Prevalence of porcine cysticercosis and associated risk factors in free range pigs in Homa-Bay district, Kenya

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Abstract:

The effect of corporate governance on firm performance and thus dividends has long been of great interest to financiers, economists, behavioural scientists, legal practitioners and business operators. Yet there is no consensus over what constitutes an effective corporate governance mechanism that induces agents or managers to consistently act in the interest of share value optimization. Corporate governance can influence a firm's performance whenever a conflict of interest arises between management and shareholders and/or between controlling and minority shareholders. In the management-shareholder conflict, the agency problem manifests itself in management's low effort and unproductive investments while the controlling minority shareholder conflict, controlling shareholders use their power to benefit themselves at the expense of the minority shareholders. The study aimed to investigate the relationship between corporate governance and dividend policies on the firms listed in the Nairobi Stock Exchange. An empirical study of the firms listed on NSE was conducted. It was facilitated by the use of secondary data, share ownership structures of the quoted firms and the dividend policies for the years 2004 and 2008 were obtained. The data collected was analyzed using regression and correlation analysis. The findings of the study show that there is a strong positive relationship between corporate governance and dividend payout. Board of directors actually play an important role in the governance of corporations.