towards promoting diversity.	1. What policies has your organisation put in place to promote diversity? 2. How effective are these policies towards promoting diversity? 3. How useful are these policies towards ensuring business innovation through promoting diversity and inclusion?	Semi-structured interview guide	Atlas.ti software

4.7 Data analysis

The data amassed through semi-structured interviews was subjected to reflexive thematic analysis as advocated by Braun and Clarke (2006). This approach allowed for the detailed exploration of individual board members' experiences, perceptions, and insights related to age diversity and innovation. The analysis initially involved a rigorous process of coding and constant comparative techniques to ensure trustworthiness and reliability. Coding is the process of categorizing and labelling pieces of data, whereas thematic analysis involves identifying and analysing patterns or "themes" within the data (Saldaña, 2015). This comprehensive approach ensured that all nuances, patterns, and themes were adequately captured and analysed. The themes were analysed using Microsoft Excel to illuminate the relationship between age diversity on boards and company success as advocated by Wilson (2020). Below is an illustration of the data analysis process:

Figure 6: Data analysis process followed



Source: Saldaña, J. (2015)

Lastly, the explanations for each theme is provided in detail as part of the analysis process.

4.8. Research Quality and Rigour

Merriam (2018) and Patton (2018) suggest that to ensure that research when conducted is of a high standard and quality to withstand rigour and testing, a number of different methods and techniques should be used. These techniques will be utilized to maintain a balance of trustworthiness, credibility, transferability, and confirmability in the study.

Precise techniques for gathering and analysing data were employed to minimize the constraints of self-reported data and the qualitative method, and a comprehensive contextual explanation of the research is presented to enhance transparency and credibility, following the recommendations of Creswell (2018) and Merriam (2018).

Trustworthiness:

Ensuring trustworthiness in this research was paramount. Following Merriam (2018) and Patton (2018), this study employed a range of techniques, including member checking. This entailed sharing initial findings with participants to validate the data and its interpretation. It is a vital step to ensure that interpretations are resonating with the participants' experiences and intentions. This alignment boosts the trustworthiness of the study, as outlined by Fusch and Ness (2015).

Credibility:

The study's credibility is intrinsically tied to the accuracy and believability of the findings. By using the methods recommended by Merriam (2018) and Patton (2018), maintaining the credibility of this study was a priority. Member checking was particularly beneficial, as it allowed the study to ensure that interpretations closely reflect the experiences and intentions of the participants. The consistency between the participants' views and our interpretations strengthens the credibility of the research.

Transferability:

The concept of transferability in research refers to how well the results can be applied to other contexts or settings. Even though each study is unique and the direct application to other settings can be challenging, providing a detailed description of the context and the criteria used for participant selection can assist others in making connections to their own situations. To ensure transferability, the study provided a comprehensive description of the research context and the selection criteria, as suggested by Merriam (2018) and Patton (2018).

Confirmability:

Lastly, confirmability is about demonstrating that the study's findings are a result of the participants' responses and not influenced by any researcher bias, motivation, or interest. To strengthen confirmability the study provided a transparent account of the steps taken during the research process and how conclusions were drawn. This transparency allows others to confirm the findings, contributing to the overall confirmability of the research as suggested by Merriam (2018) and Patton (2018).

Peer-debriefing:

Another technique utilized was peer debriefing, where the researcher sought feedback from other experienced researchers or peers not directly involved in the study. This external input helped to identify potential bias, enhance the credibility of the findings, and ensure that the interpretations made are reasonable and grounded in the data (Fusch & Ness, 2015).

Audit-trail:

To enhance transparency, accountability, and potential replication, an audit trail was maintained during this study. Golafshani, 2003 sets out that to maintain the audit trail in research project one should be documenting amongst others: the research design; the data collection; the data analysis; and the researchers interpretations' drawn.

4.9 Ethical considerations

Consent- According to Bell et al. (2019), obtaining informed consent is about the researcher's obligation to offer comprehensive explanations to participants concerning the research's nature so that participants gain a full understanding of the study and their involvement. To ensure the integrity of the data, all the interviews acquired prior consent from the participants so that they could be interviewed with knowledge of the full extent of the study. A participant information sheet (see Appendix B) was issued to potential participants via email which explained everything about the study then those who volunteered to take part in the study were also sent an informed consent sheet (see Appendix C) to sign in acknowledgement of their free will in being a part of the research. The consent form also sought permission from participants to record them for transcription purposes to be used for analysis of research findings towards the final research report write up. All participants agreed to be recorded and to have the verbatims transcribed automatically by the Microsoft Teams software.

Seeking permission from GIBS ethics committee- the study sought permission from the GIBS Ethics Committee prior to collecting any data. Data was thus only collected after being granted permission to do so by the school.

Participant safety- While collecting data, it is essential for the researcher to ensure that no harm is inflicted upon the participants involved in the study (Bell et al., 2019). The interviews were conducted virtually via Microsoft Teams. This was a convenient method for both the researcher and participants which saved on travel time and travel costs for conducting the interviews. Further, this allowed for flexibility in terms of allocating appropriate interview slots. Participant safety was thus ensured in that participants partook in the interviews in the comfort of either their homes or offices without any physical safety concerns.

Confidentiality and Anonymity- Preserving the privacy of the participants is crucial, and this can be achieved by employing pseudonyms to safeguard the identities of participants (Bell et al., 2019). To achieve confidentiality, participants' interviews were not shared with anyone else besides the researcher's supervisor. These interview recordings and verbatim transcripts were also stored in a virtual password protected Google Drive folder that belongs to the researcher. This data will remain stored there for a period of 5 years then the researcher will delete the folder permanently. Furthermore, to ensure anonymity, participants' identities were protected in the final research write up through use of pseudonyms and the write up was done in a way that does not allow for easy identification of participants identities. Though anonymous to the public, participants identities were known by the researcher. Participants were also made aware of the confidential nature of the study as well as how their anonymity would be protected in the participant information sheet.

Providing feedback to participants- Participants were informed that the research findings would be made available to them in the form of the final research report if they so desired.

4.10. Limitations of the study

This research design and proposed methodology does present limitations. Qualitative research, by design, delves deep into specific circumstances to grasp their depth and complexity, but this depth often comes with the trade-off of not being able to extrapolate the findings from only 16 respondents onto a larger demographic. The inherently detailed focus of qualitative studies can restrict the general applicability of the results (Merriam, 2018).

A key limitation is that the findings cannot be generalised due to the small sample size. Furthermore, the researcher really had difficulty in securing time with 16 directors. Perhaps the researcher should have possibly used an online tool that had prepopulated slots available for participants to select, given that some of the participants are CEO's of listed companies and were mostly either traveling or engaged with financial year end reporting obligations.

All interviews were conducted virtually at times where the researcher did not know the participants personally. This made it challenging to establish rapport and pick up on non-verbal cues, which are essential in qualitative research. However, the researcher was cautious to maintain eye contact throughout the interview.

Interviewer noticed that it was harder to perceive emotional nuances, hesitation, or discomfort in voices when conversing via virtual platforms. Also, some participants seemed really rushed.

Further, another limitation stems from the reliance on self-reported data from participants, which carries the risk of response bias. Participants might present themselves in a manner they believe to be socially acceptable, compromising the sincerity of their responses. To alleviate this, the researcher fostered a safe and open interview atmosphere that encouraged participants to voice their true thoughts and experiences.

The research also intentionally focused on board members from listed companies. This deliberate choice, made for practical reasons such as access to participants and data availability, could limit the sample diversity. It could also restrict the results' relevance to smaller or non-listed companies.

Moreover, potential researcher bias, inherent when the investigator serves as the main tool for data collection and analysis, is another possible limitation. The researcher addressed this by implementing strategies like peer debriefing and member checking, in addition to maintaining a clear and comprehensive audit trail. These steps should enhance the credibility, confirmability, and replicability of our findings.

CHAPTER 5: RESULTS

5.1 Introduction

This chapter outlines the findings of this study based on key themes that emerged from the research questions. Each of the study’s three questions produced answers that have been categorised according to specific themes of common trends. The data presented in this chapter has been assessed in order to understand the impact of board diversity on an organisation’s innovation performance trajectory through the perspective of board members who have served on a board for a JSE listed company in their positions for more than 3 years.

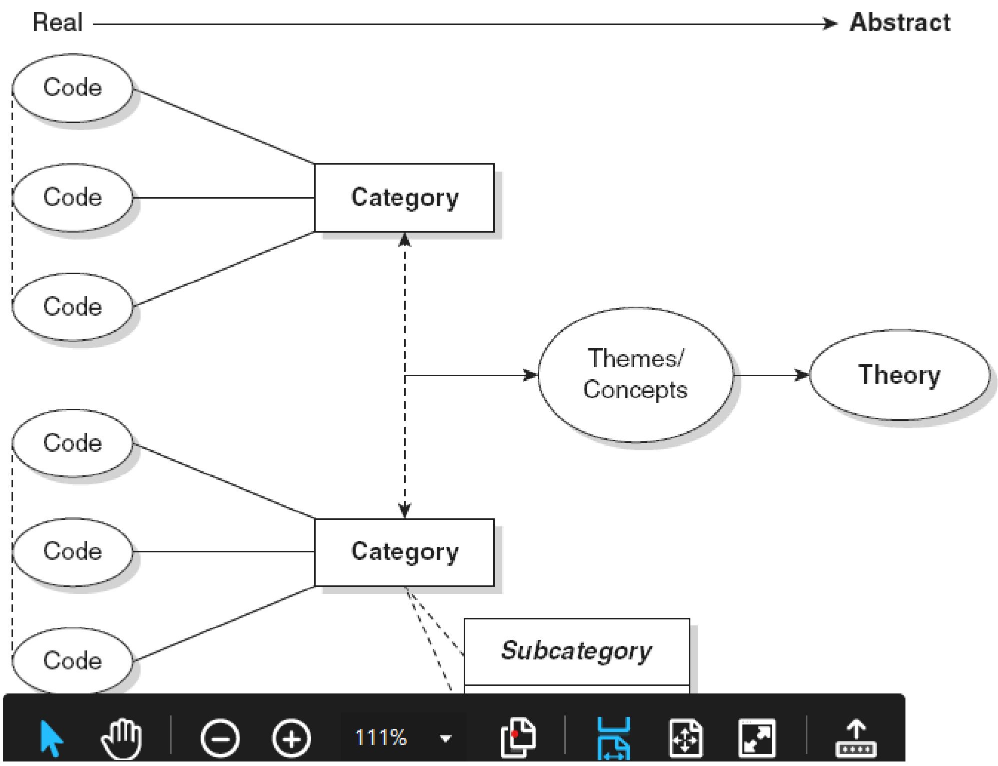
The main research question guiding this study is: **What is the impact of board age diversity on an organization’s innovation performance trajectory?**

The sub-questions are:

1. How does the variation of age on a board influence the potential for a company’s innovation?
2. What are the mechanisms through which diversity impacts business performance results?
3. What policies are designed to promote diversity and what are their potential effects on innovation?

The analysis initially involved a rigorous process of coding and constant comparative techniques to ensure trustworthiness and reliability. Coding is the process of categorizing and labelling pieces of data, whereas thematic analysis involves identifying and analysing patterns or "themes" within the data (Saldaña, 2015). This comprehensive approach ensured that all nuances, patterns, and themes were adequately captured and analysed. The themes were analysed using Microsoft Excel to illuminate the relationship between age diversity on boards and company success as advocated by Wilson (2020). Below is an illustration of the data analysis process:

Figure 6: Data analysis process followed



Source: Saldaña, J. (2015)

The key themes which emerged in this study were Shared insights and collective intelligence; Tug of war on ideas; Business growth; Unity of purpose; Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance. These themes were derived at as summations of the subgroups and categories that emerged during the coding process of gathered data.

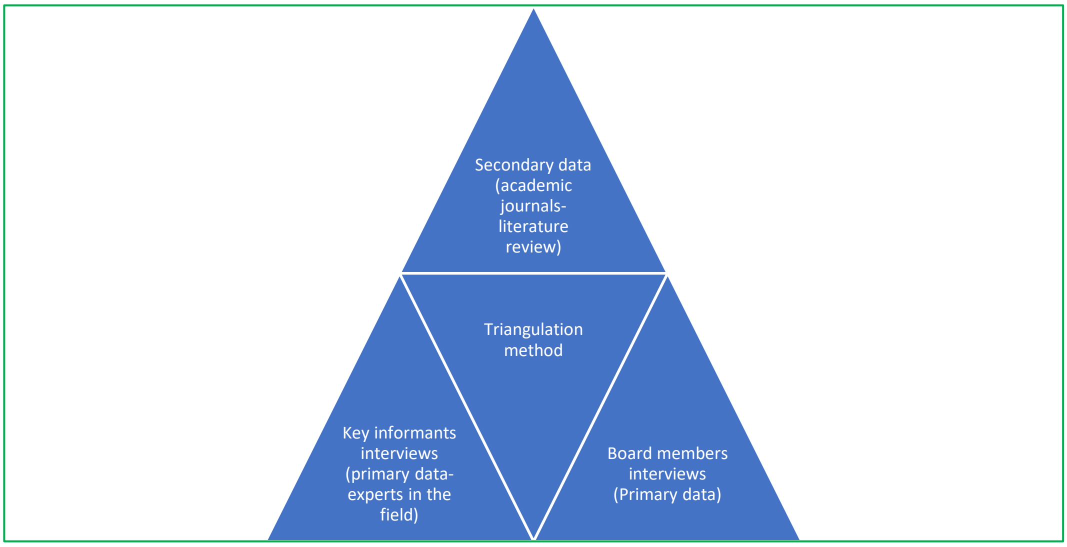
Table 2: Coding approach, key themes and participant characteristics

<table>
<tr><th>Section</th><th>Introduction</th></tr>
<tr><td rowspan="4">Section breakdown</td><td>Young board members as drivers of innovation and technology adoption.
Gender and educational diversity as sources of successful business performance.
Policies as enablers of board diversity.
Generational difference as source of business growth and profit.</td></tr>
<tr><td>Coding approach:
Coding is the process of categorizing and labelling pieces of data, whereas thematic analysis involves identifying and analysing patterns or "themes" within the data (Saldaña, 2015). This comprehensive approach ensured that all nuances, patterns, and themes were adequately captured and analysed.</td></tr>
<tr><td>Themes:
Question 1 Themes
Shared insights and collective intelligence
Tug of war on ideas
Question 2 Themes
Business growth
Unity of purpose
Question 3 Themes
Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance</td></tr>
<tr><td>Participants:
Participants were individuals from companies listed on the JSE. The sample consisted of 16 participants. The criteria for participant selection encompassed board members who have served in their positions for more than 5 years as they possess a wealth of experience and expert knowledge in navigating board diversity broadly, providing rich, in-depth data that can guide the study’s exploration of age diversity's impact on innovation.</td></tr>
</table>

Source: Author’s own

Data triangulation was used to collect and analyse data through the use of multiple data sources such as scholarly material (as shown in the literature review) and empirical evidence from participants who were made up of both key informants (experts in the field of study) and the board members. Below is an illustration of how this triangulation process occurred:

Figure 7 Data Triangulation



Source: Author's own

All research participants were directors of JSE listed entities. They all had in excess of 3 years experience across various sectors and industries. Figure 5 lists their anonymized identification data:

Figure 5: Participants who took part in the study

Participant number	Participant Title	Participant Area of operation/specialization	Number of years as board member	Interview date
1	Chief Executive Officer	Executive Director	30 years	06092023
2	Director	Non-Executive Board member	25 years	290902023
3	Chair of the Board	Non-Executive Board member	20 years	26092023
4	Chief Executive Officer	Executive Director	25 years	06102023
5	Chief Executive Officer	Executive Director	20 years	03102023
6	Chief executive Officer	Executive Director	10 years	14092023
7	Director	Non-Executive Director	18 years	11102023
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9	Chief Executive Officer	Executive Director	5 years	11102023
10	Director	Non-Executive Director	25 years	28092023
11	Chief Financial Officer	Executive Director	10 years	11102023
12	Chief Executive Officer	Executive Director	15 years	29092023
13	Director	Non-Executive Director	29 years	09102023
14	Director	Non-Executive Director	22 years	12102023
15	Director	Non-Executive Director	21 years	12102023
16	Chief Executive Officer	Executive Director	5 years	09102023

Source: Authors own

5.2 Findings

5.2.1 How does the variation of age on a board influence the potential for a company's innovation?

This section presents the findings that emerged from data collected from the first research question which explored how the variation of age on a board influences the potential for a company's innovation. For this question, descriptive codes were summarised by the researcher then converted or allocated into 14 first-order categories and 2 themes. A commentary of the themes is provided. These were classified as follows:

Table 3: Coding analysis for Theme “Shared insights and collective intelligence and Ideological tug-of-war/ tug of war on ideas”

Themes	Categories
Shared insights and collective intelligence	Creativity
	Curiosity
	Experience
	Knowledge
	Promote diversity
	Competence
Ideological tug-of-war/ tug of war on ideas	Change
	Reluctant to change
	Old people
	Old generation
	Young people
	Younger generation
	Younger generation influence
	Younger voices

Source: Authors own

Theme 1: Shared insights and collective intelligence

Most respondents felt that young people bring about fresh ideas which necessitates the argument for having an age-diverse board for purposes of driving innovation. Older people on the other hand are slower to adapt to newer technologies as their generation was not born into highly digital environments which the younger generation was born into hence the younger people adapt quicker to newer technologies. Young people therefore bring a fresh perspective often involving business innovation which can be complemented with the experience and wisdom of the older generation. Young people’s ability to adapt to technology easily as well as their ability to bring forth fresh ideas can be combined with older people’s many years of experience in the market to create shared insights and collective intelligence between the two groups for the benefit of boosting a company’s potential for innovation.

Well, if I look across, certainly on the XXXX Board, I think we had some reasonable age diversity. And I think that just contributed to, you know, fresher ideas. We'll push to try new things. I think the group board potentially lacks a bit of age diversity…so one of the disadvantages of that is that you get people that really kind of grew up in the analogue physical world. (Participant #4)

See, the younger people bring their new ideas and energy. Young people bring a new dimension that I see new things and so on but you must never underestimate the wealth of knowledge from the older people and what they come to contribute. And that's how they understand what the consumers see and need. Young people have their own views and they see but they haven't learned what ought to be done to read what the consumer is actually wanting. (Participant #6)

I think to make sure that you have got a balance between age and experience or age and maturity. Read it the way that you want. I think it is important for a board because the risks of having the proverbial board of the old boys club, where everybody's 65 years old, you know, they have only got 11 remembrance of how things have been done and you can just imagine how a board like that is going to necessarily push back on executive innovation. So I think the importance of the balance and at least ensuring that your board is in tune with what is going on in the greater world as opposed to you know what they remember was going on in the great world is important. (Participant #10)

A number of respondents agreed that age diversity contributes to increasing a company's potential for innovation as younger people who possess many years of work experience contribute meaningfully with their new ideas. Young people have brought about global changes that influence society at large with examples such as Elon Musk being the epitome of highly innovative young people whose technology expertise has brought about successful innovation within businesses. However, even older people have the ability to innovate and so age should not be used as an automatic determinant of one's innovative ability or of the potential of a company to innovate based on the age of its board. Older people bring experience onto the board which is often associated with innovation too. Not necessarily technological innovation but innovative ideas that bring about business success which the younger people do not possess due to limited experience. Thus, innovation is seen to be brought on by age based on experience and knowledge rather than age alone. The argument here is that even older people have innovative capacity too.

There's a push sometimes depending on the nature of the company to go for a young only (team) because they think they are more innovative, more nimble, more able to understand the future and the consumer. Oh, for sure, let me just say that young men with experience. So I would put young at for a truly valuable Non-exec at 35, maybe 30 onwards. I think below that is young, and maybe not, maybe bright, maybe part of the real movers and shakers of the world, the top 1%, you know, Elon Musk and those kinds of people. (Participant #13)

I have seen some very valuable contributions from people in their late 70s based on their based on the fact that they have seen many tsunamis in corporates. And they are able to understand what you know, how to handle the next big speed bump, I think directors must leave when it is *clear to the chairman that they no longer contributing, that they don't have the energy, etcetera, all the characteristics that they are not doing their job then. (Participant #13)*

OK, so age is probably the most secondary to me than experience and where they come from. I've found very innovative and as senior as an age as Sam (name changed for confidentiality) is because they come up or out of a very innovative environment. Sam is highly innovative and he's well past his 60s, very innovative. There've been young people, younger, some of them have not necessarily been innovative and those have been maybe CA's and others you know. So I wouldn't exactly put it to age.I put it to the sector that one comes from and the level of innovation in that setting and company and how far back was their last full time job and involvement in innovation. So if the younger board member has got quality contribution then they will contribute in line with their with their knowledge. (Participant #15)

I don't think there is magic in age. You get old souls who are young and you get very innovative oldies, so I'm not really convinced that one should look at it. In order to be tech savvy, you have to get very competent and interested in innovation. So the bottom line of it is I think age diversity helps with innovation, but in the context of diversity to say youngsters think more innovatively or oldies are not innovative I just don't think there's truth in that. (Participant #8)

Most respondents agreed that young people are innovative and quick to respond to new markets and new technologies. They appreciate the tech-world and are quick to adapt. They are the technology generation who add a lot of value to the board despite having limited experience in other spheres. They bring about a balance between themselves as tech-savvy youths versus the older more analogue-savvy generation. The younger members are often confident and possess technological intelligence which drives the potential for innovation within a business. Age diversity on boards benefits the business as younger people bring in newer innovative ideas which are complemented by the experience and expertise of the older people.

I think in my opinion even with the older board it does help to have a broad age range because you got experience that comes from industry experience, business experience it comes with the much more mature crowd. They have been through lots, they have seen things before, they can deal with issues quite quickly. And then you got the younger crowd now being brought up differently with technology, with different markets. You want to tap into that and especially now if I think about my newer business, I said newer but you know you look into digital and all those sorts of things which is an adaptive quite faster, which even for my generation maybe is now getting outdated because you know, like I am listening to my nephew outside they are here as well they are different generation. They are looking at iPads and all sorts of things, so I think it is probably best to have a broad range of directors. It is no longer way back in the day where you needed to have like 20 years experience before you get onto a board. We are seeing much *younger board members in their late 20's and in their 30s that can add a lot of value just from their different way of thinking. And the confidence that they bring to it too, and intelligence, it probably complements the board. At the same time, you got the industry experts, you cannot fix a problem that you have never dealt with before, so I think that combining the young and the old makes for a much more efficient and effective board. (Participant #9)*

Boards do need to have representation across as wide and each spectrum as possible. In the past there was the bias towards the older, accomplished, almost retired people for service and parts. Certainly, the experience that I've had has been that the boards that have a good mix of younger and much more senior aged people tend to benefit in many ways that have to do with the age. But we also have to deal with the other experiences that people would want. So the younger people that have been exposed to imports have come in with technical expertise. And immediately made their voices carry quite a lot of weight. (Participant #14

But the way that the modern world and let us talk about the millennials and the new generation Z and all the rest are demanding retail go. I think that there is definitely a place for a far broader spectrum of representation on the board, and if not on the board, the executive have to ensure that they are covering a broader spectrum of input as opposed to, and I think this is one of Spar's failings is that we have had an executive group and if you go back probably 4-5 years ago when we had that big exodus of pensioners, about 11 or 12 that all retired at the same time. And then there was this massive gap because there was not a 50 year old bracket that stepped up. It was kind of we rushed and looked at the late 40 year olds and sort of shot them into filling those gaps. (Participant #10)

Respondents further agreed that younger or more youthful board members are believed to grasp and adapt newer technologies much quicker than their older counterparts. The youthful members also have a higher risk appetite which can drive business innovation and performance. They are not afraid to venture into unchartered waters or new territories. Their bold nature increases the potential success of a company's innovation.

But my exposure has really been that younger board members, younger and more youthful people that are appointed for the specific set of expectation bring to the table higher risk appetite than the older people. And then the second expectation would be that the grasp of the newer technologies would probably be much more for younger people than it would be for and as older people. And therefore, you know, they would probably have a better adaptation path than the older people. For example, in the good gaming entity where business was largely just a pure traditional sense, the youngest CEO came in and drove penetration into the smaller gambling space, but one closer to the townships. Little Taverns and things like that, and that's outside of what was traditionally had as the core business line. (Participant #14)

Theme summary: Shared insights and collective intelligence

Most respondents agree that young people on boards are generally associated with fresh and newer ideas which are technologically inclined. They are associated with increased potential for a company's innovation as they are quick to grasp and adapt to new technologies. However, this does not exclude the importance of older people on boards as they come with a wealth of experience and knowledge on the field which when combined with the tech-savvy nature of young people boosts the potential of a business to innovate. Therefore, both the young and old possess skills and characteristics which complement each other towards driving the potential success of a company's innovation.

Theme 2: Tug of war on ideas

Respondents felt that there can be a clash of ideas between the young and old on boards. For example, young people can be a little immature or make hasty decisions without considering the bigger impact of their decisions. Meanwhile, the older board members are seen to have more understanding and exercise wisdom in decision making. Thus having a broad age range balances the scale of ideas for purposes of improving the potential for business innovation. However, a tug of war on ideas is sometimes inevitable on age diverse boards due to the differences in priorities and thought process of the old versus younger members.

Below 30 might just be too little experience. But all that has to be balanced with understanding the depths of the decisions that is being made both for the longer term for the company, but sometimes also for the organisational staff and culture, and if you are young, you do not always consider that and you will find that the older Directors have a little bit more understanding of the vast impact that decision can bring. Because decisions at the top can make quite a difference to an organisation and you do need a little bit of experience to be able to process within that short space. So I think there is a great value in having spread of age groups, but I would say 35 onwards Even to 70. (Participant #13)

Most respondents stated that In some instances the tug of war on ideas manifests on boards through younger members having their inputs ignored or overlooked in favour of those from their older counterparts. This discriminatory and bullyish behaviour has potential to limit the potential for a company to innovate if ideas are only being received from one age group at the expense of another. Input from young people is sometimes discounted or overlooked due to their lower levels of work experience yet they have greater strengths in their use of and adaptation to technology. Young people must be heard and have their views genuinely considered and not just be made present as a tick-box exercise.

So I think in a board, normally there is a human level of respect, however, beneath the surface of that human level of respect, I do think all the board members may sometimes discount the input from a younger director and therefore, I do think the role of a chairman in how he ensures and brings in all the voices and gives weight to all the voices, experienced voices and non-experienced, inexperienced voices. My apology and younger voices. (Participant #13)

So I was appointed to Telkom in October of 1994, the chairman that was then appointed was Justice Moseneki and he made every effort as chairman to make sure that the younger voices, the new transformation voices are not only heard but considered. Because you know you can just after a while, these other voices will just recede into the background, if he does not play his role properly. (Participant #13)

They furthermore agreed that there may also be a tug of war on ideas which manifests in the form of compatibility challenges between the young and older board members. This is because young people can feel that they are surrounded by more seasoned members hence lose confidence and limit participation. The chairman is then seen to play a key role here to encourage engagement with young people as they can easily be overlooked.

There may be personality issues. So the younger people may feel "I'm in this room with all these elderly people" and therefore be shy to give their inputs and that's why it's important for the chairman to come in. (Participant #13)

Similarly, some older people are leaving boards where many young people are present as they feel that they are no longer a fit.

A lot of the older guys are now either leaving because they don't fit in with XXXX, go away or they just want to retire or whatever it's actually a little bit of a concern for me so you do see this from a from a product point of view. (Participant #6)

Most respondents agree that young people want to work on their own terms in more flexible forms such as work from home which may not necessarily be conducive for building team collaboration in a physical workplace. This working from home can ultimately limit any potential business innovation which would have been achieved through team work.

Young and older people bring diversity. Younger people the generation X or Z or whatever it is, they want to be more mobile and they want to have their own terms of working and so on but we as older people say without experience of understanding what the importance is of collaboration how to get together. How younger people learn by bringing them into the office where they can hear what other people are talking about. We have coffee together, they pick up things and so on. That's a huge challenge when young people think they can just work from home they can go *and sit. It doesn't work that way because collaboration and thinking together and so on is important. Also, the cost of getting people together is always less than what you lose by trying to talk to them remotely. (Participant #6).*

Theme summary: Tug of war on ideas

Most respondents felt that a tug of war on ideas sometimes is evidenced through differences in the manner at which young people are non-conventional regarding their desired work rules and flexibility. The young are associated with non-conventional ways of working such as preference to work at home or anywhere outside the physical place. However, this practice is seen as expensive by the older members who also value the concept of teamwork and collaboration which is built through physical office interactions. Therefore, remote work is seen as counterproductive towards boosting the potential of a company to innovate in instances where innovation is associated with teamwork.

5.2.2 What are the mechanisms through which diversity impacts business performance results?

This section presents the findings that emerged from data collected from the second research question which explored the mechanisms through which diversity impacts business performance results. For this question, descriptive codes were summarised by the researcher then converted or allocated into 6 first-order categories and 2 themes. A commentary of the themes is provided. These were classified as follows:

Table 4: Coding analysis for Theme “Business growth and Unity of Purpose”

Themes	Categories
Business growth	Promotes transformation (post-apartheid)
	Decision making
	Wealth of experience
	Understanding consumer base
Unity of purpose	In vs out group
	Common goals

Source: Authors own

Theme 1: Business growth

> *Having different nationalities with more experience and from coming from an advanced country or first world country that is developed beyond South Africa, I think would add value and we just do not have that kind of thing.*
>
> *how to get the better performance out of your people and how to make the right decisions about which markets to explore, and you know because you have got very aggressive businessmen and you have got very business women and women and you have got so, there is a different level of tact in with different people and that is why I compare Phumla's way of you know running things you know you have got Andres say you have got, then not just their backgrounds but their gender etcetera* (Participant #9)

Respondents agreed unanimously that demographic diversity brings a different wealth of experience to the boardroom. For instance, nationality diversity can help steer the business into growth because of the unique experiences from respective countries. Respondent three articulates that decisions on the right markets to explore or better decision making can be achieved through a diverse board. Different backgrounds and experience bring forth different levels of tact which can result in better performance. Diversity on the board results in richer ideas that will also shape the decision making of a board.

Another important variation of diversity is gender based. This study shows that in as much as the promotion of gender diversity is a central mechanism in shaping and promoting business performance results, how it can work against business cannot be ignored. Depending on the sector in question, gender diversity needs to be aptly implemented for it to yield positive results.

> I *mean let us be blunt. I think if we were running XXX exclusively, I would probably be very sexist and say to you that in the building industry space you probably not going to be very successful if you think it is going to be run by woman. I mean, it is not to say that women cannot play roles, but let us just understand who the customer base is you are talking about the building sector you are talking about. (Participant #11)*
>
> *They are not going to be trusting of a woman trying to convince them that product X is better than what they want to buy. So I think it does become very often sector influenced… you know we have to and we need to understand that not just women but ethnicity, age diversity, everything is going to be critical to this business going forward* (*Participant #15*)

Implementation of gender diversity needs to be context specific if the right markets are to be targeted. The success of a business is also dependent on the customers' viewpoint and preferences. Respondent four mentions that in some predominant male sectors a woman's input might not be appreciated, similarly male input in a female dominated sector may also not be fully appreciated. Although this is gender stereotyping, it is a reality in business and it affects business performance.

Respondent two notes that nationality diversity can be beneficial in tapping into different markets where the needs of customers from different nationalities can be understood from a senior management level.

> *So let me start with the XXX ones, certainly my first experience, 10 years in Nigeria, I saw the benefit of the diversity of the nationality, even despite the fact that six of the directors was all Nigerian they actually came from 5 distinctly different tribes Nigeria. …also I suppose the nature of the nationality spread would depend on the markets and the products you are trying to sell, so one has to look at that, I think when you compose your board so that you are getting input from your directors that are that are genuinely understand the market and genuinely understand the product that market wants, but on top of that, you obviously need some as you well know, the strategic financial insights…* (*Participant #13*)

The importance of nationality diversity in market penetration is expressed by respondent two who states that it is highly beneficial as there will be an understanding of the product the market. Importantly diversity will enable the members to have strategic financial insights. Board composition therefore needs to be a well thought out exercise as it directly affects business performance through strategic thinking and planning.

Therefore representation enables a better understanding of the consumer base. This representation is not only present in nationality diversity but even in broader demographic diversity. For example ethnic or racial diversity has a positive impact on business performance as mentioned by respondent one:

> *Finding more black franchises and a million other things, so it was quite tricky in the beginning and I think it was more because of the understanding and also you know there is a difference between deliberate transformation because you care for change and we have been trying to install that, not everyone's on board…we would sit in the Council meeting to make decisions about our South African consumer and I look around the room and it is all white males, 2 girls, maybe our supply chain executive. That is a coloured guy and maybe Nkululeko, who is black and I actually eventually stood up and I said to them guys we about to make a*

decision for a consumer out there in South Africa and look, look who is represented here (*Participant #16*).

..I mean to put it very crudely, if this was a business driven by 55 year old white males, we would miss a massive if not an overarchingly significant part of our business because we would not understand what the product requirements were for woman. We would not understand the product requirements for people of colour. (*Participant #11*)

You know, like, you know these boys that drain the steakhouse oranges and there is a lot of experience, but there is also a lot of naivety, you know, because they just do not get it.so when sometimes do not get it as a white woman, so that is why I have got people around me now that give me the insight, you know, consumer insights, people research, we doing more research than ever before asking the consumer. (Participant #13)

Racial diversity is particularly important to encourage a positive impact on business growth in a country that has a history of discrimination and exclusion. Respondent one stresses that deliberate transformation that brings about change in board composition is crucial for making decision that benefit the consumer in South Africa. Representation and inclusion of races that can relate to the consumers is a strategic business move that can encourage support of a particular brand or business, hence fostering growth through widening the customer base. Respondent five echoes these sentiments where he mentions that there is need to find the right people who understand product requirements for a particular group of consumers. The impact of not having the right board members or management can result in losses in business.

However, in a bid to correct the wrongs of the past, inclusion should ensure that one's skillset is befitting instead of engaging place holders only. Respondent 8 makes an interesting point where she states that:

Everybody brings a uniqueness. And This is the pity about having to do corrective action on apartheid now and still using the same, you know, having to use the same categorisation of people because it somehow I think subconsciously reinforces some of that thinking that, you know, if you coloured, you will think the same like every other coloured or whatever the case is, but I think if you think about our common humanity and our own personal humanness and the unique talent and insight and skill and spark that a person can bring and I mean now I am also going across race gender and all of those other bids to, you know, personality and attributes and character (*Participant #8*)

Race, tricky one in South Africa, right?, look, it is a difficult some people will answer this question and tell your race matters and makes a difference in the boardroom, I don't think so, not in my 29 years' experience.

And in my 29 year's experience, it is how you conduct yourself, how you prepare, what your inputs are, what value add and I've certainly seen that if you can do that, whether you are black, whether you are a woman, it does not get discarded. Now some people will say, okay, yes, but the team are you are not.

You are not coming from a viewpoint because you are not truly black in this country, so you have not experienced what?

So I really think we must focus on the job at hand as opposed to the colour (Participant #13)

Most respondents felt that a business does not thrive from merely rewriting the wrongs of the past through bringing in people to take up positions as so as to merely adhere to company policy. Further, not distinguishing people based on their competencies but rather expecting people of the same race to think and act alike is detrimental to proper business performance.

Representation and inclusion is not only directed at racial inclusion but also the inclusion of females and other previously disadvantaged groups. One of the respondents mentions the importance of inclusion in business:

We would not understand the product requirements for different for religious groups that are, you know, the Muslim community that are Halaal and we would not understand the latest technology or food trends in, you know vegan and organic, so the fact that you have the requirement to ensure that you have enough executive or operational people spanning a broader base, I think it is critical for a business and this is also one of my challenges because and I am playing right into your camp when I make the next statement which is why I do not believe there is enough female representation on our exco, quite bluntly because again you have got a group of males and yes there is a certain degree of ethnic diversity sitting in the exco at the moment. (*Participant #11*)

Theme summary: Representation and inclusion for better performance

Inclusion and representation are critical for business as they bring in people that understand the target market which improves business growth. Customers spend more on products that speak to their needs and having board members and senior management that ensures that the market is understood sets the foundation for business growth.

Theme 2: Unity of purpose

Most respondents felt that board diversity if well managed encourages unity of purpose which stems from setting goals as a team and work in unison to achieve them. Unity of purpose enables diverse teams to thrive as board diversity initiates divergent views which are then channelled towards creating common ground.

> *So when I belong to something, I fully agree with it. I have an affinity for it. I believe in it. I am proud to be part of it and wherever I go, I am a walking advertisement for it, you know. And I am an ambassador and a champion and a warrior for my organisation because I feel like I belong with the can, part of a fair*
>
> *I am part of this family and I truly care about the people there and I have reciprocal relationships and mutual shared common ground and vision for a better future.*
>
> *With all of these people, and there has been some research done on the cost of not belonging. How organisations are losing money because people do not feel that they belong because people become disengaged, become isolated and alienated, they have this presentism approach to life (Participant #14)*
>
> *Does as I think for, for, for business and similar from a board perspective, it's important to understand the individual strength of all the players and to put the best team on the field you have to play to the strength of, of the of the individual players. And there you need to go and assist and each one individually to see the sum total of the team* (*Participant #10*)

In the excerpts above it is clear the whole is greater than the sum of its parts where although individual effort is essential, belonging to a team no matter how diverse propels members to be effective and efficient to promote business growth. Understanding individual strength and ensuring that those strengths benefit the whole team is pivotal for the attainment of goals.

> *I think a more diverse board makes for a better quality board. Because the quality of the discourse is far more varied. It promotes more diverse perspective. It promotes multiple narratives on what's happening on a board. It promotes more insights, different insights on the business. You want account you want a as many*

counter narratives as you can have on a board, and then you listen to those and then you're trying to bring those together (Participant #7)

Feeling like one is part of a team boosts team effort and promotes hard work and better financial returns since the staff will not be disengaged but rather feel that they belong, thereby promoting unity of purpose.

Theme summary: Unity of purpose

Bringing in divergent views that are then channelled into finding common ground speaks to having a common goal and purpose. Unity of purpose is a key business strategy that fosters better performance.

5.2.3 What policies are designed to promote diversity and what are their potential effects on innovation?

This section presents the findings that emerged from data collected from the third research question which explored how the policies that are designed to promote diversity and what their potential effects on innovation are. For this question, descriptive codes were summarised by the researcher then converted or allocated into 3 first-order categories and 1 theme which is shaped by the policies that were identified by participants. A commentary of the themes is provided. These were classified as follows:

Table 5: Coding analysis for Theme "Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance"

Themes	Categories
Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance	Innovation
	Diversity
	Inclusivity

Source: Authors own

It is important to note early on that the answers to this research question were largely inconclusive and yielded unclear results as participants could not clearly link their diversity policies to the potential effects of these policies on innovation even after the researcher probed further. The findings speak more to the diversity policies that exist in the different JSE listed companies but less to the potential effect of these policies on innovation. Below is a description of the findings in this regard.

Theme 1: Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance

> *So, we have got the broader diversity policy. I think the country we live in and the way things need to be done it is something that you have to accept and make sure that you as a board buy into it, and I think it is not because of just racial disadvantaged backgrounds anything like that, I think the board is seen what can be contributed from having you know and people from different backgrounds and different groups like these that were people (Participant #5).*

Respondents agreed that in a bid to promote inclusivity and representation South African companies are bound by policies that promote inclusion of formerly disadvantaged groups, for example the BBBEE policy. These diversity policies are a form of affirmative action which correct the wrongs spearheaded by apartheid. They do not only serve as affirmative action but also improve innovation and business performance through the inclusion of people of diverse backgrounds.

> *One is diversity in the workplace, so that predominantly black empowerment. So of all the vacant positions created in Spar, we have to ensure that at least 51% of them are full by people of previously disadvantaged groups or and even then, the explanation why you cannot needs to be submitted with the actual appointment. So when it comes to the end of the year, there is an exercise done … And again, we are incentivised by trying to ensure that where possible we look to expand our business into or through ownership into black ownership and that is not black that would be Indian, it would be coloured will be any the other ethnics group other than simply white* (*Participant #11*).

> *We would say that's what we're gonna do and then we'd have the hard conversations know white people. It doesn't mean you must line up so we can push you out of the out of the window. It does mean, though, that if there are two suitable candidates for the same job, we're gonna hire the person of color and we're going to and I'm expecting you to hire new people of colour and and so on and so on and so on* (*Participant #8*).

Compliance to these diversity policies help to ensure that people from disadvantaged backgrounds are protected by law. These national policies have a direct impact on how businesses operate in the South African environment.

because of the Regulatory and governance suit with the board has, as said, we are operating this is a license to operate. So we will have diversity (*Participant #14*)

The one is leadership commitment, irrespective of the regulatory commitment. So you don't need a regulatory commitment to say diversity is good, but you if you have a leader who really believes it, it will happen. So once you've thought leadership commitment, I do think that what gets measured gets done. And so you do need to, I think, put it in scorecards AM and when I say it, so it might be a target in a target, I want 50% of your staff to be female, OK or it might be initially something less than a target, but a commitment towards do you know what I mean? (*Participant #6*)

Additionally, from the excerpts above it is apparent that the quota system also calls for the inclusion of women and the broader races of South Africa in leadership positions. Organisational culture contributes to the compliance of regulatory frameworks in place. The right leadership will follow the law and policies that govern their business operations is an important aspect in the pursuit of better performance.

One respondent mentions that the constitution of South Africa is key as it provides the legal framework that governs corporates. Also, if one is to be a JSE listed company it must also comply with the regulations provided.

So we have a raft of first legislation. Could we first have the Constitution from which all things flow, and then from the Constitution we have regulation and legislation, and because we come from the history that we have, the had to be legislation to correct the imbalances of the past, which is fine, and the legislation gives you either some targets to achieve in a voluntary way or in a mandatory way, and so it becomes a compliance thing (Participant #2)

We do have both the JSE you have got the necessary regulatory bodies, bodies that are doing the audits and coming to challenge your business plans about you know changing your diversity profiles and you know we have the audits every now and again with engagements with departments. But I think what we have done, and perhaps not as successfully, but at least it is also been included in STI's. So you have got. I am in your incentives BEE element, which is roughly 10% of your STI around 2 aspects (Participant #11)

Most respondents agree that heterogeneity and integration-centred policies have contributed to the introduction of diverse boards. Diverse boards introduce multiple views and realities that assist in deciphering consumer needs. Furthermore, board diversity encourages growth in business and innovation while at the same time playing an important role in redressing the wrongs of the past.

Notably, responding to how useful the existing diversity policies are towards ensuring business innovation, participants were unable to provide a direct answer even after being probed. It was unclear what the effect of the existing diversity policies is on the potential for innovation within the business. However, it was clear that diversity was seen as a positive attribute that brings through diverse solutions and collaboration that is founded on multiple unique ideas. This diversity is assumed to drive innovation in a corporate setting due to harnessing many different perspectives.

My hypothesis would be that, if we ended up with, with a grey team, we would not have the innovation. But it's difficult to say that this element of diversity or that element of diversity combined, but, I know this is your academic study. But for me, it's almost obvious that if you've got people who come at things from a different way, you're going to get a better solution than people who only look at it that way. (Participant #5)

Respondents agree that though no specific policy is designed to promote diversity per se, however there are policies that do exist to promote demographic inclusion of all. These policies include remuneration policies centered around how much people are paid and these policies demand a certain racial profile quantity. The potential effects of this policy on innovation is that having a balanced racial profile in a business allows for creativity that emerges from experiences of individuals from diverse cultural backgrounds and racial profiles. The multiple dimensions of diversity are seen to contribute positively to business prosperity to which innovation is one such example that leads to business success. Thus, arguably, diversity encourages innovation.

So in terms of diversity policies, right, you've got the JSE, so you've got the 30% and all the different diversity stuff. Where I chair I take a diversity lens on everything that happens at REM and salary offers. I ask is there any kind of obstacle or barrier to diversity that arises out of our remuneration policies and practices and guidelines. So I'm just saying that the diversity lens needs to be distributed across all governance spheres subcommittees, and then it works. Because when people talk about diversity, they will focus on age, race and gender. But there are multiple dimensions of diversity. and I do believe that having that diversity from board level right down to the cleaner or the driver, I think because what it does is that it brings a multiplicity of perspectives on how people can contribute to the business and how they can contribute to the improvement of the business and how they can contribute to the prosperity of the business. (Participant #7)

Respondent 2 notes that the constitution is seen as the foundation for all legislation and policies. It is seen as the backbone which forces businesses to comply with creating organizational policies that foster diversity. It is thought that businesses create and implement policies that cater to diversity as a compliance measure and not out of genuine interest in the wellbeing of their employees. This means that for some businesses policy formulation is merely tokenism which can arguably hinder innovation if there is no unity of purpose nor knowledge sharing amongst the individuals whose diverse demographic profiles have been grouped together.

We first have the Constitution from which all things flow, and then from the Constitution we have regulation and legislation, and because we come from the history that we have, there had to be legislation to correct the imbalances of the past. Legislation gives you either some targets to achieve in a voluntary way or in a mandatory way, and so it becomes a compliance thing. So the policies emanate from regulation and legislation because of necessity, not because of people genuinely believing that this is the right thing to do. We love the diversity and all of these things, but it does not permeate through their presence in everything that they are saying and that they are doing, so these things need are all interconnected. And that is truly about caring, creating a caring, supportive, enabling empowering environment. And it is all about the experience right now. (Participant #2)

Similarly, the JSE expects all companies that it has listed to have some form of diversity policies that align with its expectations which are also founded on the country's Constitution. This forces companies to comply with the creation of policies yet policies are seen as a detriment and a hindrance to innovation. As a result, it is believed that innovation should not be governed by policies as these actually kill innovation.

And when it comes to diversity and all the boards, to be quite honest if I look at it and I don't wanna talk about any of the companies in particular, but if I look at all the boards, they will all have a policy because the JSE require you to have a diversity policy and we review the Charter twice a year, once a year. So I think for me on innovation, you can't govern it with policies, because that will kill innovation. So policies for me with regards innovation, I just don't think that's the right thing. (Participant #10)

There is a strong correlation between existence of diversity in the workplace and being innovative. Innovation is seen to be boosted by the existence of heterogenous characteristics within the workplace hence the importance of having policies that encourage diversity and inclusion.

I think there's a very strong correlation that improvements in diversity and particularly the questions around "is this an environment that you can be yourself and you value all the work you do" closely correlate to innovation. (*Participant #4*)

Most respondents agree that when different personalities come together as a result of integrative policies that combine diverse and heterogenous demographic profiles, there is always a chance that the personalities will either blend well together or that there will be an incompatibility challenge. In cases where there is good compatibility amongst the members despite their heterogeneity, there is unity and collaboration as well as good board functionality for business success. One can argue that this business success can have a positive effect towards encouraging innovation.

I felt that I had quite a nice board, quite a good functional board assembled and it was both diverse and complementary. So if we looked at the skills that had been brought to the table, the ethnic mix, and the attitudes, the ages, we had quite a nice range of that. So you know, we had a strong financial bias and then we had a we had the legal input, we had different thought processes, different personalities and the personalities are what gels or doesn't gel. And I think that for a small board, we had quite a mix of skills and backgrounds ages. (Participant #1)

Theme summary: Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance

Respondents agree that there exists multiple diversity and inclusion-centred policies in boards for companies that belong to the JSE. These policies are founded on the principles of South Africa's Constitution. Though none of the policies discussed were specifically designed to promote innovation majority of them do promote innovation as the presence of diverse perspectives and diverse demographics within board is seen to boost business performance which consequently encourages innovation. This finding is however largely inconclusive as participants failed to adequately answer the question of how useful the existing diversity policies are towards ensuring business innovation, despite being probed by the researcher.

5.3 Conclusion

Below is a summative table which captures the essence of all key themes which emerged in this study as well as their categories:

Table 6: Summary table of all key themes and categories

Question 1 Themes	**Question 1 second order categories**
Shared insights and collective intelligence	Creativity
	Curiosity
	Experience
	Knowledge
	Promote diversity
	Competence
Tug of war on ideas	Change
	Reluctant to change
	Old people
	Old generation
	Young people
	Younger generation
	Younger generation influence
	Younger voices
Question 2 Themes	**Question 2 second order categories**
Business growth	Promotes transformation (post-apartheid)
	Decision making
	Wealth of experience
	Understanding consumer base
Unity of purpose	In vs out group
	Common goals
Question 3 Themes	**Question 3 second order categories**
Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance	Innovation
	Diversity
	Inclusivity

Source: Authors own

The study found that young people's ability to adapt to technology easily as well as their ability to bring forth fresh ideas can be combined with older people's many years of experience in the market to create shared insights and collective intelligence between the two groups for the benefit of boosting a company's potential for innovation. It was also revealed that a tug of war on ideas is sometimes inevitable on age diverse boards due to the differences in priorities and thought process of the old versus younger members. Also, different backgrounds and experience bring forth different levels of tact which can result in better performance. Diversity on the board results in richer ideas that will also shape the decision making of a board. Board diversity if well managed encourages unity of purpose which stems from setting goals as a team and work in unison to achieve them. Unity of purpose enables diverse teams to thrive as board diversity initiates divergent views which are then channelled towards creating common ground. Lastly, it also emerged that South African companies are bound by policies that promote inclusion of formerly disadvantaged groups as a form of affirmative action which correct the wrongs spearheaded by apartheid. These policies do not only serve as affirmative action but also improve innovation and business performance through the inclusion of people of diverse backgrounds.

CHAPTER 6: DISCUSSION AND ANALYSIS

6.1 Introduction

This chapter provides a discussion of the findings of this study which have been outlined in the preceding chapter. The similarities, differences and contradictions that these findings revealed versus existing literature provided in chapter 2 are discussed. Further, the chapter highlights the researcher's own arguments in relation to the findings. The key themes are discussed in order to provide insight and perspective into the impact of board age diversity on an organisation's performance trajectory through the perspective of board members.

6.2 Discussion

6.2.1 Question 1- How does the variation of age on a board influence the potential for a company's innovation?

There emerged contradictory perspectives on this question as some participants felt that age diversity on a board promotes adoption of innovation due to shared insights and collective intelligence shared between different generations of people. However, another group of participants shared completely different sentiments as they felt that when there is age diversity on a board there is tends to also exist the unintended consequence of a war on ideas as young people with their fresh ideas and technological appreciation can fail to reach consensus with the older board members whose wealth of experience sometimes limits their creativity and risk appetite.

Theme 1: Age diversity promotes shared insights and collective intelligence for innovation

The study found that young people were believed to possess fresh ideas by virtue of being youthful. The younger generation were seen as key agents of new ideas which often do not come from the older generation. This is because the older people were believed to play it safe by using the same ideas that they are comfortable with repetitively. The existence of an age-diverse board was therefore seen as beneficial for improving adoption of new innovation in a company as the youth can contribute meaningfully to new ideas. This finding is supported by Gerhardt et al. (2022) who argue that age-diverse teams are valuable due to their diverse characteristics that each person brings on board due to different backgrounds. This occurs only if members are open to sharing and learning from their differences. One can argue that improving a company's ability and rate of adopting innovative ideas rests on that board's willingness to accommodate young people and a willingness to genuinely incorporate their ideas into their business strategies.

Since young people were revealed to have a quicker adaptation to new technologies, it is in the business' favour to incorporate young people onto boards for effective strategic implementation which will lead to the successful adoption of new innovations. However, participants also revealed that the older generation contribute immensely to boards due to their wealth of experience which should ideally be complemented by the fresh ideas which young people bring. This shows how age-diversity on a board creates conditions that are conducive for boosting a company's innovation if both the young and old have a good and functional work relationship that allows for openly sharing ideas and genuinely engaging one another. One can argue that since most boards generally have more older people in positions of authority such as the CEO this requires these people in positions of leadership to create conditions that encourage the voice of the younger people to be heard, respected and considered.

The findings of this study contradict Jonson et al. (2020)'s assertion that a homogenous board which is comprised of individuals who predominantly share similar values results in better communication and goal congruence. Instead, this study found that age-diversity creates heterogeneity on a board in terms of generational differences, expertise and ideological perspectives which still produce goal congruence as everyone is playing on the same team which is to see the business growing. The only difference here is that Jonson et al. (2020) also associate homogenous boards with better communication which this study has attributed to top leadership of boards such as CEOs as they are seen to play a key role in fostering unity, teamwork and good communication amongst board members regardless of age. This way the voices of the younger member are heard and considered and not overlooked as a consequence of age.

One can argue that the fact that age diversity was seen to promote a company's adoption of innovation is supported by the case study of Nokia which saw a leading global cell phone giant fall to its knees due to leadership that refused to incorporate young fresh voices and ideas onto their many years of experience (Vuori & Huy, 2022). The rigidity which was applied by Nokia's leadership led to poor adoption of smartphone innovation processes as ideas and suggestions could not flow freely in the organization. The challenge thus lay with top leadership's inability to incorporate ideas of those below them yet this diversity is key for bringing forth new ideas. Similarly, Liu (2023) highlights that board diversity has a significant impact on the governance efficiency of a business as the characteristics possessed by top management impact on corporate governance strategies implemented (Liu, 2023). Therefore, using the Nokia case study, it is evident that top leadership even within boards play a key role towards fostering an environment that allows for shared insights and engagement amongst diverse individuals. Vuori and Huy (2022) also agree that innovation requires highly effective information sharing amongst diverse organizational groups (Vuori & Huy, 2022).

The findings of this study are similar to those by Tshetshema and Chan (2020) whom in their study on board diversity found that the presence of demographic diversity is important when firms are setting up teams for establishing innovation projects. These scholars argue that demographic diversity in the form of age, gender and culture increases the team innovative performance. These scholars examined the impact of demographic diversity as a whole whilst the researcher in this study narrowed down to focus specifically on the impact of age alone on innovation performance as this area has limited research. Nonetheless, age diversity was therefore seen as a key driver of innovation in this study as both young people and the older generation have valuable knowledge and key insights which when combined will result in collective intelligence for the effective, tactical and relevant adoption of innovation for the benefit of a company's growth.

According to Sarto et al. (2019) age diverse boards have the benefit of having members who have diverse work experiences, different role functionality and expertise due to the need to balance existing knowledge and skills of the board of directors in order for them to govern effectively. These scholars argue that understanding how this diversity manifests and influences decision making and innovation performance is important as human capital plays a key role towards the decisions that the team makes. Thus, the diverse qualities that the board of directors possess founded on age diversity enhance problem-solving and stimulate constructive debates towards innovative business solutions. Sarto et al. (2019) further argue that these diverse qualities also stimulate new insights amongst the board of directors. Again, one can argue that the existence of age diversity alone does not create an advantage towards business innovation as this diversity needs to be harnessed and intentionally utilized through engaging both the young and old and considering both their perspectives for the benefit of the business.

Peens and Taylor (2017) and Zajiji et al. (2021) have argued that in the South African context many listed companies have sound theoretical board diversity and inclusion policies on paper yet in practice there exists mixed results regarding the effectiveness of these policies towards business innovation. This is because the presence of a diverse board has been seen to not necessarily translate to effective collaboration amongst people of diverse demographic characteristics which means the presence of mixed ages in a board will not necessarily lead to business innovation.

Participants spoke of the fact that the younger board members are likely to be millennials hence they are likely to grasp and adapt newer technologies much quicker than their older counterparts. The youthful members also have a higher risk appetite which can drive business innovation and performance. They are not afraid to venture into unchartered waters or new territories. Their bold nature increases the potential success of a company's innovation. Here one can argue that there is a positive benefit of employing millennials on boards for adopting innovative practices within businesses as millennials are creative in their own unique way. Firstly, this study will at this juncture employ the definition of millennials by Dwivedi and Lewis (2020) which broadly states that millennials are individuals who were born between 1981 and 1996 which technically makes a 42 year old board member in 2023 a millennial. Dwivedi and Lewis (2020, p. 1) further make the following argument about millennials:

> *"…millennials are synonymously referred to as Generation Y, digital natives, and the 'net' generation. Representing the cohort that grew up alongside the fast-paced development of information communication technology, millennials tend to be early users of technology and are inherently tech-savvy. This exposure to technology from a young age has informed their perception of reality, shaping how they learn, behave, and think; making them different to previous generations at the same age."*

Given the above definition and characteristics of millennials raised, one can argue that if board leadership can be versatile, open-minded and flexible when recruiting and dealing with millennials, there is a possibility of tapping into their tech-savvy nature for innovative ideas which are appropriate for the business. Their appreciation for technology shapes how they immerse themselves in technology compared to the older generation of board members which according to Dwivedi and Lewis (2020) would be anyone above 42 years old. It can further be argued that the effective collaboration between millennial board members and the older generation requires a reciprocal understanding between millennials and the older generation where each understands how each works and thinks as their working relationship has to have some form of mutual understanding and engagement. However, this is not to say that all millennial ideas are innovative as the older generation with their vast wealth of experience can contribute more appropriate innovative business ideas.

Theme summary: Age diversity promotes shared insights and collective intelligence for innovation

This theme revealed that age diversity promotes shared insights and collective intelligence for innovation. This finding is supported by scholars who argue age diverse boards have the benefit of having members who have diverse work experiences, different role functionality and expertise due to the need to balance existing knowledge and skills of the board of directors in order for them to govern effectively. Therefore, age-diverse teams have value because they connect people with complementary abilities, skillsets, information, and networks. The researcher argues that since young people as millennials were revealed to have a quicker adaptation to new technologies, it is in the business' favour to incorporate them onto boards for effective strategic implementation which will lead to the successful adoption of new innovations. However, participants also revealed that the older generation contribute immensely to boards due to their wealth of experience which should ideally be complemented by the fresh ideas which young people bring. The findings of this study contradicts assertions by other scholars who state that a homogenous board which is comprised of individuals who predominantly share similar values results in better communication and goal congruence. Instead, this study found that age-diversity creates heterogeneity on a board in terms of generational differences, expertise and ideological perspectives which still produce goal congruence as everyone is playing on the same team which is to see the business growing.

Theme 2: Tug of war on ideas

The contradictory perspective raised by the other half of participants was that where age diversity exists on boards there can be a clash of ideas between the young and old. For example, young people can be a little immature or make hasty decisions without considering the bigger impact of their decisions. Meanwhile, the older board members were seen to have more understanding and exercise wisdom in decision making. Therefore, a tug of war on ideas is sometimes inevitable on age diverse boards due to the differences in priorities and thought process of the old versus younger members. This finding is supported by Liu (2023) who argues that having diversity amongst board members slows down decision making and progress as it takes longer for the individuals of different characteristics and backgrounds to agree on decisions. The argument here is that board diversity can actually slow down business performance compared to businesses that have more homogenous boards as these tend to make decisions quicker given their alignment of ideas and perspectives.

Similarly, Pesch et al. (2015) also found that differences in age amongst group members hinders business performance due to conflicts and misunderstandings that tend to arise due to generational differences. This study found age to be a hindrance to innovation. In a similar vein, Bashir et al. (2021) raise similar arguments that age diversity can actually limit productivity and lower organizational performance due to poor compatibility amongst employees of different ages. They argue that age differences can limit progress sometimes due to existing biases by certain age groups against other age groups within the same workgroup. One can argue that generational differences in the form of age diversity can only be counterproductive if no effort is made by the members to have a productive functional relationship where ideas and insights are shared. Similarly, this also calls for leadership to intentionally foster and nurture those relationships by creating an environment that encourages teamwork and respect for ideas raised by the different age groups. If leaders are lax about creating an environment that fosters teamwork then this increases chances of disunity and a dysfunctional age diverse board.

However, Bashir et al. (2021) also argue that in some instances age diversity can have no impact on organizational performance. In contrast, this study found that the presence of age diversity on a board is not ineffectual but rather that the presence of different ages always causes some form of impact whether positive or negative towards business performance and adoption of business innovation. In this contradictory theme, the argument is that age diversity is counterproductive as different age groups on a board do not always find middle ground as the different ideologies brought about by different stages of life do not always align. It was highlighted that though the older generation are said to be less innovative they are still innovative nonetheless even if their creativity is not in line with technological adoption. Therefore, based on this finding, one can argue that a company's ability to initiate, adopt and utilize innovation for business growth and success is not necessarily dependent on having a board that has diverse age groups where the younger people bring fresh ideas but rather that as long as the board has highly creative individuals regardless of age then it is likely to succeed in adopting business innovation.

Sarto (2019) highlights that the empirical studies which have been done on board diversity largely show inconclusive results on the impact of age diversity on business performance with some showing that this diversity positively guides strategic decision making whilst other studies have shown that it actually hinders it or slows it down due to the dominant influence of the CEO whose decisions are often skewed towards his expertise and characteristics. However, this study showed that the board leadership such as the CEO actually play a key role in fostering teamwork to create an environment where collaboration of ideas occurs amongst the different ages within the board. This finding is different from that of Sarto (2019) in that it revealed that top leadership such as the CEO plays a key role in creating an environment for functional age diverse boards towards business innovation whereas Sarto (2019) found that this top leadership actually steer the direction and adoption of innovation on their own through using their personal interests, experiences and expertise. Therefore, the CEO actually disregards or overlooks key contributions made by other age diverse members on the board in favour of his/her own ideas.

One can thus argue that such board leadership within companies perhaps implement age diversity on boards as mere tokenism where having a mix of young and old people is just a tick-box exercise for fulfilling company diversity and inclusion policies or for public image. Guldiken et al. (2019) discuss tokenism as a concept where board diversity is implemented artificially yet the ideas and contributions of some of the diverse members are disregarded or overlooked as the leadership of these boards add diversity only due to social pressure and a desire to display a certain image of equality to the public. One can argue that based on the findings of this study such instances do not necessarily cause a tug of war on ideas as suggested by this current theme. Instead, there will be adoption of ideas that those with greater authority deem fit and appropriate. The challenge with this is that age diversity will only be implemented as a token and as symbolism which can consequently limit adoption of innovation if the top leadership make the wrong decisions.

Since the study found that in some instances the tug of war on ideas manifests on boards through older members failing to connect with the ideas and risk appetite of young people this causes a form of discrimination within the board where the younger members fall victim to the bullyish behaviour of the older members. One can argue that this tug of war where members cannot reach a consensus or incorporate ideas of younger members too will limit a company ability since the input of the younger members is not incorporated yet it may be valuable.

Within the South African context, scholars have argued that post-apartheid the country's corporates have in line with the constitution implemented diversity and inclusion policies to which age diversity falls within demographic diversity (Scholtz & Kieviet, 2017; Viviers & Mans-Kemp, 2017). One can argue that this constitutional foundation has obliged companies to display some form of acceptance for diversity given that the country is seen as a rainbow nation. This could possibly be one reason why there exists this tug of war on ideas which participants in this study raised as they serve on boards for South African companies listed on the JSE. More senior and older members of boards could be failing to collaborate with the younger members as they could be seeing them as serving an obligatory purpose to appear politically correct in a nation that promotes diversity and inclusion. Therefore, though these policies exist, more is required from the boards to ensure that all voices are heard and represented within the board to ensure business innovation is achieved. This of course does not apply if the ideas being raised by the younger members are not innovative enough or are inappropriate or too risky without adequate justification. This also requires that companies hire board leaders who are progressive, open-minded and not threated by young members ideas.

Theme summary: Tug of war on ideas

This finding is supported by scholars who argue that having diversity amongst board members slows down decision making and progress as it takes longer for the individuals of different characteristics and backgrounds to agree on decisions. This therefore delays or even hinders effective business innovation. However, other scholars argue that in some instances age diversity can have no impact on organizational performance. In contrast, this study found that the presence of age diversity on a board is not ineffectual but rather that the presence of different ages always causes some form of impact whether positive or negative towards business performance and adoption of business innovation. This study also showed that the board leadership such as the CEO play a key role in fostering teamwork to create an environment where collaboration of ideas occurs amongst the different ages within the board exists. This finding is different from that of other scholars in that it revealed that top leadership such as the CEO plays a key role in creating an environment for functional age diverse boards towards business innovation whereas other scholars have found that this top leadership actually steer the direction and adoption of business innovation on their own through using their personal interests, experiences and expertise.

6.2.2 Question 2- What are the mechanisms through which diversity impacts business performance results?

Theme 1: Business growth

Research question two aimed at unpacking how diversity on a board impacts business performance results. This question focused on the broader demographic diversity which includes, gender, nationality and educational background. The participants interviewed revealed that board diversity played a significant role in promoting business growth through for example, the rich experience they bring which can result in competitive advantage. A diverse board means that the business can have wide reach in the market and serve its customers and consumers. If more than one gender and nationality as well as different educational backgrounds are represented, the business can perform at an advantage in its industry against competitors who lack this demographic diversity.

Similarly, Hirt et al, (2020) note that diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge. This can be attributed to differences in thought and practice which comes with diversity. Also, this can also help the companies to better understand consumer needs and spending behaviour.

The wide literature on diversity and business performance discusses the importance of educational background diversity, for instance Gomez and Bernet (2019) state that board diversity has a positive influence on return on investment. Their research found that gender and education diversity had a more positive impact on return on investment while foreigner diversity had a negative influence.

However, this study did not find this particularly evident as some participants seldom mentioned educational background diversity as having much weight in business performance. Educational attainment is important in business but one can argue that it can be complemented by other skills that can be found in non-formal education. Having a board with members who have different education levels may improve business strategies which in turn create value for the shareholders.

Rather, some participants in this study mentioned the importance of nationality diversity as having much bearing on an organisation's business performance, with it promoting business growth. More so, it brings about better understanding of global markets. This understanding can then translate to better products and services for the companies' customers and consumers. It can be argued that celebrating diversity with the aid of the right leadership can steer an organisation into the right direction. The organisational culture of adhering to diversity regulations is paramount as divergent views and experience if well managed can usher an organisation into remarkable business growth (Fernández-Temprano & Tejerina-Gaite, 2020).

Gender diversity amongst board members helps members to come up with the best management style to govern the conduct of the management team and its subordinates. The South Africa's National Policy Framework for Women's Empowerment and Gender Equality (2023), which encourages inclusivity of women in businesses has shown the need to have a board that makes both genders in the workforce air out their concerns without any reservations. Having women on the board of directors will also serve as inspiration to female workers to know that there is no glass ceiling to how far they can go in management. This will bring out the best in the workers and the organization will benefit from having employees who will be working towards reaching self-actualization.

Nationality diversity of board members particularly in the Southern region of Africa can foster rapid expansion of business operations beyond the border. With globalization already making global markets accessible for most businesses, having representatives in neighbouring countries is a great opportunity to grow an organization's online presence (Boafo et al., 2022). This is made easier when the board is constituted by different members from different countries. These members come with ties from their home countries and professional associates based in their home country. Having someone influential with a high potential to create social pull in a potential market will make it easier for a company to expand its operations in new markets.

The story of Richard Montanez, a former Janitor at Frito-Lay, who was part of the launch of the 'Flamin' Hot Cheetos' serves as a testament on how having members from different nations in the board of directors promotes innovation that can change a company's trajectory on the market (Price et al., 2020). Being of Mexican heritage, he chose to incorporate a flavour that had been a favourite of the masses in his home nation, hot chilli. This flavour changed the corn puff business and roped in a large market share for Cheetos.

Having board members who come from different educational backgrounds is highly advantageous as this promotes connections with other businesses in the same industry. Having a diverse board with different alumni from different educational institutions improves the social capital base of other influential individuals in businesses within the same industry. The schools that one attended determine the caliber of their social capital. According to Crimson Experts (2022), “one of the most beneficial aspects of the Ivy League is the power of the alumni network. The alumni network consists of all graduates from a particular university and typically extends well beyond college friendships.”

6.2.2.1 Decision making for business performance results

This study reveals that decision making is an important aspect in board heterogeneity. When there is a set of divergent views on the board they can be channelled into finding the best possible decisions that improve the company’s performance. Winkler et al. (2020) echo the same sentiments where they argue that a demographically diverse board is expected to be proficient in decision-making, supervision, advisory services and monitoring. A board’s decision making is sharpened when there are multiple views, diverse backgrounds and experiences. Board diversity brings in a wide range of knowledge, skills and perspectives, which promotes improved decision-making and more effective risk management in businesses (Galbreath & Gavin, 2019). This leads to a strengthened decision-making process and a more robust risk management strategy.

The participants in the study articulate that decisions on the right markets to explore or better decision making can be achieved through a diverse board. Nationality diversity was pinned as important on board diversity as the rich experience and expertise that comes from different environments and markets can improve a business’ performance trajectory.

6.2.2.2 Gender diversity for business growth

The participants of this research discussed gender diversity as important in shaping the diversity of a board. In as much as gender diversity is crucial, it can often be viewed as affirmative action, instead of merit based. In this case, a board with more than one gender can only be ceremonial instead of being underpinned by the need to improve performance. Therefore, this can hamper potential growth of the company, leading them to lag behind in their respective industries.

Some participants spoke of gender diversity as a legal requirement to fulfil a quota system and noted that in some male dominated sectors women’s input would not be fully considered. This can hamper business growth as gender diversity can bring business ideas and solutions to problems stemming from gender diversity amongst consumers, clients and the companies’ workforce at large.

Contrary to this, Zaid et al. (2020) underscore the importance of gender board diversity in impacting positively an organisation’s social performance. More females on the boardroom may enhance a company’s performance mainly because they possess female attributes such as empathy, kindness, sympathy and interpersonal sensitivity. These attributes enable women to be more responsive to the needs of different stakeholders.

Also, inclusion of more than one gender in a board can enhance the mentoring and oversight of management. The addition of directors and with different backgrounds, skills and perspectives stemming from the difference in gender can help a board provide management with advice and guidance from and to a wider variety of perspectives. Different genders have different strengths and if these are incorporated in the business environment, companies can enhance performance. This in turn can lead to substantial growth of the business.

More so, gender diversity amongst board members and management may also help in the drafting and implementation of conflict management and overall human capital management policies. Women are nurturers by nature and they offer stability in making decisions that favour the performance of a business in the long run. Bonyhady (2022) expressed how Robyn Denholm was the best candidate to replace the brash and impulsive Elon Musk because of her professionalism and deliberate decision-making qualities. Joshi et al (2023) shared a list of 10 fortune five hundred companies that are being run by women and also shared the resources that have been made available only for women. Female representatives can create opportunities for more business from Non-Governmental Organizations and other institutions which are more inclined to working with women because of the traits they possess. Nevertheless, the inclusion of women can not only be seen as affirmative action, but a business strategy that potentially improves business performance.

It can be reasoned that gender diversity on the board can promote business growth especially if the context is properly examined, Male dominated sectors such as Hardware as one participant mentioned may see women being shunned hence having a negative impact on financial performance. Therefore the need for market research to ascertain the consumer’s needs cannot be overstated as this can contribute to profit maximisation and ultimately business growth. Although, Andersson (2022) and Lo and Kwan (2017) argue that while profit maximisation is still considered as the primary and survival goal for firms, social and environmental factors are now equally important.

The participants in this study highlighted the importance of diversity on the financial aspect of business performance but the social and environmental aspect in the South African context was barely explored. This is contrary to the vast literature on Corporate Social Responsibility and board diversity where for example, Zaid et al. (2020) highlight the importance of gender board diversity in impacting positively an organisation's social performance.

More females on the boardroom may enhance a company's performance mainly because they possess female attributes such as empathy, kindness, sympathy and interpersonal sensitivity which are vital in Corporate Social Responsibility (Andersson, 2022). However, the participants of this research did not highlight the importance of gender diversity on the board and its effects on Corporate Social Responsibility.

With that in mind, one can argue that, in the South African context with a history of apartheid which was an emotionally charged period; gender diversity may aid in Corporate Social Responsibility as women may be viewed as more empathetic and sympathetic. Therefore, they may come across as more in touch with the emotive side needed for successful Corporate Social Responsibility. Also, visible involvement of women in Corporate Social Responsibility may present a more attractive image of the company to consumers and various stakeholders. This can improve a company's reputation among consumers and customers. It can also improve customer loyalty and trust which in turn can translate to improved business growth.

Additionally, Corporate Social Responsibility has the potential to attract customers to a business because of the visibility they gain through social services that they provide in the community. It becomes a strategic business move if visibility is promoted especially in disadvantaged communities where there is need for community development projects.

Gender diversity was secondary compared to racial diversity which featured from all the participants in the study.

6.2.2.3 Racial diversity as transformation for growth

Participants highlighted that corporates governed by the drive for transformation in representation and inclusion may have a competitive advantage in the market. Furthermore, innovation, financial growth and racial diversity within the board bring more positive outcomes in the business trajectory of a company. This is so because diverse ideas are brought forward when different backgrounds merge together. This can only work when these are coupled with the right business principles. Therefore, this diversity can translate to business growth. Likewise, according to Gomez and Bernet (2019) a heterogeneous workforce is essential for establishing innovative products, services, and business practices that can make an organisation stand out and give it a competitive advantage in the marketplace.

Additionally, South Africa as a rainbow nation with a significant number of black citizens, having black board members benefits the market. This is so because the black community may benefit from having a representative with regards to products and services they use and that affect them. This shows the need for those responsible for making decisions to understand the market through shared experiences with their customers and clients. When a customer feels that their needs are met, it becomes easy to be loyal to a brand or a service, thereby promoting the growth of a business.

However, there is a possible downside for this as some businesses may only have black board members or senior management to fill in the BEE legal requirements to obtain benefits from the government. Also, this may also be done to have an advantage in the market, as black customers may favour doing business with a company with black representatives on the board or leadership.

On the other hand, having an organisation with a racially diverse board composition is crucial when the board hires foreign investors as part of the board. This helps in bringing new ideas to the company for the local market which may improve market presence and share. This is contrary to what Mahadeo et al. (2012) and Mihail et al. (2021) found on board composition and financial performance where foreigner diversity has a negative influence on return on investment.

For a country like South Africa where unemployment is high and the influx of foreigners' impact on the job market is still to be carefully assessed, it is prudent to navigate these dynamics tactfully. Nationality diversity in this regard may fail to bring much needed returns if this is already a contentious matter to begin with. Rather, it may be beneficial to promote board diversity in various other ways such as ethnicity and racial diversity in a bid to be aware of the social surroundings of the environment in which their business is operating in.

Thus, such decision making can only be done if there is robust conversation on the board which is fuelled by divergent views.

The impact of racial diversity on board performance as found in this study is essential for business growth. This is in line with (Hwang & Kim, 2023) who discuss the advantages of board diversity for business which are that it fosters creativity, sparks innovation, and encourages problem-solving.

6.2.2.4 Understanding and expanding the consumer base

Understanding the consumer's needs and wants is central to business growth as it is the essence of business. Understanding the consumer base enables the business to find their target market by ascertaining their needs so that services and goods are tailored to meet those needs. As the customer base grows, customer loyalty, customer retention, and recurring revenue will also grow. Hirt et al. (2020) note that diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge.

After an organisation understands its current consumer base, it will be a step closer to broadening its horizon and expand the consumer base of the other products they offer. As the board of directors are at the helm of ensuring the company remains profitable for the benefit of shareholders, coming up with strategic objectives that are broad and diversified will usher senior management to know which avenues to pursue to maximise profitability efficiently. This means that having members from a wider spectrum will be of financial gain to an organisation. For instance, one of the fastest selling hydration beverage, Prime, took the beverage industry by storm (Zhang, 2023). Its team consists of content creators, sport scientists, food scientists and athletes. This helped them expand their consumer base fast enough to make the sale a billion bottles in less than two years. This was made possible by getting accurate information on how to market products online, provide hydration whilst maintaining a desirable flavour.

Participants in this study mentioned that broad demographic diversity improves the chances of understanding the market and how consumer needs can be met. Consumer satisfaction can be measured as an outcome for business success. This coincides with Gomez and Bernet (2019) who notes that the presence of ethnic diversity on corporate boards improves the understanding of customers' preferences and requirements where the same ethnicity exists. Being an ethnically diverse country, South African consumers can better be understood through research of the consumer needs to learn demographic details and purchasing habits. Additionally, understanding consumer trends is also central to keeping businesses afloat, hence having a diverse board that manages to understand these vital trends is core for business.

A lack of understanding of the consumer who is the target market is detrimental for business as losses can be easily incurred. It can be reasoned that failure to understand the consumer base will leave other areas of the market underserved which has a direct effect on business growth.

Theme 2: Unity of purpose

Diversity is a key factor in promoting unity of purpose for business growth. Diverse experiences and ideas in the board room can provide proper business strategies if they are directed into finding common ground as unity of purpose. Unity of purpose is a foundational business principle that encourages goals and visions to be strategically followed in unison.

This study also incorporates the social identity theory which suggests that people's understanding of self is based on social categories and group memberships. Social identity involves a person knowing that they are part of a specific social grouping which they attribute certain value to (Allen, 2023). Belonging to a group in an organisation can create a cohesive and efficient organisation which is good for business performance.

Some participants in this study noted that capitalising on individual strengths and ensuring that they work for the whole team by putting the best team forward is paramount in achieving unity of purpose. Understanding that the whole is greater than the sum of its parts is a sound business principle that promotes and shapes the attainment of goals. Unity of purpose has a positive effect on business performance through higher productivity and profitability. This viewpoint is similar to Allen (2023) whose understanding of social identity is premised on the notion that belonging to a social group adds value. Regardless of counter narratives that emerge in diverse boards, the attainment of unity of purpose is a commendable achievement which promotes business growth.

The cost of not belonging as one participant mentioned is high. She states that organisations lose money when people feel that they do not belong. Clearly, the motivation to work which is aided by a good work culture improves workers' performance. Likewise, Jonson et al. (2020) mention that the creation of 'in groups' versus 'out groups' create us versus them tensions on the board. Tensions on the board have a negative effect on operations and this inevitably affects business performance.

A case study of how unity of purpose on a diverse board improves business strategy and operations can be taken from Google. Google has managed to grow its business with the implementation of strong unity of purpose through organising the world's information to make it universally accessible (CIPD, n.d.). Strategic business moves that ensure that a company works towards the same goal are necessary for success as a global leader in technology and innovation.

Research question two summary

The researcher sought to unpack the mechanisms through which diversity impacts business performance results and the main themes that emerged were business growth and unity of purpose. The participants articulated that board diversity plays a pivotal role in enabling business growth and a breakdown of demographic diversity was provided and how it impacts an organisations' business trajectory. Decision making was widely presented as stemming from a diverse board that has divergent views and multiple experiences. When a board is endowed with diverse opinions, the discussion becomes rich thereby initiating proper decision making.

Another important facet of board diversity is gender based. The fair representation of both males and females on a board is presented in several research findings and it is revealed that the inclusion of women on a board is particularly beneficial. Women provide emotional intelligence to a board which is an essential tool in for example Corporate Social Responsibility and understanding consumer needs. However, no substantial information was recorded on the benefits of women on the board in this study. Instead the findings of this study suggest that women's inclusion in the board or senior management can be beneficial if the context is properly studied as male dominated industries can be discriminatory to women.

By understanding consumer needs the business can better be positioned to grow and perform better which can increase the organisation's competitive advantage.

Also, racial diversity was particularly mentioned as a key point in the discourse of the South African business environment given the injustices of the past. Racial diversity on the board is a strategic business move which ensures representation and inclusion of previously disadvantaged groups. Including diverse groups on the board becomes necessary for gaining an understanding of the market that the business is appealing to.

Lastly, unity of purpose emerged as a theme on the impact of board diversity on business performance. An organisation with a clear and shared purpose can increase the motivation of their employees. Clarity on the purpose and goals of an organisation begin with the board and senior management and trickles down to the employees who do the actual work on the ground. Further, purpose led companies enhance their performance which contributes to financial success.

The next section discusses the last question which focuses on the policies that are designed to promote diversity.

6.2.3 Question 3- What policies are designed to promote diversity and what are their potential effects on innovation?

It is important to note early on that the answers to this research question were largely inconclusive and yielded unclear results as participants could not clearly link their diversity policies to the potential effects of these policies on innovation even after the researcher probed further. The findings speak more to the diversity policies that exist in the different JSE listed companies but less to the potential effect of these policies on innovation. Below is a description of the findings in this regard.

Theme 1: Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance.

Sub research question three was aimed at understanding the policies that are designed to promote diversity and what their potential effects on innovation are. These policies are mainly centred on heterogeneity and integration policies that focus on including previously disadvantaged groups.

In as much as creating a diverse board is an essential and necessary business move, it can also be a socio-legal requirement. South African companies that seek to list on the Johannesburg Stock Exchange are governed by laws and regulations (Dzingai & Fakoya, 2017). For instance, issuers are required to adopt a policy on broader diversity on the board. This diversity goes beyond age and race but also ethnicity and educational background, skills and work experience. The participants in the study also mentioned the importance of complying with board diversity regulations and policies if they need to be listed.

Additionally, regulatory bodies do audits and come to supervise and challenge an organisation's business plans about changing diversity profiles which are also made possible with engagements with various departments (Dzingai & Fakoya, 2017). According to Temprano and Tejerina-Gaite (2020) diversity has been a subject of discussion on active policy formulation which makes it even more important to discuss the role diversity plays.

In South Africa, diversity policies are a significant part of the legislative framework in South Africa particularly in the context of board diversity. Such policies' intention is to address the historical impact of Apartheid practices on social structures and the South African labour market. The goal is to promote a more just and inclusive society. In an effort to overcome the legacy of Apartheid and diversify the workforce, the South African government put into place legislation that sets goals based on gender and ethnicity. This study confirms the use of diversity policies in the workplace as a way to promote inclusivity and encourage transformation in post-Apartheid South Africa,

However, some participants stated that having for example the inclusion of black people on the board was a legal requirement that organisation had to comply with. It suffices to say that, black people were not to be regarded as place holders only but rather knowledgeable and sufficiently capable to hold managerial and other senior positions. The same argument holds true in gender diversity as much as in racial diversity. The inclusion of women on a board should not only be regarded as fulfilment of a quota system or affirmative action. Instead, women provide a wealth of experience and benefits by their presence on the board or senior management.

Nevertheless, according to Jeffrey (2016) and Plagerson et al. (2019), the lack of success in igniting the much-needed black economic change in South Africa has caused the population to lose faith in the economic policies of the African National Congress (ANC). These scholars also note that, high level bureaucracy, inexperienced entrepreneurial minds, a lack of finance, and a lack of skills have all contributed to BEE's shortcomings in the local setting. This critique of the BEE does not come out in the findings of this study as the participants mainly discuss how the diversity policy in South Africa is mostly a legal requirement.

It can be reasoned that the actual effects of the BEE on business performance is not fully captured, in this study. However, the participants acknowledged the implementation of the policy mainly as a legal framework to be followed. Whether or not BEE redresses the wrongs of the past will need to be explored further by unpacking the statistics of black people who have benefited from the policy. The participants in this study pay attention to diversity policies that focus mainly on racial diversity as a step towards transformation, one participant mentions that their organisation ensures that at least fifty one percent is filled by people of previously disadvantaged groups.

Nevertheless, this study finds that a challenge that stems from such diversity policies is that other races, especially whites in South Africa fear that they might end up being excluded and disadvantaged too. This is so because the diversity policy calls for the employment of a black person in order to fill the statistics, however this does not mean that white people are being forced out of the labour market,

Important to note is that the answers to this research question were largely inconclusive and yielded unclear results as participants could not clearly link their diversity policies to the potential effects of these policies on innovation even after the researcher probed further. The findings speak more to the diversity policies that exist in the different JSE listed companies but less to the potential effect of these policies on innovation.

Participants revealed that in a bid to promote inclusivity and representation South African companies are bound by policies that promote inclusion of formerly disadvantaged groups, for example the BBBEE policy. These diversity policies are a form of affirmative action which correct the wrongs spearheaded by apartheid. It was also revealed that compliance to these diversity policies help to ensure that people from disadvantaged backgrounds are protected by law. They do not only serve as affirmative action but also improve innovation and business performance through the inclusion of people of diverse backgrounds. This finding supports Scholtz and Kieviet (2017) who highlight that South Africa's history of apartheid saw most companies having boards of directors that were largely homogenous and less diverse particularly between 1961-1994 due to policies that advanced segregation. Consequently, post-apartheid the country has experienced significant corporate governance reforms as well as reforms to legislation which have opened up opportunities for board diversity (Scholtz & Kieviet, 2017).

However, despite these existing policies, one can argue that there is a form of tokenism in how some of the boards incorporate members of diverse demographics as the perspectives of the certain members are not considered or implemented as was discussed in earlier themes of this study. This discourages knowledge sharing and collaboration of ideas between members of different generations and expertise thus potentially limiting business innovation. This finding is supported by Zajiji et al. (2021) who assert that in South African corporates, women, people of colour and young people continue to be under-represented in board leadership with a majority of white, older males. Therefore, despite the fact that the policies are in place, there is still unequal representation of diverse groups either based on gender, age, race amongst others.

Additionally, the excerpts showed that the quota system also calls for the inclusion of women and the broader races of South Africa in leadership positions. Though this finding did not exclusively explore gender diversity on boards, it still found that there is generally more male representation with the few female who exist especially in board leadership positions having less of a voice in the midst of male members. This finding contradicts the aim of the South African Constitution which is to encourage genuine diversity and inclusion as the country is a rainbow nation. For example, according to the South African Human Rights Commission (SAHRC, 2016):

> *"The Constitution enjoins us to inhabit and share public and private spaces in our diversity in a manner that is not mutually destructive. In this way, the Constitution encourages and celebrates difference. As a country we must realise we are a heterogeneous society, which has differences of religion, culture, race, language, habit and opinion. Therefore, one cannot attempt to impose a straitjacket on such a society, but should rather allow, celebrate and cherish diversity."*

However, despite this Constitutional clarity on appreciating diversity, one can argue that businesses need to make decisions that best suit their operational and growth strategies such that they will choose whom to incorporate on their boards based on the interests of their business and not based on emotive issues raised by the Constitution.

Notably, responding to how useful the existing diversity policies are towards ensuring business innovation, participants were unable to provide a direct answer even after being probed. It was unclear what the effect of the existing diversity policies is on the potential for innovation within the business. However, it was clear that diversity was seen as a positive attribute that brings through diverse solutions and collaboration that is founded on multiple unique ideas. This diversity is assumed to drive innovation in a corporate setting due to harnessing many different perspectives, yet scholars have shown that though there exists theoretical representation of diversity on boards, most of these differences add not much value to the boards as they are largely tokenism (Peens & Taylor, 2017).

Theme summary: Heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance

This study found that in a bid to promote inclusivity and representation, South African companies are bound by policies that promote inclusion of formerly disadvantaged groups such as BBBEE policies which are founded on the nation's diversity and inclusion foundation. These diversity policies are a form of affirmative action which correct the wrongs spearheaded by apartheid. However, despite this Constitutional clarity on appreciating diversity, one can argue that businesses need to make decisions that best suit their operational and growth strategies such that they will choose whom to incorporate on their boards based on the interests of their business and not based on emotive issues raised by the Constitution. It was clear that diversity was seen as a positive attribute that brings through diverse solutions and collaboration that is founded on multiple unique ideas.

This diversity is assumed to drive innovation in a corporate setting due to harnessing many different perspectives yet scholars have shown that though there exists theoretical representation of diversity on boards, most of these differences add not much value to the boards as they are largely tokenism. The findings of this theme are supported by scholars who highlight that South Africa's history of apartheid saw most companies having boards of directors that were largely homogenous and less diverse particularly between 1961-1994 due to policies that advanced segregation. Consequently, post-apartheid the country has experienced significant corporate governance reforms as well as reforms to legislation which have opened up opportunities for board diversity although the study found that this existence of board diversity does not necessarily result in genuine collaboration amongst members.

6.2.4 Conclusion

This chapter has discussed the findings of the study and compared its similarities, differences and contradictions to existing literature noted in Chapter 2. The chapter went further to explore new literature which was in line with the findings although this literature did not exist in the present literature review. Conclusions were reached that the existence of an age-diverse board is both beneficial for improving adoption of new innovation in a company as well as can be detrimental as there can be failed collaboration between the younger generation versus the older generation of board members. Also business growth and unity of purpose are the mechanisms through which diversity impacts business performance positively.

Business growth is a main theme that emerged from question two which focused on the mechanisms in which diversity impacts business performance results. Diversity plays a significant role in the growth of business as the divergent views, experiences and backgrounds shape the business trajectory of organizations. Additionally, unity of purpose in an organization enables the organization to work towards a shared goal which gives the company competitive advantage, thereby improving financial performance. Lastly, the diversity policy was found to be central in corporate governance where organizations are bound by law to include people from previously disadvantaged groups. The diversity policies promote heterogeneity and inclusion while promoting representation of all groups of people.

Furthermore, heterogeneity and integration-centred policies encourage knowledge sharing for boosting innovation and business performance although in practice these having diverse boards based on diversity policies does not necessarily translate to genuine collaboration and engagement of the diverse members.

CHAPTER 7: CONCLUSION

7.1 Introduction

The research problem was derived from aiming to understand the effects of board age diversity on an organization's performance trajectory. It can be noted that the research question was derived as an industry problem which can be used to drive the execution of strategy and innovation to transform large, diverse corporations in the fast-changing business environment. From a scholarly perspective it can be noted that board diversity is an enabler for the competitiveness of an organization, and its execution could allow organizational growth.

A qualitative research approach with a case study design strategy, to collect data through semi-structured interviews was undertaken. The researcher opted for qualitative approach as Saunders and Lewis (2012) highlighted that it is a suitable approach when there is need to understand and clarify a problem and understand relationship of the context. The aim being to contribute to the body of knowledge on the topic of board diversity, specifically in the large corporation companies listed on the JSE, in South Africa. Henceforth, it can be noted that the inductive approach was selected even on the conventional coding of the data collected. A literature research was undertaken which identified board diversity as a possible strategic tool for corporate venturing to enable the organization to be competitive in a tough market (Baruah & Ward, 2014). It can be noted that the research focused on companies operating in South Africa.

7.2 Critical Findings

The research focused much on the answering of the three sub-questions which were formulated to help in understanding the scope of the analysis of board diversity. It can be noted that each of the study's three questions produced answers that have been categorized to specific themes of common trends. Assessed data was presented with the aim of understanding the impact of board diversity on an organization performance trajectory. It centered on the viewpoints of board members who have served on a board for a JSE listed company in their positions for a minimum of 3 years. The main guiding question of the research being **what is the impact of board age diversity on an organization's innovation performance trajectory?**

Research question 1

How does the variation of age on a board influence the potential for a company's innovation?

The research found out two key themes that helped in answering the mentioned research question. These themes were categorized as, shared insights and collective intelligence and tug of war on ideas.

The research findings found out that the younger age is of paramount importance in helping organizations attain set goals. Henceforth young minds help to propel companies to reach the potential innovation. Young people adapt quickly and are bound to bring fresh ideas whereas on the other hand older people are slower to adapt to newer technologies. The study has shown that a board that has age diversity is more likely to reach potential innovation faster as compared to a board that does not value age diversity. Technology is synonymous with innovation henceforth the need of a board that has technology-oriented minds on it. However, it is not only the technology aspect that is key to innovation but also the job experience that comes with the older guys. Therefore, a board should compromise of both the old and the old to reach potential innovation. For instance, Elon Musk and Mark Zuckerberg are the epitome of highly innovative young people whose technology expertise has brought about successful innovation within businesses.

Consequently, age diversity positively affects potential innovation and benefits the business as younger people bring in newer innovative ideas which are complemented by the experience and expertise of the older people. The research findings found out that both young and old generations are needed in business to attain potential innovation.

Apparently a tug of war on ideas is bound to happen in boardrooms that have a mix of the old and young. A tug of war on ideas is inevitable on age diverse boards due to the differences in priorities and thought process of the old versus the young and this negatively affects potential innovation of companies. In other words it derails growth.

Research question 2

What are the mechanisms through which diversity impacts business performance results?

The researcher found out two themes that best explain the mechanisms through which diversity impacts business performance and these are business growth and unity of purpose.

The researcher noted from the literature that business growth can be attained through nationality diversity and this positively impacts business performance. Having people from different countries in a boardroom is a positive strategy which brings vast experience to propel companies in the right direction, moving forward to attain set goals.

Equally is important is to business growth is gender diversity. Studies have shown that in as much as the promotion of gender diversity is a central mechanism in shaping and promoting business performance. However, how it can work against business cannot be left undone. Gender stereotyping is a reality in business and it negatively affects business performance.

From the findings unity of purpose is another dimension of board diversity that affects the business performance. The researcher alludes that unity of purpose enables diverse teams to thrive as a board diversity initiates divergent views which are then channeled towards creating common ground.

Research Question 3

What policies are designed to promote diversity and what are their potential effects on innovation?

One theme encompasses the policies that can be put in place to promote diversity. It can be noted that heterogeneity and integration-centered policies encourage knowledge sharing for boosting innovation and business performance and have contributed to the introduction of diverse boards.

7.3 Research contributions

This study contributed to knowledge on the subject of board diversity by responding to the existing knowledge gaps:

The findings and contribution that emerged from each question are as follows:

Question 1- How does the variation of age on a board influence the potential for a company's innovation?- For this question there emerged two contradictory perspectives where one half of participants felt that age diversity on board propels a company's innovation whilst anther group felt that age diversity actually hinders a company's innovation. At this juncture a summary of the first finding ensues. The study found that age diversity promotes shared insights and collective intelligence for innovation. This finding is supported by scholars (see Gerhardt et al., 2022) who argue age diverse boards have the benefit of having members who have diverse work experiences, different role functionality and expertise due to the need to balance existing knowledge and skills of the board of directors in order for them to govern effectively. Therefore, age-diverse teams have value because they connect people with complementary abilities, skillsets, information, and networks.

However, participants also revealed that the older generation contribute immensely to boards due to their wealth of experience which should ideally be complemented by the fresh ideas which young people bring. This finding contradicts assertions by other scholars (see Jonson et al. 2020) who state that a homogenous board which is comprised of individuals who predominantly share similar values results in better communication and goal congruence. Instead, this study found that age-diversity creates heterogeneity on a board in terms of generational differences, expertise and ideological perspectives which still produce goal congruence as everyone is playing on the same team which is to see the business growing.

In contrast, the study also found that having diversity amongst board members slows down decision making and progress as it takes longer for the individuals of different characteristics and backgrounds to agree on decisions. This therefore delays or even hinders effective business innovation. However, other scholars (see Liu, 2023) argue that in some instances age diversity can have no impact on organizational performance. In contrast, this study found that the presence of age diversity on a board is not ineffectual but rather that the presence of different ages always causes some form of impact whether positive or negative towards business performance and adoption of business innovation. This study also showed that the board leadership such as the CEO play a key role in fostering teamwork to create an environment where collaboration of ideas occurs amongst the different ages within the board exists. This finding is different from that of other scholars in that it revealed that top leadership such as the

CEO plays a key role in creating an environment for functional age diverse boards towards business innovation whereas other scholars have found that this top leadership actually steer the direction and adoption of business innovation on their own through using their personal interests, experiences and expertise.

Question 2- What are the mechanisms through which diversity impacts business performance results?- The study found that board diversity played a significant role in promoting business growth through for example, the rich experience they bring which can result in competitive advantage. The wide literature on diversity and business performance discusses the importance of educational background diversity and its positive influence on return on investment. Scholars (see Gomez & Bernet, 2019) found that gender and education diversity had a more positive impact on return on investment while foreigner diversity had a negative influence. However, this current study did not find this particularly evident as some participants seldom mentioned educational background diversity as having much weight in business performance.

This study reveals that decision making is an important aspect in board heterogeneity. When there is a set of divergent views on the board they can be channelled into finding the best possible decisions that improve the company's performance. This finding is similar to other scholars (see Fernández-Temprano & Tejerina-Gaite, 2020) who echo the same sentiments where they argue that a demographically diverse board is expected to be proficient in decision-making, supervision, advisory services and monitoring.

Some participants spoke of gender diversity as a legal requirement to fulfil a quota system and noted that in some male dominated sectors women's input would not be fully considered. This can hamper business growth as gender diversity can bring business ideas and solutions to problems stemming from gender diversity amongst consumers, clients and the companies' workforce at large. However, this finding contradicts other scholars (see Zaid et al. (2020) who underscore the importance of gender board diversity in impacting positively an organisation's social performance. More females on the boardroom may enhance a company's performance mainly because they possess female attributes such as empathy, kindness, sympathy and interpersonal sensitivity. These attributes enable women to be more responsive to the needs of different stakeholders.

Participants highlighted that corporates governed by the drive for transformation in representation and inclusion may have a competitive advantage in the market. Furthermore, innovation, financial growth and racial diversity within the board bring more positive outcomes in the business trajectory of a company. This is so because diverse ideas are brought forward when different backgrounds merge together. This can only work when these are coupled with the right business principles. Therefore, this diversity can translate to business growth. Likewise, this finding is similar to that of other scholars (see Mihail et al., 2021) who highlight that a heterogeneous workforce is essential for establishing innovative products, services, and business practices that can make an organisation stand out and give it a competitive advantage in the marketplace.

The study also revealed that understanding the consumer's needs and wants is central to business growth as it is the essence of business. Understanding the consumer base enables the business to find their target market by ascertaining their needs so that services and goods are tailored to meet those needs. As the customer base grows, customer loyalty, customer retention, and recurring revenue will also grow. This finding was supported by scholars (see Hwang & Kim, 2023) who note that diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge.

Another theme that emerged on this research question is unity of purpose. Participants revealed that diversity is a key factor in promoting unity of purpose for business growth. Diverse experiences and ideas in the board room can provide proper business strategies if they are directed into finding common ground as unity of purpose. Unity of purpose is a foundational business principle that encourages goals and visions to be strategically followed in unison. This study also incorporates the social identity theory which suggests that people's understanding of self is based on social categories and group memberships. Social identity refers to one's knowledge that [they] belong to certain social groups together with some emotional and value significance to [them] of this group membership. Belonging to a group in an organisation can create a cohesive and efficient organisation which is good for business performance.

Question 3- What policies are designed to promote diversity and what are their potential effects on innovation?- It is important to note early on that the answers to this research question were largely inconclusive and yielded unclear results as participants could not clearly link their diversity policies to the potential effects of these policies on innovation even after the researcher probed further. The findings speak more to the diversity policies that exist in the different JSE listed companies but less to the potential effect of these policies on innovation. The study found that in a bid to promote inclusivity and representation, South African companies are bound by policies that promote inclusion of formerly disadvantaged groups such as BBBEE policies which are founded on the nation's diversity and inclusion foundation. These diversity policies are a form of affirmative action which correct the wrongs spearheaded by apartheid. However, despite this Constitutional clarity on appreciating diversity, one can argue that businesses need to make decisions that best suit their operational and growth strategies such that they will choose whom to incorporate on their boards based on the interests of their business and not based on emotive issues raised by the Constitution. It was clear that diversity was seen as a positive attribute that brings through diverse solutions and collaboration that is founded on multiple unique ideas.

This diversity is assumed to drive innovation in a corporate setting due to harnessing many different perspectives yet scholars have shown that though there exists theoretical representation of diversity on boards, most of these differences add not much value to the boards as they are largely tokenism. This finding is supported by scholars (see Zajiji et al., 2021) who highlight that South Africa's history of apartheid saw most companies having boards of directors that were largely homogenous and less diverse particularly between 1961-1994 due to policies that advanced segregation. Consequently, post-apartheid the country has experienced significant corporate governance reforms as well as reforms to legislation which have opened up opportunities for board diversity although the study found that this existence of board diversity does not necessarily result in genuine collaboration amongst members.

7.4 Business contribution for management and other stakeholders

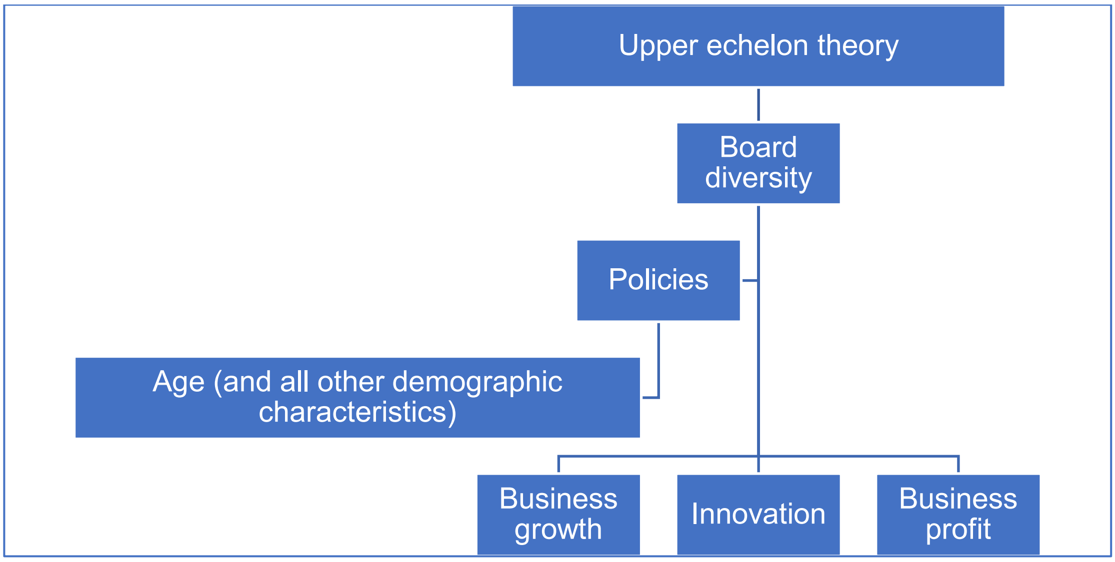
The researcher recommends that the business consider implementing the ideas presented in chapter 5. These ideas are summarized below:

- The business should create an atmosphere and platform conducive for board diversity, that is to blend the young and the old as highlighted by respondents.
- Innovation should be central to the business and board diversity should drive it to ensure execution. Top management should focus on ensuring that innovation becomes the backbone of the business or organization.
- The business should consider innovation as a strategic pillar.
- Business must be willing to re-shuffle and practice board diversity for greater achievements.
- Business must have competent managers who can take the responsibility of implementing change so as to remain competitive on the market.

7.6 Revised conceptual framework

This study's proposed conceptual framework has now been revised based on the study's findings. It now proposes that the Upper echelon theory (Hambrick & Mason, 1984) provides a useful foundation for analysing and understanding the dynamics of diverse boards within corporates. This is followed by a suggestion that board diversity is anchored on policies that either propel or hinder the existence of diverse characteristics within boards. Further, these policies have the potential to encourage or hinder age diversity or any form of diversity within the board. Lastly, this board diversity has a direct impact on business growth, innovation and business profit as it can either propel these or hinder them.

Figure 8: Revised conceptual framework



Source: Author's own

7.7 Suggestions for future research

For future research, the researcher alludes that scholars be investigative on the business innovation nature at the center of organizational strategy and how it can be incorporated into the organization where corporate governance is vital.

More emphasis should be put on the aspect of innovation and heterogeneity as this research fell short of it. It has been mentioned in the previous heading that qualitative research methodology fell short of perfection, it is suggested that the findings of this research be tested using quantitative research methodology.

Future research should also test the applicability of the researcher's proposed revised framework in the study of board diversity.

Future research should also explore the issue of diversity from the perspective of CEOs since this study revealed that they hold the most authority towards making the final decisions regarding the board in general as well as regarding business strategy.

7.8 Limitations of the research

The time frame allocated to this research was short and more time could have allowed the researcher to immerse more in the topic.

Perhaps more time to analyse and discuss the data could have produced even deeper hidden insights which were beyond face value.

Qualitative research methodology which the researcher used can result in the research being subjective when interpreting the research findings.

Some of the participants were known to the researcher as previous colleagues in the industry. This might have resulted in them providing censored or diplomatic answers in fear of judgement.

7.9 Closing remarks

Though contradictory perspectives emerged regarding the benefits of board diversity, on the most part it was evident that if collaboration occurs amongst diverse groups then there exists a high probability of reaping positive benefits for the business all round. This is because diverse members naturally possess different backgrounds and characteristics which can be of benefit in one way of another. Further, diversity comes in different variations, from age, education, gender and nationality. Therefore, it is up to the board leadership to recruit members whose diverse characteristics are likely to work to the benefit of the business since scholars have already reinforced that board diversity is essential in promoting business performance as diverse teams have higher chances to radically innovate and expect changes in consumption patterns and consumer needs which aids their companies to gain a competitive edge. Gaining a competitive edge propels a business' performance as it encourages growth.

Lastly, the research has provided a basic foundation for the lawmakers to put in place policies that empower the majority in corporate South Africa who may be victims of discrimination based on their diverse demographic profile. The research highlighted some sensitive issues such as race and nationality diversity which may help parliamentarians when debating policies.

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APPENDICES

APPENDIX A: Final Page Ethical Clearance sheet

GIBS ETHICAL CLEARANCE APPLICATION FORM 2023/24

G. APPROVALS FOR/OF THIS APPLICATION

When the applicant is a student of GIBS, the applicant must please ensure that the supervisor and co-supervisor (where relevant) has signed the form before submission

STUDENT RESEARCHER/APPLICANT:

29. I affirm that all relevant information has been provided in this form and its attachments and that all statements made are correct.

Student Researcher's Name in capital letters: [redacted]

Date: [redacted]

Supervisor Name in capital letters: [redacted]

Date: [redacted]

Co-supervisor Name in capital letters:

Date: [redacted]

Note: GIBS shall do everything in its power to protect the personal information supplied herein, in accordance to its company privacy policies as well the Protection of Personal Information Act, 2013. Access to all of the above provided personal information is restricted, only employees who need the information to perform a specific job are granted access to this information.

Decision:

Approved

REC comments:

Date: 03 Jul 2023

APPENDIX B: Participant information sheet

Good day sir/madam

My name is XXXXXXXX. I am a Masters student registered for the Degree of Master of Philosophy Corporate Strategy at the Gordon Institute of Business Science, University of Pretoria. As part of the requirements for the degree, I am conducting research on exploring the the impact of board diversity on an organisation's performance trajectory. It is hoped that the information to be obtained may enhance the academic discourse on the field of organisational performance and in a small way contribute to a general understanding of experiences of diverse organisational boards.

I would like to extend an invitation to you to take part in my research. Your participation is entirely voluntary, and you will not be penalized for choosing not to participate. I will set up an interview with you at a time and location that work for you if you are interested in participating. The interviews should last an hour. You have the option to withdraw from the study at any point as well as to decline to answer any questions that make you feel uncomfortable.

The audio of the interview will be recorded with your consent. The only person who will have access to the recordings is my supervisor. The recordings and interview schedules will be kept for two years in the GIBS online platform then deleted permanently afterwards. Your name and personal information will be kept private, including any identifying information in the finished research report.

Please feel free to ask any questions regarding the study. I will answer them to the best of my ability. I may be contacted on xxxxxxxx or xxxxxxxxx (use GIBS email please). Should you wish to receive a summary of the results of the study, an abstract will be made available on request.

Thank you for taking the time to consider participating in the study.

Yours sincerely
XXXXXXXX

Supervisor`s name: …………………………………

Supervisor`s office number: ……………………………

Supervisor`s email:……………………………..

APPENDIX C: Interview informed consent

I am conducting research on the influence of board diversity on an organisation's performance trajectory. Our interview is expected to last 1 hour, and will help us understand the lived experiences of diverse board members from companies in South Africa that are listed on the Johannesburg Stock Exchange (JSE). **Your participation is voluntary and you can withdraw at any time without penalty**. By signing this letter, you are indicating that you have given permission for:

- The interview to be recorded;
- The recording to be transcribed by a third-party transcriber, who will be subject to a standard non-disclosure agreement;
- Verbatim quotations from the interview may be used in the report, provided they are not identified with your name or that of your organisation;
- The data to be used as part of a report that will be publicly available once the examination process has been completed; and
- All data to be reported and stored without identifiers.

If you have any concerns, please contact my supervisor or me. Our details are provided below.

Researcher name: xxxxxx
Email: (use GIBS email please)
Phone: XXXXXXXX

Research supervisor name: ……………………………
Supervisor email:………………………………
Supervisor phone: (office number please not personal- some supervisors actually don't want their phone number displayed and will only want email address displayed so ask your supervisor if necessary)

Signature of participant: ________________________________
Date: ________________
Signature of researcher: ________________________________
Date: ________________

APPENDIX D: Codes

Search

MPHIL Chapter 5 coding

- Documents (16)
- Codes (221)
  - Accountability (4-0)
  - adapt (4-0)
  - adjustment (2-0)
  - age (13-0)
  - Age diversity (79-0)
  - Age Group (8-0)
  - Age perspective (1-0)
  - AI (0-0)
  - Allocation of Capital (1-0)
  - appointment (0-0)
  - assumptions (3-0)
  - Attitudes (3-0)
  - Automation (0-0)
  - Background (21-0)
  - Barrier (1-0)
  - Basic Skill Set (1-0)
  - behaviour (2-0)

- Biases (4-0)
- Boards (98-0)
- broad concept (0-0)
- Budget (1-0)
- Business Performance (42-0)
- Centre of execellence (0-0)
- CEO (1-0)
- CFO (1-0)
- Chairman (22-0)
- challenges (1-0)
- Change (31-0)
- Character (2-0)
- Collaboration (2-0)
- Committee (0-0)
- Communication (0-0)
- Community (0-0)
- Companies that do it well (2-0)
- Company performance (30-0)
- Competence (3-0)
- competency (0-0)

competency (0-0)
complex (0-0)
Compliance (28-0)
Complimentary (0-0)
conservative (0-0)
constructive (0-0)
Contribution (5-0)
conversations (1-0)
Cost (7-0)
Creativity (10-0)
Culture (56-0)
curiosity (2-0)
decisions (3-0)
Definition of Innovation (4-0)
Demographic (0-0)
depth of understading (1-0)
Different Field (1-0)
different lens (5-0)
Different Opinion (6-0)
difficult situations (1-0)

Director (3-0)
Disadvantages (0-0)
Divergent opinion (3-0)
diverse workforce (0-0)
Diversification (1-0)
diversity (111-0)
diversity and inclusion (2-0)
Diversity Policy (0-0)
Driver (0-0)
dynamic (0-0)
Early Adopters (2-0)
Ecosystem (0-0)
Education (4-0)
Emerging technology (1-0)
Emotional Intelligence (1-0)
Empirical (0-0)
Employees (15-0)
Employment Equity (1-0)
Employment Practices (0-0)
Engagement (0-0)

- Enrich (0-0)
- Environment (18-0)
- Equity (0-0)
- Ethics (0-0)
- Evaluation (2-0)
- Executive (2-0)
- executive directors (2-0)
- executive team (0-0)
- Experiance (32-0)
- experimental (0-0)
- Exposure (1-0)
- extremely innovative (2-0)
- failure (2-0)
- female (2-0)
- financial analysis (0-0)
- Flexibility (1-0)
- framework (2-0)
- Future (0-0)
- Gender Diversity (6-0)
- Governance (4-0)

- Governance (4-0)
- grasp new technology (1-0)
- growth (1-0)
- I think you've got to match the environment you're playing, both from (1-0)
- impact (2-0)
- implementation (0-0)
- important role (1-0)
- Incentive (0-0)
- Inclusion (23-0)
- Individuals (1-0)
- Industry (3-0)
- influence (0-0)
- Information (0-0)
- informed decision (0-0)
- Initiatives (3-0)
- Innovation (100-0)
- innovative environment (3-0)
- input (0-0)
- Interconnected (0-0)
- international experience (0-0)
- Intervention (0-0)

- Intervention (0-0)
- Interview (0-0)
- introverted (1-0)
- Investment (0-0)
- JSE (3-0)
- JSE Lisited Companies (3-0)
- JSE Listing Requirements (3-0)
- knowledge (2-0)
- Large Cap (0-0)
- latest developments (1-0)
- Leadership (20-0)
- Leadership Strategy (1-0)
- learning (0-0)
- Limits (0-0)
- Long term (5-0)
- male dominated (0-0)
- Management Team (2-0)
- Mandatory (0-0)
- Market (2-0)
- market expectations (0-0)

- measurement (0-0)
- meduim cap (0-0)
- Merit (1-0)
- millennials (5-0)
- mindset (8-0)
- minority group (1-0)
- Mobile (0-0)
- multicultural (1-0)
- Nationality (3-0)
- new dimension (0-0)
- New Ideas (23-0)
- No Innovation (1-0)
- non executive directors (0-0)
- Objectivity (0-0)
- Old People (3-0)
- Older generation (9-0)
- opportunity (3-0)
- Oversight Mechanism (0-0)
- Performance (4-0)
- Personal Beliefs (3-0)
- personality type (1-0)

- Perspective (3-0)
- Planning (0-0)
- plays an important role (1-0)
- Policies (21-0)
- Positive (0-0)
- Prejudice (5-0)
- pressure (1-0)
- previously disadvantaged backgrounds (0-0)
- principle based (3-0)
- Problem Solving (0-0)
- profit (0-0)
- program (0-0)
- Projects (0-0)
- Promote Divesity (21-0)
- promotion (1-0)
- race (3-0)
- regulatory environment (1-0)
- regulatory requirement (3-0)
- reinvention (1-0)
- Relevance (7-0)
- reluctant to change (1-0)
- representation (0-0)
- resilience (2-0)
- resources (0-0)
- Respect (1-0)
- return on investment (0-0)
- review (0-0)
- Reward (6-0)
- Risk (9-0)
- Scope (0-0)
- seasoned directors (0-0)
- Secondary (0-0)
- sector (1-0)
- Shareholders (6-0)
- Shy (3-0)
- significant Role (0-0)
- Small Cap (0-0)
- stability (1-0)
- strategic direction (2-0)
- Strategy (5-0)

Succession (1-0)
Supportive (0-0)
Sustainability (10-0)
Talent (2-0)
targets (1-0)
team members (0-0)
Technology (2-0)
Think Differently (5-0)
tick box (0-0)
traditional (1-0)
transformation (4-0)
Trends (0-0)
Trust (2-0)
Uniqueness (1-0)
Urgency (0-0)
value destruction (1-0)
Values (6-0)
Voices (9-0)
Voluntary (0-0)
Young People (4-0)

APPENDIX E: SUPERVISOR AGREEMENT

Contract between student and supervisor

MPhil STUDENT/ SUPERVISOR AGREEMENT

This document must be read in conjunction with the following GIBS policy documents:

The GIBS MPhil Student Regulations

The GIBS Masters Research Regulations – i.e. Purple Pages

Any grievances, personal problems or disagreements that may arise between a postgraduate candidate and the supervisor must be referred to the GIBS MPHIL Research Management team,

Name of student:

………………………………………………………………………………………………… Student number:

……………………………………………………………………………………… ……… Student email address:

……………………………………………………………………………………… ……… Name of Supervisor:

……………………………………………………………………………………… ……… Supervisor email address:

……………………………………………………………………………………… ………

Agreement undertaken by THE STUDENT

……………………………………………………………………………………….. (insert name)

accepts and undertakes the following roles and responsibilities:

1. Abiding by the relevant rules and regulations of the Gordon Institute of Business Science.
2. Ensure that all interactions with the Supervisor – either written or in person, remains cordial at all times.

3. Working independently under the guidance of the supervisor and ensuring that she or he stays abreast of the latest developments in the field of study.
4. Agreeing with the supervisor, and abiding by, a time schedule which outlines the expected completion dates of various stages of the research work, i.e. prepare and submit a detailed project plan (See Supervisor section, #5 below).
5. Attending pre-scheduled meetings with the supervisor (via video call and/or in person) and being adequately prepared for these consultation sessions (See Supervisor section, #6

below).

6. Submitting written work at times agreed upon by the student and the supervisor.
7. Taking account of the feedback provided by the supervisor before subsequent submission of written work.
8. Undertaking to submit the proposal and final report within the prescribed time for the completion of the degree and to plan accordingly.
9. Accepting responsibility for the overall coherent structure of the final dissertation or report and, as far as possible, submitting written work that is free of spelling mistakes, grammatical errors and incorrect punctuation.
10. Informing the supervisor of any absence or circumstances that may affect the research progress and timeline.

Agreement undertaken by THE SUPERVISOR

………………………………………………………………………… (insert name)

accepts and undertakes the following roles and responsibilities:

1. Abiding by the relevant rules and regulations of the University.
2. Ensuring that all interactions with the Student – either written or in person, remains cordial at all times.
3. Assisting the student in building knowledge and research skills in the specific area of postgraduate study and relevant to the level of the degree.

4. Ensuring that the proposed research project is feasible, of an appropriate level for the degree under consideration, and that the necessary resources and facilities will be available to enable the student to complete the research timeously.

5. Providing information on the conditions to be met in order to achieve satisfactory progress/performance and assisting with the construction of a

1. written time schedule which outlines the expected completion dates of various stages of the research work.

6. Being accessible to the student by attending meetings in line with a schedule agreed upon in advance by the supervisor and the student and being prepared for the meetings.

7. Implementing an arrangement for student supervision in cases where the supervisor is away from the University e.g. sick leave, sabbatical leave, or leaves the employ of the University, and communicating these arrangements to the student timeously.

8. Accepting submission of written work at intervals agreed on by the student and supervisor, providing constructive comment and criticism within a time frame jointly agreed on at the start of the research, and informing the student, in writing, of any inadequacy relating to progress or work, in relation to the expectations previously agreed on by the student and supervisor. 9. Assisting the student with the production of the dissertation or report, providing guidance on technical aspects of writing including discipline-specific requirements.

9. Meeting all assessment and pre-arranged feedback deadlines.

THE STUDENT AND THE SUPERVISOR:

Confirm that we have read and understood this Memorandum of Agreement and agree to accept its content for the duration of the period of study in respect of the degree as specified below.

Name of student:

…………………………………………………………………………………….……………

Student number:

……………………………………………………………………………………….........

Signed at ………………………………………………………………………………..

on …………………………………………….. (date)

Student's signature:

……………………………………………………………………………………………..…

Name of supervisor:

……………………………………………………………………………………………..…

Supervisor's signature:

……………………………………………………………………………………………..…

Signed at …………………………………………………..

on ……………………………………………….. (date)