

**THE EFFECT OF BOARD OF DIRECTORS AS A STRATEGIC RESOURCE
ON ORGANIZATIONAL PERFORMANCE OF INSURANCE COMPANIES
LISTED AT THE NAIROBI SECURITIES EXCHANGE**

BY

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DECLARATION

This research project is my original work and has not been presented for a degree in any other university.

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DEDICATION

To my beloved parents and brother.

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LIST OF ABBREVIATION AND ACRONYMS

AIBK	Association of Insurance Brokers of Kenya
AKI	Association of Kenya Insurers
CEO	Chief Executive Officer
CGI	Corporate Governance Index
CIC	Cooperative Insurance Company
CMA	Capital Market Authority
EBIT	Earnings Before Interest and Tax
NSE	Nairobi Securities Exchange
RBV	Resource Based View
ROA	Return on Assets
ROE	Return on Equity
SPSS	Statistical Package for Social Sciences

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ABSTRACT

Despite the tight regulatory framework, effective board management continues to weaken in Kenya due to lack of professional management and governance malpractices. This research sought to investigate the effect of board of directors as a strategic resource on organizational performance in insurance companies listed at the NSE. The study adopted a descriptive research design. Information was obtained to meet the underlying purposes and the main objective of the study. The study used primary data and secondary data. Primary data was collected through a self-administered questionnaire which was designed to elicit specific responses for qualitative and quantitative analysis respectively. The questionnaires were distributed to the respondents who were the various secretaries of the board of directors in the five (5) listed insurance companies. The Statistical Package for Social Sciences (SPSS version 20) was utilized in running of descriptive statistics such as frequencies and percentages to present in form of tables and graphs. The study found out that the insurance companies had between 8- 10 members of the board; the board is usually involved with the monitoring of the progress of strategic decisions, determining the criteria of the evaluation and requests additional information from the top management team(TMT), independently assesses and ascertains the progress of the strategic decisions, determines the timing of the evaluation and seeks more details and implementation of the strategic decisions. Key areas in which the board of directors influenced the individual performance of their various organizations included: overall firm's performance, after tax return on total assets, after tax return on total sales, the firms' competitive position, dividends per share and Firms total sales growth. The major ways in which the board of directors influenced performance of the various organizations was through: overall firm's performance, after tax return on total assets, after tax return on total sales, the firms' competitive position, dividends per share and Firms total sales growth. The study recommends that the board of directors should be actively involved with the monitoring of the progress of strategic decisions and determination of the criteria of the evaluation and requests additional information from the top management team (TMT). The various insurance companies should concentrate on improving management of strategic change/ability to improve change management as well the appointment of board members. To give the various organizations a cutting competitive edge all firms should be keen on all the ways in which the various board of directors' influence their performance. Unlisted companies should ensure that they institute an actual board of directors. The board of directors should further be actively involved with the monitoring of the progress of strategic decisions.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

One of the current competitive challenges for organizations concerns the knowledge about the real sources of competitive advantages and how they are created and sustained through time. These sources are associated, in their essence, to the strategic resources that firms possess, such as physical, human, organizational and financial resources among others. Strategic resource refers to resources or assets used by a firm to advance its position towards achieving a competitive advantage (Kiechel, 2010). One of the strategic resources is the board of directors. Board of directors refers to a management team charged with overseeing the activities of an organization (Jensen, 2011). Strategic resources when used appropriately improve organizational performance. Performance refers to an organization's actual output as compared to its goals and objectives (Brealey, Myers & Marcus, 2009). For any organization to succeed in achieving good performance, it must be able to embrace conventional good corporate governance practices. Failure by the board of directors to achieve effectiveness in their oversight role is perceived to bring forth the proliferation of bad corporate culture and eventual organizational failure (Gerard, 2014).

This study will be anchored on the Resource based view theory and stewardship theory. The Resource based view theory state that competitive advantage is created by the manner resources are applied within a firm. The second theoretical underpinning will be the Stewardship theory by Muth and Donaldson (1998) which is based on the perspective of human relations and postulates that generally, managers are encouraged by more than their own shallow economic self-interest and act as efficient stewards of the resource of an organization (Keasey, 2014).

The insurance industry in Kenya faces a number of governance challenges despite the tight regulatory framework that has been put in place. According to Mukanyi (2014) corporate governance continues to deteriorate even though there is a tight regulatory framework. Muriithi (2013) asserts that many companies in Kenya have been characterized with scandals of different levels and magnitudes. The Insurance regulatory authority also identified poor corporate governance as a challenge to achievement of strategic plans.

There are five insurance companies listed on Nairobi Securities Exchange, that is, Jubilee Holdings Limited, Sanlam Insurance Corporation Limited, Liberty Kenya Holdings Limited, Britam Holdings Limited, CIC Insurance Limited (NSE, 2017) that are governed by corporate governance as per the Companies Act, Cap 486, 1948 and the CMA Act 2002. These acts require the board of directors to comprise of executive and non-executive directors and the establishment of board committees to decentralize decision-making processes. The boards of directors act as a device for monitoring the behavior of management and advise them on strategy identification and implementation (Mehran, 2015). The board acts as a preventive measure to mismanagement and misappropriation of company assets. Despite the numerous studies published in the past years, there are significant areas of corporate governance that need to be explored. For example the relevance of the role of board of directors in determining performance of insurance companies that is under tight regulation currently. This study will seek to provide the required knowledge that can be able to fill this gap.

1.1.1 The Concept of Strategic Resource

Competitive advantages in business are built by strategic resources. The financial strength of a company, its knowledge of the enterprise and its workforce are the standard resources of a company that combine to create competitive advantage. Porter (1985) state that firms use strategy that target cost leadership and differentiation to gain competitive advantage. Achieving a competitive advantage depends on a firm's ability to cope with porter five forces better than its rivals. Porters five forces include: threat of new entrants, threat of substitutes, supplier power, buyer power and degree of rivalry (Porter, 1985). The combination of the resources of the company and its capabilities results in competitive advantage (Kiechel, 2010). When these are combined optimally, they either produce a price-based competitive advantage or a differentiation-based advantage.

Optimal use of resources indicates the likelihood of a company operating on its peak. This effectiveness creates a low production cost or differentiation by superior quality, improved availability or greater awareness of the brand. A company with enough revenue to promote new product development and revenue streams has a considerable advantage than one that must fund every project (Rumelt, 2011).

1.1.2 Board of Directors

The board of directors is defined as a collection of technically competent individuals whose role is the firm's internal corporate governance (Heidrick & Struggles, 2015). A board is also system of regulation in a business that supervises management decisions (Jensen, 2011). An efficient supervision of the management decisions by the board of directors enhances the performance of the firm. This needs the board members have management knowledge like finance, accounting, marketing, information systems, legal issues and other areas related to the process of decision

making. This implies that each board members quality will be of significant and considerable contribution to the decisions on management which translates into performance of the firm (Adams & Ferreira, 2014).

Particularly, board directors play significant roles in the corporate governance since they have the skills required, time and attention to the performance of the firm. There is a consideration by Denis and McConnell (2003) that, consolidating managerial power in the board will positively affect the general performance of the firm positively. However, there exists cost of agency related to board of directors. Small shareholders may be considerably affected by abuse of power of the board of directors. Second, stringent control from board of directors to management of the firm will obstruct the performance of the firm.

1.1.3 Organizational Performance

Organizational performance can be measured using either financial performance and or the Kaplan (2001) Key performance indicators model. The financial performance of the firm is a determination of how well the firm utilizes its assets from its primary function and creates revenues over a specific time period. This measure is compared to a similar firm in the same industry. The indication of Brealey, Myers and Marcus (2009) that profitability, liquidity, solvency, financial efficiency and capacity to repay can be a measure of financial performance. Financial performance can also be measured by Return on Assets (ROA) which is expressed by comparing a company's net income by its total assets, and Return on Equity (ROE) that is expressed by net income and shareholder equity (Matolcsy & Wright, 2011).

Kaplan (2001) asserts that accountability is very important in making sure that organizations attain the height of performance that is in line with the strategic objectives of the organization. Most organizations, as indicated by Kaplan,

traditionally measured their performance using their financial performance. Companies, however, have realized the inadequacy of financial measurements by themselves in measuring and managing their performance. Past performances are measured by financial reports but not value creation in the long run. Yacuzzi (2015) also agrees that performance measures have traditionally been financial. Approaches like balanced scorecard and the multiple dimensions of quality were established to deal with efficiency and effectiveness complexity (Enrique, 2005). For purposes of this study both financial and the balance scorecard indicators of performance will be used.

1.1.4 Insurance Industry in Kenya

The Insurance Regulatory Authority (2015) indicates that there are 49 licensed insurance companies in Kenya. Insurance has been around for a long time. Its earliest practice was reported to be marine insurance in Europe. It however, was unknown in Kenya until the 20th century. It was introduced in Kenya by the early European settlers. In 1904, agents were appointed by the London and Lancashire Insurance Company in Nairobi for fire business. Royal Exchange Assurance's branch opened in Kenya in 1922, then the Commercial Union in 1929 (Wachira, 2008). Till late 1970s, insurance industry in Kenya functioned in a stable environment. There were low service demand, standardized products, minimum monitoring by the government and somewhat low competition (Business daily, 2012).

Apart from the 49 Insurance companies, other players in the market comprise of 3668 agents, 141 Insurance brokers, 14 providers of medical insurance, 23 surveyors of insurance, 8 managers of risk, 21 Loss Adjustors and 2 Reinsurance Companies. The two major associations are The Association of Kenya Insurers (AKI) and The

Association of Insurance Brokers of Kenya (AIBK). Insurance Regulatory Authority is the regulating body. With the signing of the East Africa Protocol accord in 2010, the operation territory has expanded and strategic approaches need to be put in place to reach the new markets and increase penetration.

There have been tremendous challenges, however, since the directive was issued by the government in 1978 to incorporate foreign insurance companies in Kenya by 1980 and CAP 487 of the insurance act of the laws of Kenya was introduced. Liberalization of the economy led to birth of several insurance companies in 1980s and many more incorporated in 1990s. This move led to growth of the registered insurance companies number from 15 in 1978 to 39 in 2001 and more than 40 in 2012. This and the collapse of Kenya National Assurance has intensified competition in the industry. The close of medical insurance Mediplus put the industry on the spot in 2005.

1.1.5 Insurance Companies Listed at the Nairobi Securities Exchange

The Nairobi Securities Exchange (NSE) was formerly referred to as Nairobi Stock Exchange. It is the principal stock exchange of Kenya. It began in 1954 as an overseas stock exchange while Kenya was still a British colony with permission of the London Stock Exchange. NSE services the largest economy in Africa, and is championing the development of Africa's financial markets. It offers listing and trading services, licensing services, in addition to market data solutions, ancillary technology services, and more (<https://www.nse.co.ke/>).

NSE has five insurance companies namely British American Investment Company, CIC insurance group, Liberty Kenya Holdings Ltd, Jubilee Holdings Limited, Sanlam Kenya Plc. Each of these companies are required to constitute a board of directors to oversee the operations of a business. The companies have a varied number of board

of directors, Jubilee Holdings Limited has nine (9) members, CIC insurance group has ten (10) members, Sanlam Kenya Plc has nine (9) members, Liberty Kenya Holdings Ltd has eight (8) while British American Investment Company has ten (10) members(<https://www.nse.co.ke/>).

The insurance companies play a vital role in the growth of Kenya's economy by encouraging savings and investment, as well as helping local and international companies' access cost-effective capital. The insurance companies provide a cover on financial loss of a particular event against the premium they collect from the insured. Insurance companies offer life assurance covers to compensate for funeral expenses by replacing lost income for the family and to pay debts. The other type of insurance cover provided is the health insurance to reduce the cost of medical expenses by pooling the risk of illness. Under general insurance, car insurance is utilized by companies to reduce the financial risk associated with the accidents and to reduce the burden of damage that if faced by insured.

1.2 Research Problem

The board has a critical role in company strategy. The board, first, must make sure that the company has a proper strategy for now and the future. Secondly, the board may have to initiate development strategy in the long run and become involved in further development of the strategy (Vaughan, 1997). A responsible and efficient board will need its management to have a unique and resilient corporate strategy, periodically review it for validity, use it as a point of reference for all other decisions of the board and share the risk associated with its adoption with the management.

Regardless of tight governing framework, corporate governance remains weak in Kenya's corporate world and in particular Kenya's insurance industry (Omondi,

2014). Cases of fraud, mismanagement and poor performance are rampant in the sector. Much needs to be done to transform the sector or else the country is likely to see more corporate failures and mismanagement of the people's funds. There have been renewed attention regarding issues of corporate governance in Kenya; nevertheless, appropriate data from experimental studies are still few and far between. This has habitually led to confines in the depth of our understanding of corporate governance subject. The role of the board of directors in preventing fraud and protecting shareholder investment has been put to doubt due to past experiences hence the knowledge gap.

Zheka (2007) examined the impact Corporate Governance on performance in Ukraine through construction of a general index of Corporate Governance. From the study, it was implied that a one point increase in the index results in around 0.4%- 1.9%. Oskar (2012) studied the correlation between corporate governance and a firm's performance and dividend payouts during the financial crisis in Poland. Corporate Governance was measured using the Corporate Governance Index (CGI). Results of the study confirm that there is a positive correlation between corporate governance and performance of an organization. It was also evident that higher corporate governance results in increase in cash dividends.

A study conducted by Ujunwa (2012) between 1991 and 2008 by use of data from 122 quoted firms in Nigeria. The study was able to establish that the CEO duality, board size and gender diversity were positively linked to performance. From the study it was also found that the Board ethnicity, nationality and expertise were negatively linked to performance.

Local studies by in Kenya have also failed to establish the link of the dimensions of corporate governance (board of directors) and their influence on performance. A study conducted by Guze (2012) on the impact of corporate governance on public corporations performance in Kenya established that corporate governance takes up a major part in determining the level of performance. Mureithi (2013), on the other hand, focused on the role of corporate governance on firm performance in Kenya's public service. The findings indicated a negative correlation. Nyambura (2013), for example, focused on the role of the board in the banking service industry and performance, the findings indicated as positive correlation but the results were limited to one financial institution.

Despite the numerous works published in the past years, significant corporate governance areas are still unexplored, for example, the role of board of directors in determining performance of insurance companies that are under tight regulation currently hence the research question; what is the effect of the board of directors as a strategic resource on organizational performance of insurance companies listed at the Nairobi Securities Exchange?

1.3 Research Objective

To determine the effect of board of directors as a strategic resource on organizational performance of insurance companies listed on Nairobi Securities Exchange.

1.4 Value of the Study

This study provides an assessment of the board of directors' influence on organizational performance. This kind of information is likely to be of great importance to managers, shareholders and investors seeking to attain a competitive edge in a fast developing business environment. An understanding of the relevant

aspects of the board of director's role, will inform organizations strategy on board composition, remuneration and role allocation all aimed at enhancing performance.

Policy makers are usually informed by research findings that attempt to explain a phenomenon or address an existing knowledge gap. The study's findings and recommendations will improve efficiency in making of policy decisions backed by actual research findings. The Government of Kenya and other industry policy makers will be able to make informed policy adjustments either in terms of policy changes, structural adjustments or even reviewing its insurance regulatory policies. Kenya's insurance industry investors and other industry players will find the information useful especially in implementing strategies to enhance organizational performance.

The study findings will be of value to researchers and scholars in the future since the information will be a basis for literature review, knowledge gap establishment, and in provision of a guide towards a specific school of thought. A keen observation of all the completed research studies in Kenya reveals that little research work done leading to creation of a gap and hence necessitating the filling of the gap by present and future business researchers and scholars.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Theoretical literature is reviewed in this chapter offering an important analysis of literature. The empirical literature which will include past research work done on this

study will also be shown. The summary of study will be provided which clearly indicate the research gap.

2.2 Theoretical Foundation

In this section, the most significant theories of corporate governance are reviewed. The literature in this section will be reviewed using the two most prominent theories: Resource Based view and the stewardship theory.

2.2.1 Resource Based View

Resource Based View (RBV) is among the various theories of organizational behavior that is in accordance with the human capital view of people in an organization. The suggestion of RBV is that the manner of resource application within the firm creates competitive advantage (Barney, 1991; Mata, Fuerst, & Barney, 1995; Peteraf, 1993; Wernerfert, 1984). This theory is based on two main postulations: resource immobility and resource diversity (Barney, 1991; Mata et al., 1995).

Mata et al. (1995), define these assumptions as: Resource immobility entails resource that are difficult for competitors to obtain since developing, acquiring or using that resource is costly. Resource diversity on the other hand deals with the concept of whether capability or resource owned by a firm is also owned by several other competing firms. In this case, it's difficult for the resource to provide a competitive advantage. These assumptions are used to establish if organizations are able to create competitive advantage that is sustainable.

Firm are able to achieve competitive advantage through creation of precise knowledge, skills and culture that are not easy to copy (Afiouni, 2007; Mata et al., 1995). Stated differently, creating diversity and immobility of resources can create and maintain sustainable competitive advantage. Organizations therefore need to have

adequate organizational processes, social interaction, human capital, management practices and educational opportunity among others in order to create the immobility and diversity (Afiouni, 2007; Barney, 1991; Mata et al., 1995; Schafer, 2004).

2.2.2. Stewardship Theory

The stewardship theory has its foundation in psychology and sociology. Managers here are considered to be individuals that are really trustworthy who will take care of the corporation owners' interest (Donaldson & Davis, 1997). The derivation of stewardship theory is from the representation of a man with somewhat different behavior based on the view that human beings is preponderantly organized and united in their appearance.

The senior executives, according to the stewardship theorists, will not inconvenience shareholders for fear of tarnishing their reputation (Donaldson & Davis, 1997). The key thing here is the senior executive's reputation since their utility decreases if they do not act in the organization's interests. The contention of stewardship theory proponents is that superior corporate performance will be connected to the majority of internal directors as they strive to maximize profits of the shareholder. The basis of this is the perspective that since internal directors understand the business, they can rule better than external directors and can therefore make superior decisions. The underlying principle here is that because managers are essentially trustworthy, there will be no significant agency costs (Donaldson & Davis, 1997).

The agency theory has an exact opposite prediction of this. The stewardship theory proponents view CEO-Chair as positive energy since there is an established company leadership. There is little proof particularly investigating the prediction of the stewardship theory. The study results by Brickley (1997) however provide some support for the CEO-duality advantages. Just like the agency theory, there is mixed

empirical evidence in support of the stewardship theory predictions. The stewardship theory of management needs for managers to choose to act as stewards or agents and the choice of the manager is based on their psychological encouragements and perception of situations.

Empirical studies from previous academic literature have made attempts at establishing corporate governance impact on performance of an organization. A review of literature from related academic studies showed the characteristics applicable to corporate governance like size of the board, presence of female board members, CEO duality, education level of board members, the working experience of the board, autonomous directors, compensation of the board, ownership of the board and board of directors. The above characteristics will be discussed in details.

2.3 The Board Structure and Organizational Performance

Two distinct schools of thoughts exist in relation to a relationship between the board size and the performance of a firm. The first one argues that a board size that is smaller will make more contributions to a firm's success (Lipton & Lorsch, 1996). The second school of thought however, states that a bigger size of the board will enhance the performance of a firm (Pfeffer, 1972).

A large board supports and advises the management of the firm more efficiently due to the complexity of the business environment and the culture of the organization (Klein, 2012). For that reason, a large board size seems preferable for the performance of a firm (Dalton, 2013). The argument of Ghazali (2014) in his study is that there exists a considerable variation in culture of management as compared to global practice. For example, they established that managements in Vietnam did not seem to share the managerial power. This is a reflection of power gap in Vietnamese

companies. The Vietnam culture is significantly different from the beliefs of group work and delegation of management. These authors, hence, concluded that increase in board size reduced delegation.

In empirical studies, female board members are often examined. Female members of the board are a representation of diversification of the board. Additionally, (Smith, 2016) took into account three varied reasons to appreciate the significance of females on board. First, unlike the male members, female members of the board have a better understanding of the market. Therefore, this understanding will improve the board decisions. Female board members will secondly, paint a good picture of the firm in the community's perception of the firm, contributing positively to the performance of the firm. With the appointment of female board members, other members of the board will have an improved understanding of the business environment.

Empirical studies do not have a provision for established view on duality contribution to the performance of a firm but there is an accord between the shareholders, investors and policy makers that a board's chairperson should be different from the CEO. Policymakers in 15 developed nations and the United Kingdom suggested that a chairperson of the board was not to be the same as the CEO as presented by Dahya (2014) in her studies. 84% of European firms separate the board chair and CEO roles (Heidrick & Struggles, 2015). A study by Hewa-Wellalage and Locke (2013) in Sri Lanka, states that the emphasis of the Sri Lankan policy of best practice on corporate governance is power balance within the firm for minimization of the influence of an individual in the process of decision making.

The recommendation provided by these rules is that in case of duality in a firm, there should be a majority number of the directors for balance provision and efficiency and effectiveness in the board's operations. Many businesses have changed their structure from duality to non-duality in recognition of the significance of the separation of chairman and CEO responsibility (Chen, Lin & Yi, 2013). The considerations of the authors was that most businesses with duality model observed power abuse at the company's expense and the chairperson of the board should not be in the company's CEO position unless the shareholders annual general meeting approves of the duality. Additionally, Fama and Jensen (2014) establish that duality would decrease the supervision of the board on the company management. This increases agency cost.

The board's function is the firm's internal corporate governance. The board also is the business's control system (Fama & Jensen, 2014). The performance of the firm will be enhanced by a board of directors supervising decisions on management in an effective way. This requires full equipment of each member with knowledge on management for example, finance, accounting, marketing and information systems, legal issues and other areas related to the process of decision making. The implication of these requirements is that each board member's quality will be of significant input to the management decisions that are translated into the performance of the firm (Adams & Ferreira, 2014).

Board members with higher age average are argued to possess more experience unlike the younger ones. The experience is expected to be of positive contribution to better the firm's performance. The older-age members of the board seem to be more aggressive and dictatorial with decisions. Such characteristics could lead to risky decision making which may destabilize the performance of a firm (Carlson & Karlsson, 2010). Additionally, the older members of the board may face limited

pressure to changing business environment which may obstruct the execution of decisions that are more strategic (Child, 2015). There has been a conflict in the view of the correlation between the level of experience of the board and the performance of the firm, however, a theory on constrained resources takes into account that more experienced board members will positively contribute to performance (Wegge 2008).

The significance of independent directors to the firm's success have been agreed upon by many empirical studies. Elloumi and Gueyié (2011) for example, established that the elevated proportion of autonomous directors in a firm's board exposes them to reduced financial pressure. Additionally, in the case where the environment of a business gets worse, firms that have several autonomous directors have less chance of filing for bankruptcy. The consideration of a representative agency theory is that the aims employed by the management of a firm and the shareholders are different in general. Therefore, shareholders are required to attach their financial benefits to compensations paid to the management of the firm. Compensation is a mechanism by the corporate governance to motivate the management to operate the firm in the shareholder's interest. This connection will be a resolution to the agency issue between management and shareholders and positively contribute to the performance of a firm (Jensen & Meckling, 2006).

The conclusion of Brickley et al., (2012) is that the ownership of the board is a motivation to the members of the board. This motivation will aid members of the board in supervision of management in a more effective way. Chung and Pruitt (2006) took into account that ownership of the board will improve the performance of the firm. A presentation by Bhabra (2003) indicates a non-linear correlation between the ownership of the board and the performance of the firm. Fama and Jensen (1993) in

their study, argue that contribution of the ownership of the board, where an optimal level of ownership of the board positively contributes to the performance of a firm.

2.4 The Board of Directors as a Strategic Resource and Performance

In investigating Board of directors by Shleifer and Vishny (2007) concluded that, to a certain degree, board of directors contributes to the supervisory activities of management of a firm. However, the agency costs in relation to board of directors exist. Small shareholders will first bear grave consequences from the board of directors who may misuse the power to manage a business. Secondly, stern management by the board of directors obstructs the performance of a firm. The management of a firm will be rigid despite the changing business environment. The process of decision making is not an initiative from the management of the firm anymore and this leads to lowered performance of the firm (Burkart et. al.,2011).

Despite the conflicting outlook on how board of directors affects the performance of a firm, many empirical studies have realized this significance. Particularly, board of directors plays a significant function in the corporate governance since they have appropriate skills, time and attention to performance of a firm. Centralizing managerial power in block holding persons will impact the overall performance of a firm positively.

The relationship between board of directors as a strategic human resource and corporate performance is complex, no matter the theoretical perspective or the methods research process perspective. Few studies have been carried out analyzing the board of directors as a strategic human resource and its impact on firm performance in organizations. Burkart et. al. (2011). Interest in finding any possible relationship between board of directors as a strategic human resource and business performance have involved the works of scholars such as Barnett (2014) who argued

that he cannot clearly conclude whether a one-dollar investment in corporate governance returns more or less than one dollar in benefit to the shareholder.

A warning by Margolis and Walsh (2013) regarding these inconsistency and the resulting confusion when they pointed out the need for understanding the conditions under which the effect of a corporation impacts society before looking for any connection between a firms' corporate governance practices and performance. It is virtually not possible to discover a universal return rate for board of directors as strategic human resource hence the need to be on a reliant perception (Barnett, 2014).

In the two studies, the same kind of theoretical model was employed proposed and the findings indicate that corporate governance practices leads responsible management towards different stakeholders; better firm performance, characterized by improved employee satisfaction, reduced absenteeism, powering image, customers and employees loyalty. In both cases, the authors end up stating that board of directors as a strategic human resource that enhances performance of the firm through the effect that these practices have on the organization-stakeholder correlation. Torugsa (2012) discovered that the organizations ability of stakeholder managing, along with the development of a proactive strategy and the knowledge to attain a shared vision, are positively connected with a proactive board of directors.

Margolis and Walsh (2013) however state that caution should be taken in believing these results. Other researchers also agree that this correlation has problems and can lead to bias in results. Teoh, Welch and Wazzan (2014) confirm that there is no correlation between board of directors as a strategic human resource and performance. The other study combination correlates evaluation of the board of directors as a strategic human resource with long term figures that evaluate performance of a firm

through the data for accounting or financial profitability. Pointless to indicate, the results of these studies were contrasting as well. Hatfield (2015) found no correlation between board of directors as a strategic human resource and enhanced business competitiveness; while and Branch (1990) reported a negative one.

Board of directors as a strategic human resource and performance Margolis and Walsh (2012) cite that one hundred twenty-two published studies between 1971 and 2001 empirically examined the relationship between board of directors as a strategic human resource and performance. Rantzien (2013), state that board of directors as a strategic human resource leads to profitability in the long run. There may be indication of superior performance shown by increased profits, sales, market share or attainment of strategic goals.

The argument of McWilliams and Siegel (2014) in their examination of present literature is that there have been varied outcomes of the financial effect of strategies that were doing well on short-term and long-term profitability of the organization. However, several other studies propose that due to engagement of firm in practices of corporate governance, they should practice responsible practices, which will enhance the general profitability of the firm (Berrone, 2012)

In a study by Mcguire, Sundgren and Schneeweis (2013) on reputational and corporate governance practices responsibility index to assess elements of the correlations between board of directors as a strategic human resource and company performance the results showed that the previous performance of a company is a better the general predictor of board of directors as a strategic human resource than following performance. However, Waddock and Graves (2012) stress that board of directors as a strategic human resource and performance are interrelated. According to

them, board of directors as a strategic human resource is positively connected to the performance in future.

Waddock and Graves (2012) advance to demonstrate the relationship between board of directors as a strategic human resource and performance in a study they did on Collins and Porras (1994) presentation of companies built to endure. Companies with clear visions and long-term goals tend to be more successful as shown by Collins and Porras. Waddock and Graves (2000) discovered that such companies cater for the financial goals of shareholders better and also all the stakeholders of the organization.

Despite the disagreement in literature regarding the correlation between board of directors as a strategic human resource development and organizational performance, it is proposed that board of directors as a strategic human resource development has a direct relationship with organizational performance.

2.5 Research Gap

The four most prominent theories in the conventional corporate governance research have been reviewed in this chapter. These theories have some differences but they also have several significant similarities. They greatly assess the correlation between the main internal corporate governance method, the directors' board and performance of the firm. Particularly, all the theories largely pay attention to how structural characteristics of the board affect the performance of the firm. Considering the

contradicting empirical literature on the correlation between structure of the board as a strategic human resource and performance of the firm, focus on the structure of the board has been criticized.

Table 2.1: Summary of Research Gap

Author	Area of study	Findings	Knowledge gap	How the study will fill the gap
Ghazali (2014)	Board structure and firm's performance	There exists a considerable variation in culture of management as compared to global practice, and increase in board size reduced delegation.	The study focused on board structure and not board of directors.	This study will fill the gap by studying the effect of board of directors on performance
Smith (2016)	Board structure and firm's performance	Female board members contribute positively to the performance of the firm.	The study focused on board structure and not board of directors.	This study will fill the gap by studying the effect of board of directors on performance
Torugsa (2012)	Board of directors as a strategic resource and performance	Discovered that the organizations ability of stakeholder managing, along with the development of a proactive strategy and the knowledge to attain a shared vision, are positively connected with a proactive board of directors as a strategic human resource.	The study is based on board of directors and firm performance. However, no similar study has been conducted in Kenya	This study will fill this knowledge gap by focusing the study on insurance firms listed at the NSE

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

In the chapter, the methodological processes to be utilized in collection and analysis of data were presented. This entails the design of research, location of study, study population, procedures for sampling and size of the sample, research instruments, procedures of data collection and analysis.

3.2 Research Design

A research design is an assessment arrangement; structure and procedure aimed at finding research question answers and manage indiscretion Ogula (2005). It is also an activity arrangement adopted by analysts to answer research questions and establish a study system (Kerlinger, 1973). The study adopted a descriptive survey. The purpose of a descriptive survey is to gain information describing a phenomena in existence by asking people about their perceptions, attitude, choice or values (Mugenda & Mugenda, 2003). A descriptive study design is considered the best design for fulfillment of the objectives of the study.

3.3 Target Population

Every item in consideration within any field of questioning consists of population and universe (Kothari, 2004). It is the total number of individuals or things from where a study aims at the generalization of its findings (Cooper and Schindler, 2008). The total population consists of five (5) insurances companies which are listed in appendix II. Due to the small nature of the target population the study was a census study.

3.4 Data Collection

The study used primary data and secondary data. Primary data was collected using questionnaires distributed to the respondents who are the secretaries of the various boards in five (5) listed insurance companies. The questionnaire contained both structured and unstructured questions.

The questionnaire was divided into four sections. Section (A) captured background information of the respondents; section (B) captured information the on board composition; section C captured participation of the board of directors as a strategic resource; section D covered information on organization performance.

3.5 Data Analysis

The definition of data analysis and procedures as per O'Neil & Schutt (2013) is a collection of procedures that show certainties, recognize design, create clarification and test theories. Both quantitative and qualitative advance was utilized in examination of data in accordance with the study. For computation of descriptive statistics, the quantitative data from the questionnaire was coded and fed to the computer.

The statistical Package for Social sciences (SPSS version 20) was utilized in running of descriptive statistics such as frequency and percentages to present in form of tables and graphs. Percentages, means and frequency distribution tables were used to describe the data.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND PRESENTATION

4.1 Introduction

This chapter in it's entirely focuses on data analysis, interpretation and presentation of the findings of the data collected for the study. The study sought to determine effect of board of directors as a strategic resource on organizational performance of insurance companies listed on Nairobi Securities Exchange. As such help give insight and understanding of the relevant aspects of the board of director's role, with the hope of informing organizations strategy on board composition, remuneration and role allocation all aimed at enhancing performance. The target population included 5 insurance companies operating in Kenya. This chapter gives descriptive statistics of the variables under study.

4.2 Presentation of the Findings

The study collected information on various aspects of the insurance companies. They were broadly categorized in background information, board composition, participation of the board of directors as a strategic resource and organization performance. All aspects were analyzed and all the result findings presented.

4.2.1 Response Rate

The target population comprised of only 5 insurance companies operating in Kenya. Due to this small number of the target population it was easy to have most of the population participating. The study recorded a response rate of 100 percent.

Table 4.1 below illustrates the response rate.

Table 4.1 Response Rate

Respondents	Frequency	Percent (%)
Target Population	5	100
Response Rate	5	100

The study targeted 5 insurance companies operating in Kenya. Due to the small nature of the target population the research achieved a 100% on the target. Consequently, drawing conclusions from the study was valid.

4.3 Background Information

One of the most important aspects for any research is to determine the background information. As such the study collected key aspects of information background that included: name of the organization, the organization listing on Nairobi security exchange, working experience of the respondents. The information was analyzed and the findings presented.

4.3.1 Name of Organization

One of the important background information that the study sought to establish was the name of the organization. The results were as presented in the table 4.2 below.

Table 4.2 Name of the institution

Name of Institution	Frequency	Percent (100%)
Britam holdings company	1	20
CIC insurance group ltd	1	20
Jubilee holdings ltd	1	20
Liberty Kenya holding limited	1	20
Sanlam Kenya plc	1	20

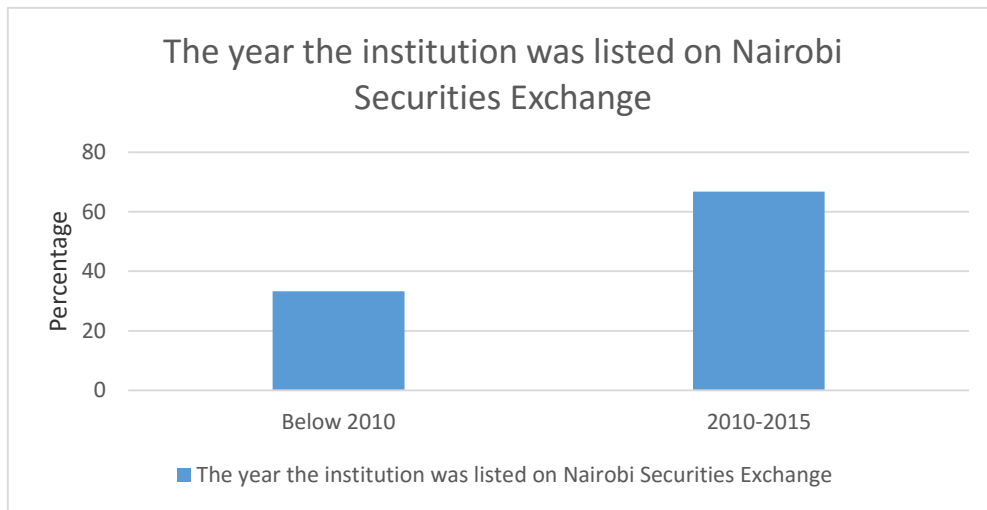
Source: *Research data(2017)*

From the above table each insurance company was represented by one respondent who is the secretary of the board of directors.

4.3.2 Company Listing on Nairobi Security Exchange

In order to find out when the various institutions had been listed in the Nairobi security exchange, the researcher included this as part of the study. The findings are as shown below.

Figure 4.1 Year of Institution listing on Nairobi Securities Exchange



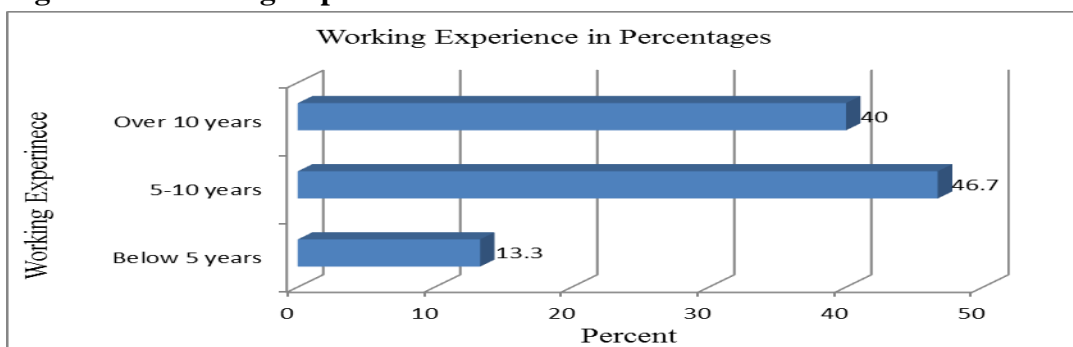
Source: Research data(2017)

A big number of the institutions 66.7% were listed on the Nairobi security exchange at a time period between 2010-2015 and 33.3 % of the institutions were listed between at a time period below the year 2010.

4.3.3 Working Experience

The study also sought to establish how long the individual respondents had worked in their respective institutions. The figure below shows the findings.

Figure 4.2 Working Experience



Source: Research data (2017)

46.7% of the respondents reported to have worked for their organization for a period of time between 5-10 years. 40% of the respondents had a working experience spanning more than 10 years in their organizations while 13.3 % had worked in their institutions for a period below 5 years.

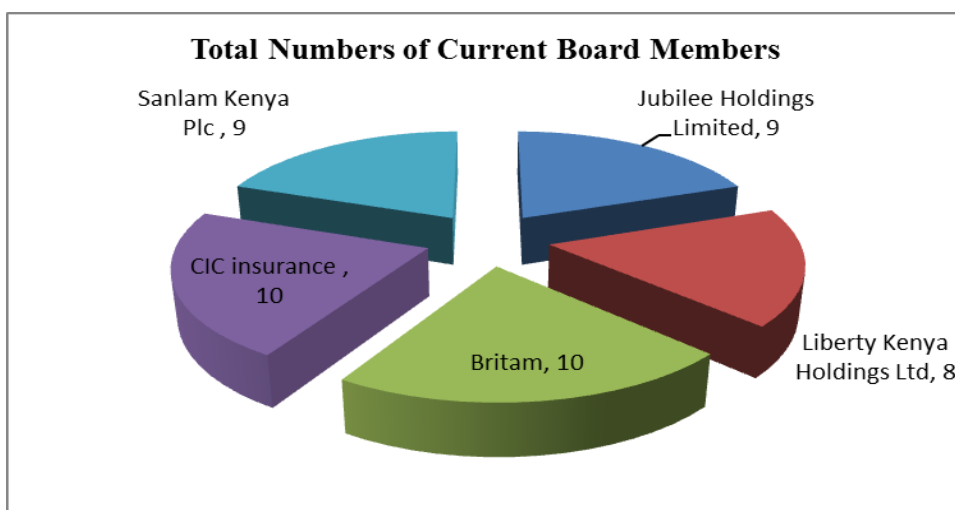
4.4 Board Composition

In this section the study focuses primarily on under covering the various characteristics of the board. To establish the board composition some variables whose information was collected included: the total number of board members, number of executive directors sitting on the board, appointment of the board members and the length of service of the directors.

4.4.1 Total Number of Current Board Members

One of the key aspects that researcher sought to establish in board composition was the total number of current board members. Consequently this information was collected from the respondents. The results are presented in figure 4.3 below.

Figure 4.3 Total Numbers of Current Board Members



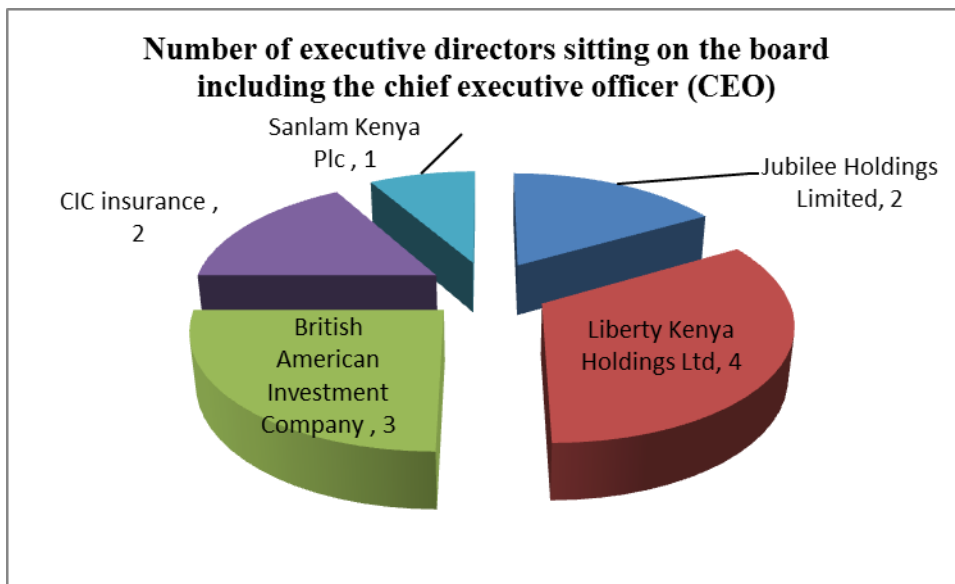
Source: *Research data (2017)*

From the findings, there was a clear indication that the insurance companies had between 8- 10 members of the board. CIC insurance and British American Investment company had 10 members, Jubilee Holdings Limited and Sanlam Kenya Plc had 9 members while Liberty Kenya had 8 members.

4.4.2 Total Number of Executive Directors sitting on the Board the CEO Included

The study also sought to find out the number of executive board members who sit at the board the CEO included. The Figure below shows the findings.

Figure 4.4 Total Number of Executive Directors sitting on the Board Including the CEO



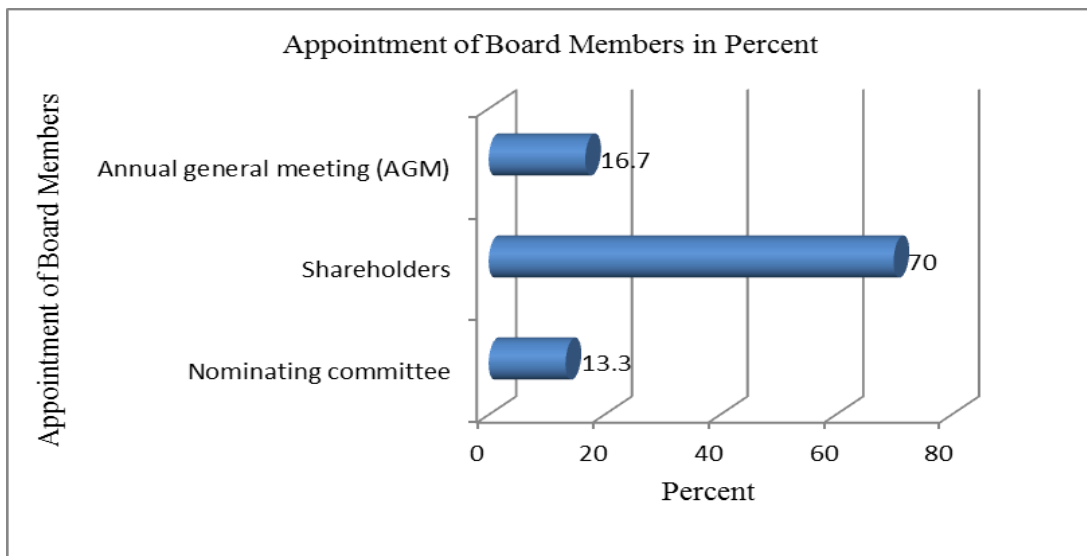
Source: Research data (2017)

Figure 4.4 shows the total number of executive director sitting on the board. The findings reveal that each Liberty Kenya Holdings Ltd, British American Investment Company, CIC Insurance, Jubilee Holdings and Sanlam Kenya Plc had 4, 3, 2, 2, and 1 executive director respectively.

4.4.3 Appointment of the Board Members

It was interesting to find out who appointed the various board members to their respective positions. Figure 4.5 below shows the results.

Figure 4.5 Appointments of Board Members



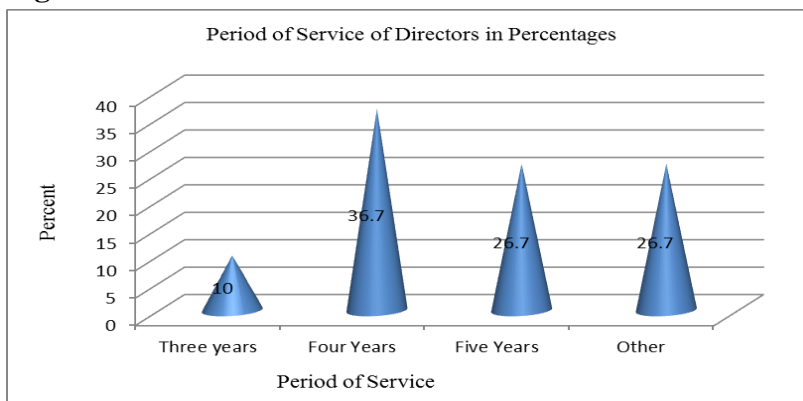
Source: *Research data (2017)*

The largest share of board members in the respective organizations is appointed by the shareholders accounting for 70% of the total respondents. 16.7% of the board members are appointed through an Annual general Meeting (AGM) whereas 13.3 % of the board members are appointed through a nominating committee.

4.4.4 Period of Service of the Directors

The study sought to establish the period of service of the directors in their respective organizations. The findings are presented below.

Figure 4.6 Period of service of Directors



Source: *Research data(2017)*

36.7% of the respondents acknowledged that their directors had a period of service of four years. 26.7% of the directors in these organizations had a period of service of Five years while 10% of the directors had a period of service of three years.

26.7 % of the respondents stated that their directors had other periods of service other than the ones stated on the questionnaire. They however did not divulge into the specifics.

4.4 Participation of the Board of Directors as a Strategic Resource

Under this section the researcher sought to determine the participation of the board of directors as a strategic resource. The issues of concern that the data was collected on broadly was categorized into two broad aspects: extent to which the board of directors participates in the formulation and the evaluation of the company's strategic decision and firm need to improve and enhance Corporate Governance. The data was analyzed and the results were presented.

4.4.1 Extent of Board of Directors involvement in Formulation and Evaluation of Company's Strategic Decision.

In order to gain insight on the extent of board of directors involvement in formulation and evaluation of company's strategic decision the study employed a Likert scale to rate the respondents' feelings. The Likert scale was divided on a 5 point scale, where: 1-No extent, 2-Little extent, 3-Moderate extent, 4-Great extent, 5-Greatest extent. The results are tabulated below.

Table 4.3 Extend of Board of Directors Involvement in Formulation and Evaluation of Company strategic Plan

Statement	N	Mean	Std. Deviation
The board is usually involved with the monitoring of the progress of strategic decisions	30	4.300	0.651
The board usually determines the criteria of the evaluation and requests additional information from the top management team(TMT)	30	4.233	0.679
The board usually independently assesses and ascertains the progress of the strategic decisions	30	4.167	0.592
The board usually determines the timing of the evaluation and seeks more details	30	4.100	0.662
The board is usually involved in the implementation of the strategic decisions	30	3.933	0.640

Source: *Research data(2017)*

The table above shows the various ratings that the respondents gave statements connected with the extent of board of director’s involvement in formulation and evaluation of company strategic plan.

The mean indicate the attitudes of the ratings while the standard deviation measures how far-fetched the statement was from the ratings.

The board involvement in the monitoring of the progress of strategic decisions had the highest mean (4.300) and standard deviation (0.652), followed by the board determination of the criteria of evaluation and requesting additional information from the top management team (TMT) with mean (4.233) and standard deviation (0.679).

The board independent assessment and ascertaining of the progress of the strategic decisions with a mean (4.167) and standard deviation (0.592), The board determination of the timing of the evaluation and seeking of more details with a mean (4.1) and standard deviation of (0.662) and lastly the board involvement in the implementation of the strategic decisions with a mean of (3.933) and standard deviation of (0.640).

4.4.2 Areas of Firm improvement to Enhance Corporate Governance

With the aim of determining the various areas that the firm needed to improve in order to enhance corporate governance the study listed the major areas that were of concern and asked the respondents to tick against them appropriately. The results are tabulated in table 4.6 below.

Table 4.4 Areas to improve to Enhance Corporate Governance

Areas to Improve to enhance Corporate Governance	Frequency	Percent (100%)
Management of strategic change/ability to improve change management	10	33.3
Board composition	6	20
Appointment of board members	7	23.3
Commitment and engagement of individual directors	5	16.7
Willingness to address Board Performance	1	3.3
Skills mix of board members	1	3.3

Source: *Research data(2017)*

A huge number of respondents 33.3 % felt that the key area to improve would be management of strategic change/ability to improve change management. 23.3% cited that appointment of board members was the other major issue that should be improved. 20% of the respondents noted that the board composition enhancement

would improve corporate governance while 16.7% respondents agreed that commitment and engagement of individual directors was a pertinent area of improvement. 3.3 % of respondents each acknowledged that the willingness to address board performance and skills mix of board members were the other areas that needed to be addressed respectively.

4.5 Organization Performance

In this section the researcher sought to find out more about the organization performance of the various organizations in which the respondents worked. As result data on extent of the existence of board of directors affecting performance of the organization was collected. This data was analyzed and findings presented.

4.5.1 Extent of the Existence of Board of Directors Affecting Performance

With the aim of understanding the extent to which the board of directors affected the performance of the organization respondents were asked to rate various statements in relation to this effect. The rating was done on a likert scale. The likert scale was divided on a 5 point scale, where: 1-No extent, 2-Little extent, 3-Moderate extent, 4-Great extent, 5-Greatest extent. The findings included the means which helped establish the extent which each statement was related to the extent of board of directors influence in performance of the organization while standard deviation showed how far from the mean each statement was, with a number close to zero indicating the statement were near the mean and vice versa. The results are as tabulated below.

Table 4.5 Extent of Board of Directors influence in Organizational performance

Statement	N	Mean	Std. Deviation
Overall firm's performance	30	4.000	0.643
After tax return on total assets	30	3.967	0.6687
After-tax return on total sales	30	3.933	0.640
Your firms competitive position	30	3.833	0.747
Dividends per share	30	3.800	0.805
Firms total sales growth	30	3.467	0.681

Source: *Research data(2017)*

The respondents acknowledged that to a great extent that overall firm's performance with a mean of (4) and standard deviation of (0.643), after tax return on total assets with a mean of (3.967) and standard deviation of (0.669), after-tax return on total sales with a mean of (3.933) and standard deviation of (0.640), the firms competitive position with a mean of (3.833)and standard deviation of (0.747), dividends per share with a mean of (3.800) and the standard deviation of (0.805) and firms total sales growth with a mean of (3.467) and a standard deviation of (0.681) were the major factors that influenced the extent of board of directors influence in the organizations performance.

4. 6 Discussion of the Findings

From the results there was a clear indication that to great extent overall firm's performances, after tax return on total assets, after-tax return on total sales, the firms' competitive position, dividends per share and firms total sales growth were the key ways in which the board of directors affected the organization performance.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter gives a summary of the results, conclusions and recommendations. The results are summarized in accordance with the objective of the study which was to determine the effect of board of directors as a strategic resource on organizational performance of insurance companies listed on Nairobi Securities Exchange. The various findings have been discussed in line with the questionnaire aspects which were broadly based on; background information, board composition, participation of the board of directors as a strategic resource and organization performance.

5.2 Summary of the Findings

The following are the findings of the study. The objective of the study was to determine the effect of board of directors as a strategic resource on organizational performance of insurance companies listed on Nairobi Securities Exchange. In order to establish the validity of this effect data was collected through the use of questionnaires from secretaries of the board of directors from the five (5) insurance companies. The target population consisted of 5 insurance companies. The study successfully achieved a 100% target due to the nature of its small size.

From the findings it was revealed that the 5 insurance companies from which the data was collected were: Britam Holdings Company, CIC insurance group ltd, Jubilee holdings ltd, Liberty Kenya holding limited and Sanlam Kenya plc. Their various contributions to the response rate included: 20% from Britam Holdings Company, 20% from CIC Insurance Group Ltd, 20% from Jubilee Holdings Ltd, 20% from Liberty Kenya holding limited and 20% from Sanlam Kenya plc.

The study further revealed that a three quarter proportion of the target population 66.7% of the insurance companies were listed on Nairobi Security Exchange between the years 2010-2015, while 33.3% were listed in a time period earlier than 2010. The study goes on further to reveal that 46.7% of the employees in the insurance organization had worked there for a period of time between 5-10 years while 40% of the employees had a working experience spanning more than 10 years in their organizations. The employees with an experience of below 5 years represented a total of 13.3 % of the entire staff.

There was a clear indication that the insurance companies preferred a large number of people to be sitting on their current board of directors. It was found out that the insurance companies had between 8- 10 members of the board. CIC insurance and British American Investment Company had 10 members, Jubilee Holdings Limited and Sanlam Kenya Plc had 9 members while Liberty Kenya had 8 members.

The study also determined that each Liberty Kenya Holdings Ltd, British American Investment Company, CIC Insurance, Jubilee Holdings and Sanlam Kenya Plc had 4, 3, 2, 2, and 1 executive director respectively.

The study also showed the various ways in which the board of directors participated in the formulation and evaluation of company strategic plan included: the board is usually involved with the monitoring of the progress of strategic decisions, the board usually determines the criteria of the evaluation and requests additional information from the top management team(TMT), the board usually independently assesses and ascertains the progress of the strategic decisions, The board usually determines the timing of the evaluation and seeks more details and The board is usually involved in the implementation of the strategic decisions. Nonetheless various areas were identified as key to improve and enhance corporate governance in different measures.

33.3% identified management of strategic change/ability to improve change management as the major area. This was closely followed by 23.3% who identified appointment of board members as the other area of concern. 20% pointed board composition as a key area while 16.7% indicated that Commitment and engagement of individual directors was also supposed to be given much consideration.

The study also showed the key areas in which the board of directors influenced the individual performance of their various organizations included: overall firm's performance, after tax return on total assets, after tax return on total sales, the firms' competitive position, dividends per share and Firms total sales growth.

5.3 Conclusion

The study found out the major ways in which the board of directors influenced performance of the various organizations was through: overall firm's performance, after tax return on total assets, after tax return on total sales, the firms' competitive position, dividends per share and Firms total sales growth.

Consequently, it would be paramount for all insurance companies to take these factors under careful consideration in the event they want to develop a competitive edge over the other players in the industry. This informant would also serve policy makers in the planning of establishing proper policy for the organization.

5.4 Recommendations

The following recommendations were made based on the summary and conclusions of the study: The study recommends that the board of directors should be actively involved with the monitoring of the progress of strategic decisions and determination of the criteria of the evaluation and requests additional information from the top management team (TMT).

Moreover, the various insurance companies should concentrate on improving management of strategic change/ability to improve change management as well the appointment of board members. To give the various organizations a cutting competitive edge all firms should be keen on all the ways in which the various board of directors' influence their performance.

The study further recommends that the unlisted companies should ensure that they institute an actual board of directors. The board of directors should further be actively involved with the monitoring of the progress of strategic decisions.

5.5 Limitations of the Study

The main factor that was out of the researcher control was time constraint. The time set aside to conduct the study was not sufficient enough to exhaust the scope of the study. Consequently the study was forced to limit the target population to cover only 5 insurance companies.

5.6 Suggestions for Further Research

This study investigated the effect of board of director's as a strategic resource on organizational performance of insurance companies listed at the Nairobi securities exchange, Kenya. It would valuable to also explore the effect of board directors on organization performance in other industrial sector other than insurance. As such a pool of knowledge would conclusively map out the major ways in which the board of director influences a company's performance.

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APPENDICES

Appendix I: Research Questionnaire

This questionnaire is designed to collect data on the effect of the board of directors as a strategic resource on organizational performance of insurance companies listed in Nairobi Securities Exchange. The information will be used strictly for academic purposes and will be treated with utmost confidentiality. Your feedback will assist the researcher come up with useful information on the study.

SECTION A: BACKGROUND INFORMATION

1. Name of your Institution.....
2. When was your company listed in the Nairobi Stock Exchange?
3. How long have you worked with the company.
 - (i) Below 5 Years ()
 - (ii) 5 - 10 Years ()
 - (iii) Over 10 Years ()

SECTION B: BOARD COMPOSITION

4. What is the total number of the current board members ?.....
5. What is the number of Executive Directors sitting on the Board including the Chief Executive Officer (CEO)?.....
6. Who appoints Board Members?
 - a) Nominating Committee () c) Annual General Meeting (AGM) ()
 - b) Shareholders () d) Others Specify ()

7. What is the period of service of directors?

- a) Three years () b) Four years () c) Five years () d) Other (Specify).....

SECTION C: PARTICIPATION OF THE BOARD OF DIRECTORS AS A STRATEGIC RESOURCE

8. Please, indicate the extent to which the board of directors participates in the formulation and the evaluation of your company's strategic decision. 1-No extent, 2-Little extent, 3-Moderate extent, 4-Great extent, 5-Greatest extent.

Tick appropriately (√)

Statement	1	2	3	4	5
The Board is usually involved in the implementation of the strategic decisions					
The Board is usually involved with the monitoring of the progress of strategic decisions					
The Board usually determines the timing of the evaluation and seeks more details					
The Board usually determines the criteria of the evaluation and requests additional information from the top management team(TMT)					
The Board usually independently assesses and ascertains the progress of the strategic decisions					

9. What areas does your firm need to improve to enhance Corporate Governance? Tick the main ones only.

Area	Tick
Management of Strategic Change/Ability to improve change Management	
Board Composition	
Appointment of Board Members	
Commitment and Engagement of Individual Directors	
Willingness to address Board Performance	
Skills mix of Board members	
Gender Parity	
Leadership Structure	
Others, Specify	

SECTION D: ORGANISATION PERFORMANCE

10. Please indicate to what extent the existence of board of directors has affected performance of the organization. 1-No extent, 2-Little extent, 3-Moderate extent, 4-Great extent, 5-Greatest extent. Tick appropriately (√)

Statement	1	2	3	4	5
After-tax return on total assets					
After-tax return on total sales					
Firm's total sales growth					
Dividends per share					
Overall firm performance and success					

11. Please indicate the value of the items listed in the table below.

Item	Value (Shs)
Annual Net Income	
Average Stockholders' Equity	
Return on Equity	
Annual Net Income	
Average Total Assets	
Return on Assets	

Appendix I1: Insurance Companies Listed On Nairobi Securities Exchange

1. Britam Holdings Limited
2. CIC Insurance group Limited
3. Jubilee Holdings Limited
4. Kenya Holdings Liberty limited
5. Sanlam Kenya PLC

Source: *(NSE, 2017)*